

**KERN COUNTY EMPLOYEE'S RETIREMENT ASSOCIATION (KCERA)  
Board of Retirement**

**SUMMARY OF PROCEEDINGS**

**Teleconference Meeting – Board of Retirement Meeting  
October 14, 2020**

**8:31 a.m.**

Board Members: Brandon (Alternate), Couch, Vice-Chair Dodgin, Franey, Gonzalez, Kaufman, Chair Kratt, Nunneley (Alternate), Robinson, Seibly (Alternate), Skidmore, Whitezell

Roll Call: Brandon, Dodgin, Gonzalez, Kaufman, Kratt, Robinson, Seibly, Skidmore, Whitezell

Absent: Couch, Franey, Nunneley

Moment of Silence

NOTE: The vote is displayed in bold below each item. For example, Couch-Gonzalez denotes Trustee David Couch made the motion and Trustee Juan Gonzalez seconded the motion.

TRUSTEE PHIL FRANNEY ARRIVED AT 8:32 A.M.

- \*1. Application for service-connected disability pension benefits for Paul Bullock, FLEET SERVICES (General) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY PENSION**

**Kaufman-Whitezell – 8 Ayes**

- \*2. Application for service-connected disability pension benefits for Samuel Scoles, FIRE (Safety) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY PENSION**

**Kaufman-Whitezell – 8 Ayes**

- \*3. Application for service-connected disability pension benefits for Martin Santillan, SHERIFF (Safety) – **ADOPTED RECOMMENDATION OF SDAG TO DENY SERVICE-CONNECTED DISABILITY PENSION**

**Kaufman-Whitezell – 8 Ayes**

\*4. Summary of proceedings of the following meetings:

- September 9, 2020 Board of Retirement
- September 28, 2020 Investment Committee
- September 30, 2020 Administrative Committee

RECEIVED AND FILED

**Kaufman-Whitezell – 8 Ayes**

\*5. Monthly report from the KCERA office on members retired from service – RATIFIED

**Kaufman-Whitezell – 8 Ayes**

\*6. Monthly report from the KCERA office on deceased retirees – RECEIVED AND FILED

**Kaufman-Whitezell – 8 Ayes**

\*7. Monthly report of current disability retirement applications and appeals of KCERA Board decisions – RECEIVED AND FILED

**Kaufman-Whitezell – 8 Ayes**

\*8. Securities Lending Earnings Summary Report for the period August 1-31, 2020, from Deutsche Bank – RECEIVED AND FILED

**Kaufman-Whitezell – 8 Ayes**

\*9. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of August 2020 – RECEIVED AND FILED

**Kaufman-Whitezell – 8 Ayes**

\*10. 2021 Board of Retirement Meeting Schedule – RECEIVED AND FILED; APPROVED

**Kaufman-Whitezell – 8 Ayes**

\*11. Amendment 9 to Master Custody Agreement with The Northern Trust Company, effective September 30, 2020 – APPROVED; AUTHORIZED CHAIR OR VICE-CHAIR, IN THE ABSENCE OF THE CHAIR, TO SIGN

**Kaufman-Whitezell – 8 Ayes**

**PUBLIC COMMENTS**

12. 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

**STAFF REPORTS**

13. Report from Executive Director

EXECUTIVE DIRECTOR DOMINIC BROWN REPORTED THE FOLLOWING:

- ALAMEDA DECISION
- FIRST DISABILITY RECOMMENDATIONS RECEIVED FROM MMRO
- NEW PHONE SYSTEM IMPLEMENTATION
- MAIL DROP BOX BEING INSTALLED FOR MEMBERS
- LINKEDIN LEARNING
- UPDATE ON OPERATIONS ACTIVITY
- UPCOMING MEETINGS AND EVENTS

CHAIR RICK KRATT HEARD; TRUSTEES BRADLY BRANDON, JORDAN KAUFMAN, CHASE NUNNELEY AND EDWARD ROBINSON HEARD; ASSISTANT EXECUTIVE DIRECTOR MATT HENRY HEARD

TRUSTEE CHASE NUNNELEY ARRIVED AT 8:38 A.M.

14. Report from Chief Investment Officer

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

- PORTFOLIO UPDATE, INVESTMENT ACTIVITIES, AND INVESTMENT INITIATIVES

TRUSTEE DAVID COUCH ARRIVED AT 9:00 A.M.

TRUSTEES JORDAN KAUFMAN AND EDWARD ROBINSON HEARD

15. Report from General Counsel

GENERAL COUNSEL JENNIFER ZAHRY SUBMITTED A REPORT ON THE FOLLOWING:

- LITIGATION UPDATE
- LEGAL PROJECTS
- LEGAL UNIT METRICS

**INVESTMENT MATTERS**

16. 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 Associates<sup>1</sup>, Chief Investment Officer Daryn Miller, CFA, Retirement Investment Officer Brian Long, CFA, and the Investment Committee – ANDREA AUERBACH, CAMBRIDGE ASSOCIATES, HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, HEARD

APPROVED \$50MM COMMITMENT TO LGT CAPITAL PARTNERS CROWN GLOBAL SECONDARIES V FUND; AUTHORIZED EXECUTIVE DIRECTOR TO SIGN, SUBJECT TO LEGAL ADVICE AND REVIEW

**Gonzalez-Kaufman – 8 Ayes**

*Trustee David Couch not called on during the vote*

17. Trustee Education regarding Asset Allocation presented by Scott Whalen, CFA, Verus – SCOTT WHALEN, CFA, VERUS, HEARD; CHAIR RICK KRATT HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD

RECEIVED EDUCATIONAL TRAINING (28 MINUTES TRUSTEE EDUCATION CREDIT)

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<sup>1</sup> 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.

**ADMINISTRATIVE MATTERS**

18. Appointment of Nominating Committee by Chair (two members) and the Board (two members) to propose a slate of officers to the Board of Retirement for the 2021 calendar year – CHAIR RICK KRATT HEARD; VICE-CHAIR DUSTIN DODGIN HEARD; TRUSTEES JORDAN KAUFMAN AND EDWARD ROBINSON HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD; GENERAL COUNSEL JENNIFER ZAHRY HEARD

CHAIR RICK KRATT APPOINTED TRUSTEES DUSTIN DODGIN AND BRADLY BRANDON TO NOMINATING COMMITTEE, DESIGNATING DUSTIN DODGIN AS CHAIR; TRUSTEE DUSTIN DODGIN APPOINTED TRUSTEES PHIL FRANEY AND JORDAN KAUFMAN TO NOMINATING COMMITTEE; APPROVED

**Dodgin-Couch – 9 Ayes**

**COMMITTEE REPORTS**

19. Report from Committee Chairs:
- a. Administrative Committee: FRANEY – MEETING TO BE SCHEDULED IN NOVEMBER
  - b. Finance Committee: GONZALEZ – NONE
  - c. Investment Committee: DODGIN – NONE
  - d. KCERA Property, Inc.: WHITEZELL – NONE

**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 –

TRUSTEE EDWARD ROBINSON HEARD

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

**EXECUTIVE SESSION**

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

BARNETT, Donald                      FIRE                      (Safety)

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

**RECESS UNTIL 2:00 P.M.**

BOARD OF RETIREMENT RECONVENED AT 2:01 P.M.

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

ITEM 21 – CONTINUED MATTER TO NOVEMBER AGENDA

**Dodgin-Robinson – 8 Ayes; 1 Absent (Couch)**

ITEM 22 – NO REPORTABLE ACTION

**ADMINISTRATIVE MATTERS (continued)**

23. Discussion and appropriate action on remaining Special Pay Code Designations presented by Executive Director Dominic Brown, General Counsel Jennifer Zahry and the Administrative Committee – FIDUCIARY COUNSEL ASHLEY DUNNING, NOSSAMAN, HEARD; CHAIR RICK KRATT HEARD; TRUSTEE EDWARD ROBINSON HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD; GENERAL COUNSEL JENNIFER ZAHRY HEARD

APPROVED DESIGNATIONS

**Robinson-Franey – 8 Ayes**

24. Presentation and update regarding implementation of *Alameda* decision presented by Executive Director Dominic Brown – FIDUCIARY COUNSEL ASHLEY DUNNING, NOSSAMAN, HEARD; TAX COUNSEL ROBERT GAUSS, ICE MILLER, HEARD; CHAIR RICK KRATT HEARD; TRUSTEE JUAN GONZALEZ HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD

HEARD PRESENTATION

25. ADJOURNED – 2:52 P.M.



Secretary, Board of Retirement



Chair, Board of Retirement