



Date: October 2, 2019
To: Members of the Operations Committee
From: Dale Amaral, Vice-Chair
Subject: Summary of the October 2, 2019, Operations Committee Meeting

Operations Committee Vice-Chair Dale Amaral called the October 2, 2019, Operations Committee Meeting to order at 9:34 a.m. Committee members present were Dale Amaral, Vice-Chair; Tarrell Gamble; and Jaime Godfrey. Other Board members present were Keith Carson; Elizabeth Rogers; George Wood and Alternate Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Foster, Assistant Chief Executive Officer; Kathy Mount, Chief Counsel; Sandra Duenas, Benefits Manager; Jessica Huffman, Benefits Manager; Betty Tse, Chief Investment Officer; Victoria Arruda, Human Resource Officer; and Vijay Jagar, Chief Technology Officer.

ACTION ITEMS

None

INFORMATION ITEMS

1. Operating Expenses as of August 31, 2019

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. As of August 31, 2019, actual expenses were \$974K under budget. Budget overage noted was Professional Fees (\$34K over budget). Budget surpluses noted were Staffing (\$469K under budget) with 9 unfilled positions, Staff Development (\$131K under budget), Office Expense (\$34K under budget), Insurance (\$71K under budget), Member Services (\$109K under budget), Systems (\$90K under budget), Depreciation (\$5K under budget), and Board of Retirement (\$99K under budget).

2. Statement of Reserves

Staff reported the Statement of Reserves for the six months ending June 30, 2019. For the six-month period ending June 30, 2019, approximately \$216.1 million of total interest was credited to all the valuation reserve accounts, including the 401(h) account, and the SRBR at rate of 2.6474%.

3. 2019 Board of Retirement Elections

Staff provided an update regarding the 2019 Board of Retirement election. The nomination period ended September 9, 2019. There were three certifications for the Third seat, and two certifications for the Seventh seat. The Eight seat incumbent and Alternate Eighth seat incumbent representing Retirees are both unopposed.

The drawing to determine lots was held on September 11, 2019, and the names and designations will appear on the ballots in the following order:

Third Member to represent the General Members

1. Rhian Pierce-Jones, Advanced Certified Appraiser
2. George Wood, Incumbent
3. Vishal Thacker, Chief Investment Officer, TTC

Seventh Member to represent Safety Members

1. Dale Amaral, Incumbent
2. Darryl Walker, Incumbent Alternate

The public review period was held for ten calendar days ending on September 20, 2019. The ballots will be mailed on November 14, and the election period is between November 14 and December 18. The end of the election and deadline for ballots to be returned to the Registrar of Voters office is December 18 at 5:00 p.m. Election results will be announced on December 19 at the Board Meeting.

There was discussion regarding the CEO's involvement in the distribution of nomination packets. Legal staff notified the committee that the Board Elections Policy will be reviewed at the next Governance Committee Meeting.

4. Policy Discussion for Prepayment of Contributions

Staff introduced the Prefunding of Retirement Contributions Policy to address the situation of an employer wishing to pre-pay contributions for up to a year in advance.

Staff will be presenting the Policy at the October 24, 2019 Participating Employers Meeting for feedback, before bringing the policy back to the Operations Committee for approval.

TRUSTEE/PUBLIC INPUT

None

RECOMMENDATIONS

None

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for December 4, 2019, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:16 a.m.