



PRUDENT INVESTMENT • QUALITY SERVICE

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

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Dominic D. Brown
Executive Director

November 1, 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, November 7, 2018 at 8:30 a.m. at KCERA, 11125 River Run Boulevard, Board Room, 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.

**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.

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. Application for service-connected disability pension benefits for Rick Ricker, FIRE (Safety) – ADOPT RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT
- *2. Proposed Decision and Findings of Fact submitted by Hearing Officer for Richard Bramlette, Parks and Recreation (General) – ADOPT RECOMMENDATION OF SDAG TO ADOPT THE PROPOSED FINDINGS OF FACT, CONCLUSIONS AND RECOMMENDATION OF THE HEARING OFFICER TO GRANT THE APPLICATION FOR SERVICE-CONNECTED DISABILITY PENSION
- *3. Proposed Decision and Findings of Fact submitted by Hearing Officer for Laura Candler, Sheriff (Safety) – ADOPT RECOMMENDATION OF SDAG TO ADOPT THE PROPOSED FINDINGS OF FACT AND RECOMMENDATION OF THE HEARING OFFICER TO DENY THE APPLICATION FOR SERVICE-CONNECTED DISABILITY PENSION
- *4. Summary of proceedings of the following meetings:
 - October 10, 2018 Board of Retirement
 - October 10, 2018 Administrative Committee

RECEIVE AND FILE

- *5. Monthly reports from the KCERA office on members retired from service and deceased retirees – RECEIVE AND FILE
- *6. Monthly report of current disability retirement applications and appeals of KCERA Board decisions – RECEIVE AND FILE
- *7. Securities Lending Earnings Summary Report for the period September 1-30, 2018 from Deutsche Bank – RECEIVE AND FILE
- *8. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of September 2018 – RECEIVE AND FILE
- *9. KCERA Strategic Investment Plan for the month of December 2018 – RECEIVE AND FILE
- *10. KCERA Re-balance Analysis as of October 26, 2018 – RECEIVE AND FILE
- *11. The KCERA Class Action Proceeds Report from July 1 through September 30, 2018 for the Northern Trust Company – RECEIVE AND FILE
- *12. Western Asset Due Diligence Report – RECEIVE AND FILE

13. Public Comments:

The public is provided the opportunity to comment on agenda items at the time those agenda items are discussed by the Board. This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification and, through the Chairman, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Speakers are limited to two minutes. Please state your name for the record prior to making a presentation.

INVESTMENT MATTERS

14. Discussion and appropriate action on the continued implementation of changes to the hedge fund allocation presented by Lincoln Smith, Albourne America¹ LLC and Chief Investment Officer Daryn Miller, CFA – APPROVE THE TERMINATION OF HEDGE FUND MANAGER IN THE HEDGE FUND PORTFOLIO
15. Discussion and appropriate action on Annual Fee Report presented by Chief Investment Officer Daryn Miller, CFA – RECEIVE AND FILE
16. Presentation on the 3rd Quarter Investment Performance Review period ending September 30, 2017 by Scott Whalen, CFA, Verus – RECEIVE AND FILE
17. Presentation on the 3rd Quarter 2017 Portfolio Review presented by Lincoln Smith, Albourne America² – RECEIVE AND FILE

ADMINISTRATIVE MATTERS

18. Discussion and appropriate action on response to referral to staff regarding Special Election for vacant 8th Alternate Seat presented by Executive Director Dominic Brown and General Counsel Jennifer Zahry – DETERMINE WHETHER INITIATING A SPECIAL ELECTION IS IN THE BEST INTEREST OF KCERA AND DIRECT STAFF ACCORDINGLY

STAFF/COMMITTEE REPORTS & NEW BUSINESS

19. Report from Executive Director
20. Report from Chief Investment Officer
21. Report from General Counsel

1 1 Written materials and investment recommendations from the consultants, fund managers and KCERA investment staff relating to alternative investments are exempt from public disclosure pursuant to California Government Code §6254.26, §6255, and §54957.5.

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