



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 INVESTMENT COMMITTEE MEETING Wednesday, March 9, 2022 @ 10:00 a.m. TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 10:56 a.m. by Gary Reed, Acting Chair

II. ROLL CALL

Voting Trustees Present:	Gary Reed, Acting Chair; Jim Young, Ty Inman
Staff Members Present:	Leanne Malison, Retirement Administrator Mary Warner, Assistant Retirement Administrator Susie Brown, Secretary I
Consultants Participating Remotely:	Scott Whalen, Verus and Warren Spencer, 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 January 12, 2022.

Motion to approve minutes as presented.

Motion: Young
Second: Inman
Motion passed unanimously.
 - b. Asset Allocation Status

Ms. Malison noted for the Committee that the report has been updated for recent activity. A transfer from the SSGA REIT index is in process to fund a capital call from American Realty Advisors. Withdrawals from fixed income managers are expected to cover upcoming cash needs.

c. 2022 Investment Committee Goals and Objectives Timeline and 2022 Education Calendar

The Committee reviewed the reports. It was noted that the ESG education requested at the March 9th Board of Retirement meeting will be added to the calendar when a date is confirmed.

d. Private Markets Documentation – Legal Review Under Verus Discretionary Mandate

Ms. Malison provided background information regarding information provided by Nossaman. The article provided, authored by Nossaman, was offered to ensure that the Board of Retirement is fully informed when determining the extent of the legal review of investment documents under the discretionary mandate with Verus.

Mr. Whalen and Mr. Spencer discussed the document review process in place at Verus and what the plan can expect when individual investments are evaluated. Mr. Whalen and Mr. Spencer confirmed that internal counsel for Verus does not legally represent TCERA. However, as fiduciaries Verus must act in the interests of TCERA when entering into an investment contract.

Motion to recommend that TCERA rely on the document review conducted by Verus' legal counsel for investments under the discretionary mandate. Verus will contact the Retirement Administrator to discuss any unusual issues with a contract. The Retirement Administrator will determine if a full legal review is necessary.

Motion: Young

Second: Inman

Motion passed unanimously.

e. Verus TCERA Compliance Evaluation Report

1) Replacement for BNY Mellon Compliance Service

Ms. Malison informed that Board that, under the most recent contract, Verus is to monitor manager guideline compliance. The report presented is the first report provided to the Board of Retirement to meet that requirement. Ms. Malison noted that TCERA currently pays BNY Mellon \$20,000 per year for its compliance monitoring service.

Mr. Whalen reviewed the process used to prepare the report and noted the differences between the Verus report and the BNY Mellon report.

Ms. Malison reported that TCERA has used the BNY Mellon service since 2015. Aside from one compliance issue with a manager that ultimately resulted in a change to the guidelines and a second issue with interpretation of a guideline, there have been no findings from this reporting.

Motion to recommend acceptance of the reporting methodology provided by Verus and terminate the BNY Mellon compliance monitoring service.

Motion: Inman

Second: Young

Motion passed unanimously.

f. Investment Managers

1) Verus Flash Report – All Managers

The Committee reviewed the report, noting that the markets have been volatile due to the Russia/Ukraine situation.

2) Managers of Interest

a) State Street Global Advisors – Personnel Changes – No action.

V. UPCOMING MEETING

1. April 13, 2022, 10:00 a.m.

VI. ADJOURN

The meeting was adjourned at 11:56 a.m.



Gary Reed, Acting Chair