



COUNTY OF TULARE  
**BOARD OF RETIREMENT**

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**MINUTES OF THE BOARD OF RETIREMENT**  
INVESTMENT COMMITTEE MEETING  
**Wednesday, October 13, 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 10:44 a.m. by Gary Reed, Chair.

**II. ROLL CALL**

Voting Trustees Present: Gary Reed, Chair; Cass Cook, Nathan Polk, Pete Vander Poel  
Alternate Trustees Present: Paul Sampietro  
Staff Present: Leanne Malison, Retirement Administrator  
Mary Warner, Assistant Retirement Administrator  
Susie Brown, Secretary I

**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 September 8, 2021.

Motion to approve minutes as presented.

Motion: Vander Poel  
Second: Polk  
Motion passed unanimously.

- b. Asset Allocation Status

The Asset Allocation Status report was not available at the time of the meeting. The report will be provided in the October 27<sup>th</sup> Board of Retirement agenda materials.

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

Ms. Malison noted the updates to the timeline including a section to track the implementation of the new strategic asset allocation.

d. Investment of funds pending capital calls and manager selection – Consideration of State Street REIT Index Fund (new) and State Street SMID Index Fund (existing)

Mr. Whalen reviewed the information regarding the index funds to be considered.

Motion to recommend using the State Street (SSGA) REIT Index Fund and the State Street (SSGA) SMID Index Fund for funds pending capital calls for private equity and real estate investments, including authorizing Staff to execute the documents necessary to establish the SSGA REIT Index Fund account.

Motion: Vander Poel

Second: Cook

Motion passed unanimously.

e. Infrastructure investment manager candidates.

Mr. Whalen reviewed the materials presented. The Committee discussed the qualifications of the firms.

Motion to recommend inviting IFM to make a presentation to the Board regarding the firm's Global Infrastructure Fund.

Motion: Vander Poel

Second: Cook

Motion passed unanimously.

f. Private Equity investment structure.

Mr. Whalen reviewed the options for private equity structure with the Committee. Mr. Whalen disclosed a conflict of interest with a recommendation for direct funds investing because Verus offers consulting services for this type of investment. The Committee discussed the options including fee and staffing implications.

Motion to recommend that TCERA use direct fund investing with the use of a consultant.

Motion: Vander Poel

Second: Cook

Motion passed unanimously.

g. Private Equity and Real Estate investment implementation – consultant or fund search.

Mr. Whalen again disclosed a conflict of interest and left the meeting for the duration of the discussion and action. Ms. Malison noted that there are two decisions that need to be made in order to implement the recommendation from the prior agenda item regarding the investment structure for private equity investments.

1. Discretionary vs. Non-Discretionary Mandate – Ms. Malison reviewed the advantages and disadvantages of the two consulting approaches. The Committee discussed the impact of each on

Board and Staff resources. The Committee also considered the complexity of the investments and the expertise necessary to select these investments.

Motion to recommend that TCERA hire a consultant under a discretionary mandate.

Motion: Polk

Second: Cook

Motion passed unanimously.

2. Consultant Selection Process – Ms. Malison reviewed various options for selecting the consultant. The Committee discussed the options.

Motion to recommend inviting Verus to make a presentation to the Board of Retirement regarding discretionary private markets consulting services.

Motion: Vander Poel

Second: Polk

Motion passed unanimously.

h. Large Cap Growth Equity Manager Review

Mr. Whalen reviewed the information in the presentation materials regarding Sands Capital, William Blair, T. Rowe Price, and Ivy. The Committee discussed the details for each manager noting their similarities and differences.

Motion to recommend inviting Sands Capital and William Blair to make presentations to the Board of Retirement.

Motion: Vander Poel

Second: Cook

Motion passed unanimously.

i. Vendor/Investment Firm Referral Report submitted by Dave Kehler – WP Global Partners

Mr. Whalen reported that individual fund recommendations are not applicable to TCERA's current private equity structure nor the structures under consideration. The Committee took no action at this time.

j. Delegation of decision-making authority to the Investment Committee

The Committee reviewed a number of possible investment-related activities that could be considered for delegation to the Committee. The Committee also discussed the policy that the Board has regarding rotation of members on committees and the impact that the policy could have if the Board chooses to delegate additional authority to the Investment Committee.

Motion to recommend that the Board review the Board Committee Policy and consider granting authority to the Investment Committee for decisions and actions regarding the following:

- Select finalists for investment manager searches.
- Initiate due diligence visits for finalists.
- Approve opportunistic investments.
- Approve investment contract amendments (e.g. fee schedules investment guidelines).
- Approve changes to investment manager benchmarks.

- Approve Lead Plaintiff Status for securities litigation.
- Approve rebalancing decisions that fall outside of the Retirement Administrator's authority.

Motion: Cook  
Second: Vander Poel  
Motion passed unanimously.

k. Investment Managers

1) Verus Flash Report – All Managers

The August 31, 2021 report will be provided in the October 27, 2021 Board of Retirement agenda materials.

2) Managers of Interest

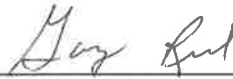
- a) Franklin Templeton – Manager Review – No action.
- b) DoubleLine – Notice of Fee Reduction – No action.
- c) PGIM – Organizational Update – No action.
- d) QMA – Organizational Update – No action.

**V. UPCOMING MEETING**

1. November 3, 2021, 10:30 a.m.

**VI. ADJOURN**

The meeting was adjourned at 12:05 p.m.



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Gary Reed, Chair