



PRUDENT INVESTMENT • QUALITY SERVICE

**Kern County Employees' Retirement Association  
Board of Retirement**

Dustin Dodgin, Chair  
Thad Kennedy (Alt.), Vice-Chair  
David Couch  
Phil Franey  
Juan Gonzalez  
Marko Horvat  
Bob Jefferson  
Jordan Kaufman  
Rick Kratt  
Lauren Skidmore

**Dominic D. Brown**  
Executive Director

September 6, 2018

Members, Board of Retirement  
Employee Bargaining Units  
Requesting News Media  
Other Interested Parties

Subject: Meeting of the Kern County Employees' Retirement Association  
Board of Retirement

Ladies and Gentlemen:

A meeting of the Kern County Employees' Retirement Association Board of Retirement will be held on Wednesday, September 12, 2018 at 8:30 a.m. at the Seven Oaks Country Club, 2000 Grand Lakes Avenue, Bakersfield, California. Items of business will be limited to the matters shown on the attached agenda. If you have any questions or require additional service, please contact the KCERA office at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Dominic D. Brown".

Dominic D. Brown  
Executive Director

Attachment

AGENDA:

All agenda item supporting documentation is available for public review in the office of the Kern County Employees' Retirement Association, 11125 River Run Blvd., Bakersfield, California 93311 during regular business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location. In addition, all agendas and supporting documentation are now available on the KCERA web page and can be found via the internet at [www.kcera.org](http://www.kcera.org).

**AMERICANS WITH DISABILITIES ACT  
(Government Code §54953.2)**

Disabled individuals who need special assistance to attend or participate in a meeting of the Board of Retirement may request assistance at the Retirement Administration office, 11125 River Run Blvd., Bakersfield, California, or by calling (661) 381-7700. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting materials available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

8:30 a.m.

Roll Call –

Salute to Flag –

Moment of Silence –

**CONSENT MATTERS**

ALL ITEMS LISTED WITH AN ASTERISK (\*) ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY STAFF AND WILL BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR PUBLIC WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN THE LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN. STAFF RECOMMENDATIONS ARE SHOWN IN CAPS AFTER EACH ITEM.

\*1. Summary of proceedings of the following meetings:

- August 8, 2018 Board of Retirement
- August 8, 2018 Administrative Committee

RECEIVE AND FILE

- \*2. Monthly reports from the KCERA office on members retired from service and deceased retirees – RECEIVE AND FILE
- \*3. Monthly report of current disability retirement applications and appeals of KCERA Board decisions – RECEIVE AND FILE
- \*4. Securities Lending Earnings Summary Report for the period July 1-31, 2018 from Deutsche Bank – RECEIVE AND FILE
- \*5. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of July 2018 – RECEIVE AND FILE
- \*6. KCERA Strategic Investment Plan for the month of September 2018 – RECEIVE AND FILE
- \*7. KCERA Re-balance Analysis as of August 30, 2018 – RECEIVE AND FILE
- \*8. KCERA Schedules of Employer Allocations and Pension Amounts by Employer and related notes, including independent auditors' report as of and for the year ended June 30, 2017, and Segal Consulting's Governmental Accounting Standard (GAS) 68 Actuarial Valuation as of June 30, 2018 – RECEIVE AND FILE
- \*9. 2018 KCERA Retirement Benefit Statement and Cover Letter Sample – RECEIVE AND FILE; APPROVE
- \*10. Letter from Executive Director Dominic Brown, dated August 21, 2018, to the Kern County Board of Supervisors regarding Board of Retirement Election for Seventh Member and Seventh Member Alternate – RECEIVE AND FILE
- \*11. Letter from Executive Director Dominic Brown, dated September 11, 2018, to the Kern County Board of Supervisors regarding Board of Retirement Election for Second Member – RECEIVE AND FILE
- \*12. PIMCO Due Diligence Report – RECEIVE AND FILE
- \*13. Invitation from ValueEdge Advisors to trustees and staff to attend the ValueEdge Advisors' 2018 Public Funds Forum, September 4-6, 2018 in Laguna Beach, California – RETROACTIVELY APPROVE THE ATTENDANCE OF TRUSTEE BOB JEFFERSON

**PUBLIC COMMENT**

14. Receive public comments

**ANNOUNCEMENTS**

15. Board member announcements or reports

**BOARD RETREAT**

Kickoff/Introductions – Dominic Brown, Executive Director

16. **Presentation** – 8:45 a.m.  
HEAR PRESENTATION; TAKE OTHER APPROPRIATE ACTION

**KERN ECONOMIC DEVELOPMENT AND FORECAST**

**Richard Chapman**

President & CEO

Kern Economic Development Corporation

17. **Presentation** – 9:30 a.m.  
HEAR PRESENTATION; TAKE OTHER APPROPRIATE ACTION

**POLICY-FOCUSED BOARDS**

**Tom Iannucci**

President

Cortex Applied Research, Inc.

**BREAK – 10:30 a.m.**

18. **Presentation** – 10:45 a.m.  
HEAR PRESENTATION; TAKE OTHER APPROPRIATE ACTION

**KCERA 2017 BOARD PERFORMANCE ASSESSMENT**

**Tom Iannucci**

President

Cortex Applied Research, Inc.

19. **Presentation** – 11:15 a.m.  
HEAR PRESENTATION; TAKE OTHER APPROPRIATE ACTION

**OVERVIEW OF BENEFITS ADMINISTRATION**

**Sherry Willard**

Retirement Services Representative

Kern County Employees' Retirement Association

**LUNCH & ACTIVITIES – 12:00 p.m.**

20. **Presentation** – 1:30 p.m.  
HEAR PRESENTATION; TAKE OTHER APPROPRIATE ACTION

**CASE STUDY IN BENEFITS ADMINISTRATION**

**Dominic Brown**  
Executive Director

**Jennifer Zahry**  
General Counsel

**Sheryl Lawrence**  
Retirement Financial Officer

**Karen Frieson**  
Retirement Services Manager

**Brenda Greenwood**  
Technology Services Manager

Kern County Employees' Retirement Association

21. **Presentation** – 2:00 p.m.  
HEAR PRESENTATION; TAKE OTHER APPROPRIATE ACTION

**INVESTMENTS: OPPORTUNITIES FOR CONTINUED IMPROVEMENT**

**Scott Whalen, CFA**  
Executive Managing Director and Senior Consultant  
Verus

**Daryn Miller, CFA**  
Chief Investment Officer  
Kern County Employees' Retirement Association

Closing Remarks – Dominic Brown, Executive Director

22. **Adjournment**