

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**



Board of Retirement

Rick Kratt, Chair
Dustin Dodgin, Vice-Chair
David Couch
Phil Franey
Juan Gonzalez
Jordan Kaufman
Edward Robinson
Lauren Skidmore
Tyler Whitezell
Bradly Brandon, Alternate
Chase Nunneley, Alternate
Robb Seibly, Alternate

September 23, 2020

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

Subject: Meeting of the Kern County Employees' Retirement Association Investment Committee

Ladies and Gentlemen:

A meeting of the Kern County Employees' Retirement Association Investment Committee will be held on Monday, September 28, 2020 at 3:00 p.m. via teleconference, pursuant to Executive Order N-25-20, issued by Governor Newsom on March 12, 2020, Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, and Executive Order N-35-20, issued by Governor Newsom on March 21, 2020. Items of business will be limited to the matters shown on the attached agenda.

If you wish to listen to the teleconference meeting, please dial (888) 788-0099 or (877) 853-5247 U.S. Toll-free (Meeting ID 289-998-6429), or see www.kcera.org for instructions. If you have any questions or require additional service, please contact KCERA at (661) 381-7700 or send an email to administration@kcera.org.

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 on KCERA's website at www.kcera.org 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.

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

Disabled individuals who need special assistance to listen to and/or participate in the teleconference meeting of the Board of Retirement may request assistance by calling (661) 381-7700 or sending an email to administration@kcera.org. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting materials and access available in alternative formats. Requests for assistance should be made at least two (2) days in advance of a meeting whenever possible.

Roll Call

1. [Discussion and appropriate action on private market fund recommendation](#) presented by Andrea Auerbach, Investment Managing Director, Keirsten Lawton, Investment Managing Director, Kelly Jensen, Senior Investment Director, Cambridge Associates¹, Chief Investment Officer Daryn Miller, CFA, and Retirement Investment Officer Brian Long, CFA – RECOMMEND THE FOLLOWING TO THE BOARD OF RETIREMENT: A) APPROVE \$50MM COMMITMENT TO LGT CAPITAL PARTNERS CROWN GLOBAL SECONDARIES V FUND; B) AUTHORIZE EXECUTIVE DIRECTOR TO SIGN, SUBJECT TO LEGAL ADVICE AND REVIEW
2. [Update on private markets presented by Chief Investment Officer Daryn Miller, CFA, and Retirement Investment Officer Brian Long, CFA](#) – RECEIVE AND FILE
3. Public Comments:

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

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.

4. Committee Member Announcements or Reports:

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

5. Adjournment

ALTERNATIVE INVESTMENTS RECORDS

EXEMPT FROM PUBLIC DISCLOSURE

(CA Gov. Code §6254.26)

(CA Gov. Code §6255)

(CA Gov. Code §54957.5)

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PRIVATE MARKET UPDATE

SEPTEMBER 2020

FUND COMMITMENT UPDATE

- Including the September IC recommendation for LGT, 6 fund commitments have been made in 2020, totaling \$180MM in capital commitments
 - Private Equity – 3 funds including secondaries
 - Private Credit – 2 funds
 - Private Real Estate – 1 fund
- Of the 6 fund commitments, 4 have completed contracting, 1 is currently in contracting, and 1 is in the approval process

PRIVATE MARKET INVESTMENT PROCESS

- Generalized steps in the private market investment process
 - Staff and Cambridge Associates (“Cambridge”) coordinate to develop a pacing plan
 - The pacing plan includes the “pace” which capital will be deployed; expressed as a range
 - The pacing plan also includes the types of strategies KCERA will pursue
 - Provides an estimate for when the private market program will achieve target NAV, as well as forecasts around private market cash inflows and outflows
 - Cambridge prepares a forward calendar
 - The forward calendar shows a) funds likely to be in the market in the near-to-intermediate term, b) funds that fit within KCERA’s private market strategy, and b) have expectations to be high quality opportunities
 - Staff and Cambridge discuss the forward calendar
 - Cambridge performs due diligence on potential fund investments
 - Potential fund investments are discussed
 - Fund commitment recommendations are brought to the IC and then Board
 - **The timing of events is subject to change as market conditions warrant, timing around potential investments shift, or due to other circumstances**