

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

April 4, 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, April 10, 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. Summary of proceedings of the following meetings:

- March 6, 2019 Investment Committee
- March 13, 2019 Board of Retirement
- March 13, 2019 Administrative Committee

RECEIVE AND FILE

- *2. Monthly report from the KCERA office on members retired from service – RATIFY
- *3. Monthly report from the KCERA office on deceased retirees – RECEIVE AND FILE
- *4. Monthly report of current disability retirement applications and appeals of KCERA Board decisions – RECEIVE AND FILE
- *5. Securities Lending Earnings Summary Report for the period February 1-31, 2019 from Deutsche Bank – RECEIVE AND FILE
- *6. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of February 2019 – RECEIVE AND FILE
- *7. KCERA Strategic Investment Plan for the month of May 2019 – RECEIVE AND FILE
- *8. Invitation from State Association of County Retirement Systems (SACRS) to trustees and staff to attend the SACRS Spring Conference, May 7-10, 2019, in Lake Tahoe, California - APPROVE ATTENDANCE OF TRUSTEES DUSTIN DODGIN, PHIL FRANEY, JUAN GONZALEZ AND BOB JEFFERSON, EXECUTIVE DIRECTOR DOMINIC BROWN, ASSISTANT EXECUTIVE DIRECTOR MATT HENRY, GENERAL COUNSEL JENNIFER ZAHRY, RETIREMENT INVESTMENT OFFICER STEVEN SWARTLEY, RETIREMENT SERVICES MANAGER SHERRY WILLARD AND ADMINISTRATIVE COORDINATOR AIMEE MORTON
- *9. Invitation from Institutional Investor to staff to attend the Private Equity Summit and Public Funds Roundtable, April 23-25, 2019 in Los Angeles, California – APPROVE ATTENDANCE OF CHIEF INVESTMENT OFFICER DARYN MILLER
- *10. Agreement for Investment Management Services with Stone Harbor, effective March 1, 2019 – APPROVE; AUTHORIZE CHAIRMAN OR VICE CHAIR, IN THE ABSENCE OF THE CHAIRMAN, TO SIGN

11. 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.

ADMINISTRATIVE MATTERS

12. NCPERS Certificate of Transparency awarded to Kern County Employees' Retirement Association for its participation in the 2018 NCPERS Public Retirement Systems Study – RECEIVE AND FILE
13. KCERA 2018 Board Performance Assessment presented by Tom Iannucci, Cortex Applied Research, Inc. – HEAR PRESENTATION; TAKE OTHER ACTION, AS APPROPRIATE
14. KCERA Governance Report for the Fiscal Year ending June 30, 2018 presented by Tom Iannucci, Cortex Applied Research, Inc. – RECEIVE AND FILE
15. KCERA 2018 Board Education Needs Assessment Report presented by Tom Iannucci, Cortex Applied Research, Inc. – RECEIVE AND FILE
16. Annual Strategic/Budgetary Session presented by Tom Iannucci, Cortex Applied Research, Inc. – HEAR PRESENTATION; TAKE OTHER ACTION, AS APPROPRIATE RECEIVE EDUCATIONAL TRAINING (45 MINUTES TRUSTEE EDUCATION CREDIT)
17. Response to referral and recommendation regarding proposed changes to KCERA's Correction of Errors in Benefit Payments Principles, Policy, and Procedure presented by Executive Director Dominic Brown, General Counsel Jennifer Zahry and the Administrative Committee – APPROVE
18. Discussion and appropriate action on the review of recommended changes to KCERA's Rules of Procedure for Disability Retirement presented by Executive Director Dominic Brown, General Counsel Jennifer Zahry and the Administrative Committee – APPROVE RECOMMENDED REVISIONS; TAKE OTHER ACTION, AS APPROPRIATE

19. Formation of Ad Hoc Committee for the limited purpose of reviewing physical security and data security – APPOINT NO MORE THAN FOUR TRUSTEES TO AD HOC COMMITTEE WITH SUBJECT MATTER JURISDICTION NOT TO EXCEED ONE YEAR; RETURN TO THE BOARD WITH RECOMMENDATIONS, AS APPROPRIATE.
20. Discussion and appropriate action on KCERA’s voting delegation for the State Association of County Retirement Systems (SACRS) Spring 2019 Conference, presented by Executive Director Dominic Brown – APPOINT VOTING DELEGATION
21. Proposed slate of candidates for the State Association of County Retirement Systems (SACRS) Board of Directors Elections – DIRECT VOTING DELEGATE TO VOTE FOR SLATE OF CANDIDATES AS RECOMMENDED BY THE SACRS NOMINATING COMMITTEE

SACRS Nominating Committee recommended 2019-2020 final ballot:

Dan McAllister, San Diego CERA	President
Vivian Gray, Los Angeles CERA	Vice President
Harry Hagen, Santa Barbara, CERS	Treasurer
Kathryn Cavness, Mendocino CERA	Secretary
Roger Hilton, Orange CERS	Regular Member
Chris Cooper, Marin CERA	Regular Member

STAFF/COMMITTEE REPORTS & NEW BUSINESS

22. Report from Executive Director
23. Report from Chief Investment Officer
24. Report from General Counsel
25. Report from Committee Chairs:
 - a. Administrative Committee – Gonzalez
 - b. Finance Committee – Skidmore
 - c. Investment Committee – Dodgin
 - d. KCERA Property, Inc. Board – Franey

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

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