



# CITY OF FRESNO RETIREMENT SYSTEMS REGULAR JOINT MEETING OF THE RETIREMENT BOARDS

## AGENDA

Tuesday, May 23, 2017

1:00 PM

Retirement Office, 2828 Fresno St., 2nd Fl., Board Chamber, Room 202, Fresno, CA 93721

### EMPLOYEES RETIREMENT BOARD

Phillip Hardcastle-Chair, TJ Miller-Vice Chair, Marvell French, David Cain, Jane Sumpter

### FIRE AND POLICE RETIREMENT BOARD

Michael Reid-Vice-Chair, David Newton, Jonathan Lusk, Theodore Semonious

(1) If you want to speak to the Board, please complete a [Request to Speak](#) form and hand it to the Board Secretary at the beginning of the Board Meeting. (2) The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, signers, assistive listening devices, or translators should be made one week prior to the meeting. Please call the Retirement Board Secretary at 559-621-7085 to make arrangements. (3) When considering disability retirement applications, the Board may find it necessary to discuss matters relating to the evaluation of the work performance of an employee who has applied for disability retirement, or discuss complaints or charges made against such employee. If this occurs, the Board may adjourn to a closed session to discuss such matters pursuant to Government Code section 54957, unless the employee requests that the discussion be in public.

### ROLL CALL

### APPROVE MINUTES

[Approve Minutes of May 10, 2017, Regular Joint Meeting of the Retirement Boards.](#)

### APPROVE AGENDA

Approve Agenda of May 23, 2017, Regular Joint Meeting of the Retirement Boards.

### TIMED SCHEDULED HEARINGS AND MATTERS

- 1:10 PM Principal EAFE and REIT presentations/portfolio reviews with Paul Stover, CFA | Senior Relationship Manager Principal Global Investors, Paul Blankenhagen, Portfolio Manager Principal Global Equities and Todd Kellenberger, Portfolio Specialist on the Principal REIT team.
- 2:30 PM Presentation and Heitman REIT portfolio review provided by John Mancuso, Sr. Vice-President – Client Service & Marketing and Mr. Jerry Ehlinger, CFA, Managing Director and the Lead Portfolio Manager in Heitman's North American Public Real Estate Securities group.
- 3:15 PM Zeno Consulting educational presentation on Trade Cost Analysis provided by Warren Chun, CFA, Senior Consultant and Vinod Pakianathan.

### A. CONSENT CALENDAR

1. Approve date and time of the next Regular Meeting of the Retirement Boards scheduled at 1:00PM on Wednesday, June 14, 2017.
2. [Review and accept reports for Administrative Oversight in accordance with the Joint Retirement Boards' Administrative Oversight Policy Section 2-3.](#)

**B. EMPLOYEE PERSONNEL ISSUES**

None

**C. STAFF INITIATED ITEMS**

None

**D. BOARD INITIATED ITEMS**

1. Principal EAFE and REIT portfolio evaluations provided by Mr. Don Stracke, Investment Consultant at NEPC.
2. Heitman REIT portfolio evaluation provided by Mr. Don Stracke, Investment Consultant at NEPC.
3. Review, discuss and consider educational presentation by Zeno Consulting for trade cost analysis services and whether to issue a Request for Proposal/Information [RFP/RFI].
4. Review and accept Quarterly Investment Performance Analysis Report from NEPC for the period ending March 31, 2017; Manager Evaluation and Monitoring Report and Watch Status Update manager reviews.
5. Review actual Asset Allocation as of April 30, 2017, update May and June 2017 drawback for Operating and Payroll Expenses.
6. Status Update on progress of the Infrastructure manager search.
7. Review, discuss and consider 1) renewal of Ullico/Markel policy for CFRS Fiduciary Liability Insurance and 2) whether or not to obtain quotes for Cyber Liability insurance.
8. Preliminary review, discussion and direction on the draft Proposed Budgets for Fiscal Year 2018.
9. Review and discussion of the RVKuhns Public Fund Universe Analysis for the period ending December 31, 2016.

**E. GENERAL DISCUSSION**

None

**F. INFORMATION ONLY ITEMS**

1. Northern Trust Monthly Portfolio Performance Reports as of April 30, 2017.
2. Northern Trust Monthly Asset Allocation Overview April 30, 2017.
3. Monthly Fixed Income Analysis Report March 30, 2017.
4. Investment Manager Monitoring and Evaluation Report April 30, 2017.
5. Status Update on NEPC Annual 2017 Work Plan.

6. May 18, 2017, San Diego Union Appeals Ruling Upholding Pension Changes (Chief Investment Officer)
7. May 16, 2017 letter from Baillie Gifford regarding Gerald Smith leaving the ACWI ex US Alpha Portfolio Construction Group (PCG).
8. Agenda of the Regular Board Meeting of the Fresno City Employees Health and Welfare Trust Board held on Wednesday, May 10, 2017 and Minutes of March 8, 2016, Regular Board Meeting.
9. Notice to Employees regarding Monthly DROP payments.

**G. PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING**

1. Baillie Gifford ACWlexUS presentation and portfolio reviews provided by Matt Dey, Client Service Manager and Andrew Strathdee, an investment manager and member of the ACWI Alpha Portfolio Construction Group at Baillie Gifford.

**H. UNSCHEDULED ORAL COMMUNICATIONS**

**I. PUBLIC COMMENTS**

**J. ADJOURNMENT**

**SCHEDULE OF MEETINGS**  
 (All Meeting Dates And Times are Subject To Change)

RETIREMENT BOARD MEETINGS	
Date	Scheduled Presentations/Comments
May 23, 2017	
June 14, 2017	
June 27, 2017	
July 12, 2017	
July 25, 2017	
August 9, 2017	
August 22, 2017	
September 13, 2017	
September 26, 2017	
October 11, 2017	
October 24, 2017	
November 8, 2017	
November 28, 2017	
December 13, 2017	
December 26, 2017	
January 10, 2018	
January 23, 2018	
February 14, 2018	
February 27, 2018	
March 14, 2018	
March 27, 2018	
April 11, 2018	
April 24, 2018	

The schedule will be revised monthly and included in the agenda package. The Retirement Office will be responsible for notifying and confirming in writing all parties scheduled to attend retirement meetings.