

Executive Team

Dominic D. Brown, CPA, CFE
Executive Director

Daryn Miller, CFA
Chief Investment Officer

Jennifer Zahry, JD
General Counsel

Matthew Henry, CFE
Assistant Executive Director

**KERN COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION**



PRUDENT INVESTMENT • QUALITY SERVICE

Board of Retirement

Jordan Kaufman, Chair
Rick Kratt, Vice-Chair
David Couch
Dustin Dodgin
Phil Franey
Juan Gonzalez
Marko Horvat
Bob Jefferson
Lauren Skidmore
Devin Simmons, Alternate
John DeMario, Alternate

March 7, 2019

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, March 13, 2019 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 Athanasios Vlahos, SHERIFF (Safety) – ADOPT RECOMMENDATION OF SDAG TO GRANT NON-SERVICE CONNECTED DISABILITY RETIREMENT
 - *2. Summary of proceedings of the following meetings:
 - February 13, 2019 Board of Retirement
 - February 13, 2019 Investment Committee
- RECEIVE AND FILE
- *3. Monthly report from the KCERA office on members retired from service – RATIFY
 - *4. Monthly report from the KCERA office on deceased retirees – RECEIVE AND FILE
 - *5. Monthly report of current disability retirement applications and appeals of KCERA Board decisions – RECEIVE AND FILE
 - *6. Securities Lending Earnings Summary Report for the period January 1-31, 2019 from Deutsche Bank – RECEIVE AND FILE
 - *7. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of January 2019 – RECEIVE AND FILE
 - *8. KCERA Strategic Investment Plan for the month of April 2019 – RECEIVE AND FILE
 - *9. Letter from Auditor-Controller-County Clerk Mary B. Bedard, CPA, dated January 28, 2019, regarding the Certificate of Results of the Retirement Election held January 28, 2019 – RECEIVE AND FILE
 - *10. Agreement for Investment Management Services with Gramercy Funds Management, LLC, effective January 1, 2019 – APPROVE; AUTHORIZE CHAIRMAN OR VICE CHAIR, IN THE ABSENCE OF THE CHAIRMAN, TO SIGN
 - *11. Banking Services Agreement with Wells Fargo Bank, N.A., effective July 14, 2018 – APPROVE; AUTHORIZE EXECUTIVE DIRECTOR TO SIGN

12. 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

13. Discussion and action on asset allocation review and Verus 2019 capital market assumptions presented by Scott Whalen, CFA, Verus, and Chief Investment Officer Daryn Miller, CFA – APPROVE ASSET ALLOCATION
14. Discussion and appropriate action on the private equity program presented by Lincoln Smith, Albourne America LLC, Scott Whalen, CFA, Verus, and Chief Investment Officer Daryn Miller, CFA¹ – ADOPT RECOMMENDATION OF THE INVESTMENT COMMITTEE TO APPROVE PRIVATE MARKETS STRATEGY
15. Discussion and appropriate action on draft Statement of Investment Policy and related policy documents presented by Scott Whalen, Verus and Chief Investment Officer Daryn Miller, CFA – ADOPT RECOMMENDATION OF THE INVESTMENT COMMITTEE TO APPROVE INVESTMENT POLICY

STAFF/COMMITTEE REPORTS & NEW BUSINESS

16. Report from Executive Director
17. Report from Chief Investment Officer
18. Report from General Counsel
19. Report from Committee Chairs:
 - a. Administrative Committee – Gonzalez
 - b. Finance Committee – Skidmore
 - c. Investment Committee – Dodgin
 - d. KCERA Property, Inc. Board – Franey

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.

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

20. On their own initiative, Board members may make a brief announcement or a brief report on their own activities.

Call for Public Comment on Executive Session Item(s)

Executive Session

Agenda item 1 is withdrawn from Executive Session if approved on the consent agenda.

1. PUBLIC EMPLOYMENT (pursuant to Government Code §54957) Application for service-connected disability pension benefits:

Vlahos, Athanasios

SHERIFF

(Safety)

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

21. Adjournment