



COUNTY OF TULARE
BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT
INVESTMENT COMMITTEE MEETING
Wednesday, June 9, 2021 @ 10:30 a.m.
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 10:45 by Gary Reed, Chair.

II. ROLL CALL

Voting Trustees Present:	Gary Reed, Chair; Cass Cook, Nathan Polk, Pete Vander Poel
Alternate Trustees Present:	David Vasquez (arrived 10:58 a.m.)
Staff Members Present:	Leanne Malison, Retirement Administrator Mary Warner, Assistant Retirement Administrator
Consultants Participating Remotely:	Mike Kamell, Verus

III. PUBLIC COMMENT

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

Mr. Kamell informed the Committee that Verus has been successful in negotiating fee reductions with PGIM and Franklin Templeton. When the formal responses from the Investment Managers are received the matter will be placed on the Committee agenda for discussion and possible action.

IV. AGENDA ITEMS

1. Discussion and possible action regarding the following items:
 - a. Approve Investment Committee Minutes from April 14, 2021.

Motion to approve the minutes as presented.

Motion: Vander Poel
Second: Polk
Motion passed unanimously.

b. Asset Allocation Status

Ms. Malison noted for the Committee that the rebalancing between the domestic and international equity portfolios is complete. The rebalancing pursuant to the Board's direction to adjust the active/passive domestic equity allocations to a 50/50 split is pending.

c. 2021 Investment Committee Goals and Objectives Timeline and 2021 Education Calendar

Ms. Malison indicated that the timeline and calendar have been updated with recent action items and directions from the Board of Retirement.

d. Investment Guideline Review

Mr. Kamell reviewed the information provided in the memorandum from Verus summarizing the requests from investment managers for changes to guidelines. This was prepared in response to direction from the Board of Retirement. Verus recommends some changes to the Ivy guidelines as outlined in the memorandum.

Motion to direct Verus to obtain proposed amended guidelines from Ivy Investments for formal review by the Committee.

Motion: Vander Poel
Second: Polk
Motion passed unanimously.

Mr. Kamell also indicated that BlackRock has provided proposed guideline changes as previously discussed by the Board. The redline version was provided for review.

Motion to recommend that the Board of Retirement approve the updated BlackRock guidelines as presented.

Motion: Vander Poel
Second: Polk
Motion passed unanimously.

e. China Exposure – Portfolio Review

Mr. Kamell reviewed the information in the presentation materials prepared by Verus. The comprehensive report provided TCERA's an accounting of investment exposure to Chinese investments as well as an analysis of the current market conditions and risks that TCERA's managers consider when investing in emerging markets.

The Committee suggested that an educational session for the full Board on this topic might be of interest in the future.

f. Investment Managers

1) Verus Flash Report – All Managers

Mr. Kamell reviewed the April 30th report, summarizing the positive performance experienced by the fund. May numbers are not yet available and difficult to predict as the market was more volatile in the month.

2) Managers of Interest

a) Franklin Templeton – Manager Review – No action.

- b) Sixth Street – Dyal Capital Partners – Mr. Kamell reported that there will be no further action or updates on this item and recommended removal from future agendas. The Committee directed Staff to remove the item.
- c) PGIM – Organizational Update – Information only - no action required.

g. Agenda Items for Investment Consultant Due Diligence Visits.

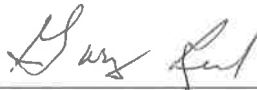
Mr. Kamell exited the meeting for this discussion. Ms. Malison reviewed the draft agenda she prepared for the Committee’s consideration. The Committee concurred that the agenda items reflect the information that should be discussed during the visits. The Committee requested that the items that are scheduled for 60 minutes be reduced to 45 minute segments. Staff will make the recommended updates and send the agenda to the investment consultants.

V. UPCOMING MEETING

- 1. July 14, 2021, 10:30 a.m.

VI. ADJOURN

The meeting was adjourned at 11:15 a.m.



Gary Reed, Chair