



COUNTY OF TULARE
BOARD OF RETIREMENT

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MINUTES OF THE BOARD OF RETIREMENT
INVESTMENT COMMITTEE MEETING
Wednesday, March 10, 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 10:30 a.m. by Gary Reed, Chair.

II. ROLL CALL

Voting Trustees Present: Gary Reed, Chair; Cass Cook, Nathan Polk, Pete Vander Poel
Staff Members Present: Leanne Malison, Retirement Administrator
Staff Members Participating Remotely: Mary Warner, Assistant Retirement Administrator
Consultants Participating Remotely: Scott Whalen and 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.

None

IV. AGENDA ITEMS

1. Discussion and possible action regarding the following items:
 - a. Approve Investment Committee Minutes from February 10, 2021.

Motion to approve the minutes as presented.

Motion: Vander Poel

Second: Polk

Motion passed unanimously.

- b. Asset Allocation Status

The Committee reviewed the report noting that rebalancing activity is in process.

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

The Committee reviewed the reports and provided guidance to Scott Whalen regarding the upcoming Investment Refresher Course and the Active/Passive discussion.

d. Asset/Liability Study

After discussion, the Committee directed Scott Whalen to include the following topics in the upcoming asset/liability study:

- Return expectations compared to TCERA's investment return assumption of 7%
- Risk/return considerations in asset allocation construction
- Appropriate level of risk for TCERA's portfolio
- Liquidity study to help assess potential to add private market investments

e. Rules-Based Investment Manager Scorecard

Mr. Whalen reviewed the sample and the pros and cons of including a similar analysis in TCERA's reports. The Committee is recommending that this type of information be included annually in the Investment Performance Report prepared for each fiscal year end. Mr. Whalen will develop a customized version of the analysis for TCERA.

f. Investment Managers

1) Verus Flash Report – All Managers

Mr. Whalen reviewed the report with the Committee.

2) Managers of Interest

- a) Franklin Templeton – Manager Review – Mr. Whalen noted that there is some improvement in performance for the one month data. It is too soon to tell if this trend will continue.
- b) Sixth Street – Partnership with Dyal Capital Partners – Mr. Whalen reviewed the concerns regarding the partnership. Sixth Street will remain a manager of interest on the Committee agenda to allow for discussion of future developments or effects on portfolio management.
- c) Boston Partners – Personnel Changes – no action required.

g. Investment Consultant RFP Responses

The Committee discussed the summary and proposals provided.

Motion to identify the following firms as finalists:

- AndCo
- Meketa
- NEPC
- Verus

Motion: Vander Poel

Second: Polk

Motion passed unanimously.

The tentative date for finalist presentations to the Board of Retirement is April 28, 2021. Due to the critical nature of the investment consultant relationship, the Committee recommends that finalists be required to make their presentations to the Board in person.

The Committee directed Staff to place an item on the next agenda for discussion and development of standard questions to be posed to each firm during the finalist presentations.

V. UPCOMING MEETING

1. April 14, 2021, 10:30 a.m.

VI. ADJOURN

The meeting was adjourned at 11:14 a.m.



Gary Reed, Chair