

SUMMARY OF PROCEEDINGS

BOARD OF RETIREMENT – COUNTY OF KERN

11125 River Run Blvd.
Bakersfield, California

Board of Retirement Meeting
January 9, 2019

8:30 a.m.

Board Members: Couch, Dodgin, Franey, Gonzalez, Horvat, Jefferson,
Chair Kaufman, Vice-Chair Kratt, Simmons (Alternate),
Skidmore

Roll Call: Couch, Franey, Gonzalez, Horvat, Jefferson, Kaufman,
Kratt, Skidmore

Absent: Dodgin, Simmons, Skidmore

Salute to Flag – TRUSTEE MARKO HORVAT

Moment of Silence

NOTE: The vote is displayed in bold below each item. For example, Kratt-
Horvat denotes Trustee Kratt made the motion and Trustee Horvat
seconded the motion.

*1. Summary of proceedings of the following meetings:

- December 5, 2018 Investment Committee
- December 12, 2018 Nominating Committee
- December 12, 2018 Board of Retirement
- December 12, 2018 Administrative Committee
- December 19, 2018 Finance Committee

RECEIVED AND FILED

Kratt-Couch – 7 Ayes

*2. Monthly report from the KCERA office on members retired from service –
RATIFIED

Kratt-Couch – 7 Ayes

*3. Monthly report from the KCERA office on deceased retirees – RECEIVED
AND FILED

Kratt-Couch – 7 Ayes

*4. Monthly report of current disability retirement applications and appeals of
KCERA Board decisions – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

*5. Securities Lending Earnings Summary Report for the period November
1-30, 2018 from Deutsche Bank – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *6. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of November 2018 – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *7. KCERA Strategic Investment Plan for the month of February 2019 – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *8. KCERA Re-balance Analysis as of December 27, 2018 – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *9. 2019 Board of Retirement Committee Assignments – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *10. Board of Retirement Semi-annual Trustee Education Report – RECEIVED AND FILED; POSTED TO KCERA WEBSITE IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 31522.8(d)

Kratt-Couch – 7 Ayes

- *11. Kern County Employees' Retirement Association Comprehensive Annual Financial Report (CAFR) for the fiscal years ended June 30, 2018 – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *12. Letter from The Segal Company, dated January 3, 2019, regarding the Five-Year Projection of Employer Contribution Rates – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *13. Letter from The Segal Company, dated January 3, 2019, regarding the Allocation of June 30, 2018 Liabilities and Assets by District – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *14. Memorandum from General Counsel Jennifer Esquivel Zahry, dated January 9, 2019, regarding gift restrictions – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *15. Memorandum from General Counsel Jennifer Esquivel Zahry, dated January 9, 2019, regarding gifts of travel – RECEIVED AND FILED

Kratt-Couch – 7 Ayes

- *16. Invitation from the National Association of Public Pension Attorneys (NAPPA) to attend the Winter Seminar, February 20-22, 2019, in Tempe, Arizona – APPROVED ATTENDANCE OF GENERAL COUNSEL JENNIFER ZAHRY

Kratt-Couch – 7 Ayes

17. 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 – NONE

ADMINISTRATIVE MATTERS

18. Presentation on Part-time Service Credit presented by General Counsel Jennifer Zahry – CHAIR JORDAN KAUFMAN HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN; GENERAL COUNSEL JENNIFER ZAHRY HEARD

HEARD PRESENTATION

TRUSTEE DEVIN SIMMONS ARRIVED AT 8:38 A.M.

STAFF/COMMITTEE REPORTS & NEW BUSINESS

19. Report from Executive Director

EXECUTIVE DIRECTOR DOMINIC BROWN REPORTED THE FOLLOWING:

- OPERATIONAL ACTIVITIES OF ADMINISTRATIVE SERVICES, FINANCIAL SERVICES, MEMBER SERVICES AND INFORMATION TECHNOLOGY SERVICES DIVISIONS FOR DECEMBER 2018
- UPDATE ON CURRENT KCERA RECRUITMENTS
- UPDATE ON UPCOMING COMMITTEE MEETINGS
- SPECIAL SEMINAR SCHEDULED FOR SAN JOUQUIN AIR POLLUTION CONTROL DISTRICT
- ACTUARIAL VALUATION PRESENTATION TO BOARD OF SUPERVISORS ON FEBRUARY 5, 2019; NOTIFICATION WILL BE SENT TO PLAN SPONSORS AND LABOR GROUPS

TRUSTEE COUCH HEARD

20. Report from Chief Investment Officer

CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, SUBMITTED A REPORT ON THE FOLLOWING:

- INVESTMENT ACTIVITIES, INITIATIVES AND PORTFOLIO OPPORTUNITIES

21. Report from General Counsel

GENERAL COUNSEL JENNIFER ZAHRY REPORTED THE FOLLOWING:

- UPDATE ON LEGAL UNIT MID-YEAR REVIEW

22. Report from Committee Chairs:
- a. Administrative Committee – KENNEDY (2018); GONZALEZ (2019)
– THERE WILL BE A MEETING IMMEDIATELY FOLLOWING
TODAY'S BOARD OF RETIREMENT MEETING
 - b. Finance Committee – SKIDMORE – NONE
 - c. Investment Committee – KRATT (2018); DODGIN (2019) – NONE
 - d. KCERA Property, Inc. – FRANEY – NONE

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

23. On their own initiative, Board members may make a brief announcement or a brief report on their own activities – NONE

Call for Public Comment on Executive Session Item(s) – NONE

Executive Session

24. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (pursuant to GOVERNMENT CODE §54957): Title: Executive Director

Return to Public Session/Report of Executive Session Actions, if applicable

ITEM 24 – REFERRED TO ADMINISTRATIVE COMMITTEE TO DELINEATE MILESTONES TO DEFINE PERCENT COMPLETION FOR EXECUTIVE DIRECTOR PROJECTS; APPROVED STEP INCREASE TO STEP C FOR EXECUTIVE DIRECTOR, EFFECTIVE FEBRUARY 1, 2019

7 - Ayes

25. ADJOURNED – 9:26 A.M.


Secretary, Board of Retirement


Chair, Board of Retirement