



COUNTY OF TULARE

BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT REGULAR RETIREMENT BOARD MEETING Wednesday, August 10, 2022, 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:	Wayne Ross, Cass Cook, Gary Reed, Jim Young, Pete Vander Poel (arrived 8:45 a.m.), Dave Kehler, Nathan Polk, Laura Hernandez, Ty Inman (arrived 8:32 a.m.)
Alternate Trustees Present:	David Vasquez (departed 10:50 a.m.), George Finney, Paul Sampietro
Staff Members Present:	Leanne Malison, Retirement Administrator Mary Warner, Assistant Retirement Administrator Susie Brown, Secretary, Ashlee Compton, Office Assistant
Board Counsel Present:	Aaron Zaheen, Deputy County Counsel Makenzie Duncel, Deputy County Counsel
Consultants Participating Remotely:	Mike Kamell, 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.

None

V. X-AGENDA ITEMS

None

VI. LEGAL REPORT – Closed Session 8:34 a.m. – 8:50 a.m.

1. Closed Session – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)):
Teresa Johnson re: John Stanley v. Michelle Stanley, Tulare County Superior Court Case No. 270380

Mr. Zaheen reported that the Board took action in closed session to direct Tulare County Counsel to defend the referenced case.

VII. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of July 27, 2022.
2. Approve payments to:
 - a. State Street Global Advisors US REIT Index – invoice for investment management services in the amount of \$1,684.28 for the quarter ended June 30, 2022.
 - b. State Street Global Advisors US Extended Market Index – invoice for investment management services in the amount of \$4,585.01 for the quarter ended June 30, 2022.
 - c. State Street Global Advisors S&P 500 Index – invoice for investment management services in the amount of \$6,822.08 for the quarter ended June 30, 2022.
 - d. State Street Global Advisors MSCI Ex US Index – invoice for investment management services in the amount of \$11,756.94 for the quarter ended June 30, 2022.
 - e. William Blair LCG – invoice for investment management services in the amount of \$47,141.61 for the quarter ended June 30, 2022.
 - f. William Blair SMID – invoice for investment management services in the amount of \$51,209.54 for the quarter ended June 30, 2022.
 - g. Boston Partners – invoice for investment management services in the amount of \$74,501.09 for the quarter ended June 30, 2022.
 - h. Ivy Investments (Waddell & Reed) – invoice for investment management services in the amount of \$22,851.72 for the quarter ended June 30, 2022.
 - i. BlackRock Financial Management – invoice for investment management services in the amount of \$26,967.24 for the quarter ended June 30, 2022.
 - j. Leeward Investments – invoice for investment management services in the amount of \$49,996.89 for the quarter ended June 30, 2022.
 - k. BNY Mellon – invoice for master trust custodial services in the amount of \$85,845.25 for the quarter ended June 30, 2022.
3. Pension Board Reports and Actions
 - a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of July 2022.
 - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of July 2022.

Motion to approve the Consent Calendar as presented.

Motion: Young

Second: Polk

Motion passed unanimously.

VIII. ADMINISTRATIVE COMMITTEE REPORT

1. Update by Dave Kehler regarding the Administrative Committee meeting of July 27, 2022.
Discussion and possible action regarding the following items:
 - a. TCERA and TCERA Property, Inc. Financial Statements – May 31, 2022

Mr. Kehler reported that the Committee reviewed the financial statements.

Motion to accept the TCERA and TCERA Property, Inc. Financial Statements – May 31, 2022, as presented.

Motion: Young
Second: Vander Poel
Motion passed unanimously.

b. TCERA 2022 Strategic Planning Session – Consideration of Moderator

Mr. Kehler reported that the Committee considered the possibility of using a moderator for the Strategic Planning Session, in particular a representative from Verus. It was determined that because the agenda items are not related to investments, a moderator from Verus would not be of particular benefit.

Motion to utilize the Retirement Administrator as the moderator for the September 28, 2022 meeting.

Motion: Kehler
Second: Cook
Motion passed unanimously.

c. Brown Armstrong – Engagement Partner Transition

Mr. Kehler reported that TCERA had been notified that the Engagement Partner for TCERA's audit is transitioning to a new role in the firm. The Committee has reviewed the qualifications of the proposed replacement, Neeraj Datta and is satisfied that Mr. Datta is qualified to take over the engagement. In addition, Andy Paulden, a senior partner familiar with TCERA, will be assisting with the engagement.

Motion to approve Neeraj Datta as the engagement partner from Brown Armstrong for TCERA's audit.

Motion: Kehler
Second: Young
Motion approved unanimously.

IX. INVESTMENTS

1. Presentation from PGIM regarding TCERA's allocation to emerging market debt investments.
Discussion and possible action.

Peter Taggart, Cathy Hepworth and Robert Ventura provided a presentation on PGIM emerging market debt investments.

2. Presentation from American Realty Advisors regarding allocation to value add real estate investments.
Discussion and possible action.

Jay Butterfield and Martha Shelley provided a presentation on ARA value add real estate investments.

3. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.

Mr. Reed suggested that the Board should review the emerging market debt allocation in light of the performance. Verus will be asked to provide a review of that portion of TCERA's portfolio.

Mr. Sampietro suggested that it would be helpful to have a summary sheet highlighting information regarding presenting managers. Information could include the type of investment, date of inception of the investment, total dollars invested, and investment as a percentage of the total portfolio. The trustees directed Staff to provide this information for future presentations.

Chair authorized 2 hours of education.

X. NEW BUSINESS

1. Discussion and possible action regarding the January 1, 2022, through June 30, 2022 Board of Retirement Continuing Education Report.

Motion to approve the education report as presented.

Motion: Vander Poel

Second: Kehler

Motion passed unanimously.

XI. EDUCATION ITEMS

1. Discussion and possible action regarding Summary Education Reports as filed:
 - a. Mary Warner – Verus Second Quarter Investment Landscape, July 28, 2022, 1 hour.

Motion to approve the summary education report as filed.

Motion: Kehler

Second: Polk

Motion passed unanimously.

2. Discussion and possible action regarding available educational events.

None.

XII. UPCOMING MEETINGS

1. Investment Committee Meeting August 10, 2022, 10:00 a.m.
2. Board of Retirement Meeting August 24, 2022, 8:30 a.m.
3. Administrative Committee Meeting August 24, 2022, 10:00 a.m.

XIII. TRUSTEE/STAFF COMMENTS

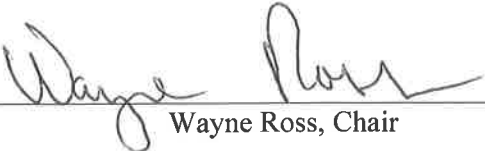
Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

Ms. Malison reported on the election notifications.

Ms. Malison reported on the 2021 GFOA Award of Excellence for TCERA's ACFR.

XIV. ADJOURNMENT

The meeting was adjourned at 11:00 a.m.



Wayne Ross, Chair