



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

**Leanne Malison**  
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**MINUTES OF THE BOARD OF RETIREMENT**  
INVESTMENT COMMITTEE MEETING  
**Wednesday, March 11, 2020 @ 2:00 p.m.**  
TCERA Executive Room, 136 N. Akers Street, Visalia, CA 93291

**I. CALL TO ORDER**

The meeting was called to order at 2:00 p.m.

**II. ROLL CALL**

Present: Dave Kehler, Chair; Gary Reed, Wayne Ross  
George Finney, Alternate  
Leanne Malison, Mary Warner, Scott Whalen (via conference call)

**III. PUBLIC COMMENT**

None

**IV. AGENDA ITEMS**

1. Discussion and possible action regarding the following items:
  - a. Approve Investment Committee Minutes from January 15, 2020.  
No Committee members in attendance at the January 15, 2020 meeting were present to confirm the accuracy of the minutes. The Committee identified the minutes approved as presented subject to Board of Retirement approval.
  - b. Asset Allocation Status  
The Committee reviewed the asset allocation status report.
  - c. 2020 Investment Committee Goals and Objectives Timeline and 2020 Education Calendar  
Ms. Malison noted that the timeline has been updated to reflect the upcoming strategic asset allocation review, small cap value equity manager review and private markets review. The due diligence on site visits for the real estate debt manager will occur this week with some modifications to limit travel. She also informed the Committee that the presentation from MacKay Shields was rescheduled. The presentation will be made at the September 9, 2020 meeting.
  - d. Update to BlackRock Financial Management, Inc. Guidelines  
The Committee reviewed the proposed updates to the guidelines. Mr. Whalen confirmed that Verus has no concern regarding the proposed changes. The Committee discussed possible conflict of interest issues with allowing investment in municipal bonds given Tulare County's current Pension Obligation Bonds. The Committee concurred that any investment in such bonds would be an arms-length transaction and would not represent a conflict of interest because the investment would be made on behalf of all investors with the manager without influence from TCERA.

Motion to recommend approval of the updated Investment Management Guidelines for BlackRock Financial Management, Inc.

Motion: Reed  
Second: Ross  
Motion approved unanimously.

e. Vendor/Investment Firm Referral Reports – Small Cap Value Domestic Equity

Ms. Malison briefly reviewed the policy regarding trustee requests for specific managers to be included in search materials prepared by TCERA's investment consultant for consideration by the Board. Any such requests must be approved in advance by the Investment Committee. The Committee reviewed the requests submitted and confirmed that the named managers are appropriate for inclusion in the small cap value domestic equity materials to be provided to the Board at its May 27, 2020 meeting.

Motion to approve Aristotle Capital Boston, LLC and Barrow, Hanley, Mewhinney & Strauss, LLC for inclusion in the small cap value domestic equity presentation materials to be prepared by Verus.

Motion: Ross  
Second: Reed  
Motion approved unanimously.

f. Investment Managers

1) Verus Flash Report – All Managers

The Committee reviewed the January 31, 2020 flash report, noting that the recent market volatility has significantly impacted TCERA's investments since that date. Aside from the deep market correction, no issues with individual managers were noted.

2) Managers of Interest

a) Franklin Templeton Acquisition of Legg Mason

The Committee reviewed the information regarding the acquisition. The Committee expressed no concern regarding the change. No action was required.

b) TPG/TSSP Organizational Changes

The Committee discussed the changes that are likely to be finalized in the next few weeks. TSSP will be an independent organization with future reporting under the name of Sixth Street Partners. Mr. Whalen confirmed that Verus is comfortable with the change, noting that TSSP has always functioned as an independent affiliate of TPG with some shared administrative resources. No action was required.

## V. UPCOMING MEETING

1. Wednesday, April 8, 2020 at 2:00 p.m.

In order to better accommodate the schedules of the Committee members, the time for future Investment Committee meetings will be changed to 11:30 a.m. The dates remain the same.

## VI. ADJOURN

The meeting was adjourned at 2:33 p.m.

  
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Dave Kehler, Chair