

## SUMMARY OF PROCEEDINGS

### BOARD OF RETIREMENT – COUNTY OF KERN

11125 River Run Blvd.  
Bakersfield, California

Board of Retirement Meeting  
October 9, 2019

8:32 a.m.

Board Members: Couch, DeMario (Alternate), Dodgin, Franey, Gonzalez, Jefferson, Chair Kaufman, Vice-Chair Kratt, Skidmore, (Safety Alternate – Vacant), (9<sup>th</sup> member – Vacant)

Roll Call: Couch, DeMario, Dodgin, Franey, Gonzalez, Kaufman

Absent: Jefferson, Kratt, Skidmore

Salute to Flag – TRUSTEE PHIL FRANNEY

Moment of Silence

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

- \*1. Application for service-connected disability pension benefits for Ryan Greer, SHERIFF (Safety) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT**

**Franey-Couch – 5 Ayes**

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

**Franey-Couch – 5 Ayes**

- \*3. Summary of proceedings of the following meetings:
- Amendment – March 13, 2019 Board of Retirement (item #15)
  - September 11, 2019 Board of Retirement & Strategic Planning Session

RECEIVED AND FILED

**Franey-Couch – 5 Ayes**

- \*4. Monthly report from the KCERA office on members retired from service – RATIFIED

**Franey-Couch – 5 Ayes**

- \*5. Monthly report from the KCERA office on deceased retirees – RECEIVED AND FILED

**Franey-Couch – 5 Ayes**

- \*6. Monthly report of current disability retirement applications and appeals of KCERA Board decisions – RECEIVED AND FILED

**Franey-Couch – 5 Ayes**

- \*7. Securities Lending Earnings Summary Report for the period August 1-31, 2019 from Deutsche Bank – RECEIVED AND FILED

**Franey-Couch – 5 Ayes**

- \*8. KCERA asset allocation, budget status, cash flow position and investment fees status report for the month of August 2019 – RECEIVED AND FILED

**Franey-Couch – 5 Ayes**

- \*9. 2019 KCERA Retirement Benefit Statement and Cover Letter Sample – RECEIVED AND FILED; APPROVED

**Franey-Couch – 5 Ayes**

- \*10. Exercise of extension of Northern Trust Company Master Custody Agreement through October 2020, as allowed by Amendment 8 of the Agreement – RATIFIED

**Franey-Couch – 5 Ayes**

- \*11. Invitation from State Association of County Retirement Systems (SACRS) to trustees and staff to attend the SACRS Fall Conference, November 12-15, 2019, in Monterey, California – APPROVED ATTENDANCE OF TRUSTEES DAVID COUCH, DUSTIN DODGIN, PHIL FRANNEY, BOB JEFFERSON, AND JORDAN KAUFMAN, EXECUTIVE DIRECTOR DOMINIC BROWN, ASSISTANT EXECUTIVE DIRECTOR MATTHEW HENRY, TECHNOLOGY SERVICES MANAGER BRENDA GREENWOOD, RETIREMENT SERVICES MANAGER SHERRY WILLARD AND SENIOR PARALEGAL MAGGIE PERALTA

**Franey-Couch – 5 Ayes**

- \*12. Invitation from Albourne America LLC to trustees and staff to attend the Albourne Client Conference, October 21-23, 2019, in Philadelphia, Pennsylvania – APPROVED ATTENDANCE OF CHIEF INVESTMENT OFFICER DARYN MILLER

**Franey-Couch – 5 Ayes**

- \*13. Invitation from NAIC to trustees and staff to attend the NAIC 2019 Annual Private Equity & Hedge Fund Conference, October 24, 2019, in Los Angeles, California – APPROVED ATTENDANCE OF CHIEF INVESTMENT OFFICER DARYN MILLER

**Franey-Couch – 5 Ayes**

- \*14. Invitation from Global ARC to trustees and staff to attend the Annual Global ARC, October 28-30, 2019, in Boston, Massachusetts – APPROVED ATTENDANCE OF CHIEF INVESTMENT OFFICER DARYN MILLER

**Franey-Couch – 5 Ayes**

15. 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**

16. Discussion and appropriate action on KCERA's voting delegation for the State Association of County Retirement Systems (SACRS) Fall 2019 Conference, presented by Executive Director Dominic Brown –TRUSTEES DAVID COUCH, DUSTIN DODGIN AND PHIL FRANNEY HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD

APPOINTED EXECUTIVE DIRECTOR DOMINIC BROWN AS VOTING DELEGATE AND TRUSTEE BOB JEFFERSON AS ALTERNATE VOTING DELEGATE

**Franey-Dodgin – 5 Ayes**

17. 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 2020 calendar year – CHAIR JORDAN KAUFMAN HEARD; TRUSTEES DAVID COUCH AND DUSTIN DODGIN HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD

CHAIR JORDAN KAUFMAN APPOINTED TRUSTEES RICK KRATT AND JUAN GONZALEZ TO NOMINATING COMMITTEE, DESIGNATING RICK KRATT AS CHAIR; APPROVED DESIGNATION OF TRUSTEES DUSTIN DODGIN AND BOB JEFFERSON TO NOMINATING COMMITTEE

**Kaufman-Dodgin – 5 Ayes**

18. Discussion and appropriate action on KCERA Board of Retirement CERL Regulations (formerly Bylaws) presented by Executive Director Dominic Brown and General Counsel Jennifer Zahry – CHAIR JORDAN KAUFMAN HEARD; VICE-CHAIR RICK KRATT HEARD; TRUSTEES JOHN DEMARIO AND DUSTIN DODGIN HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD

TRUSTEE RICK KRATT ARRIVED AT 8:43 A.M.

RECOMMENDED APPROVAL OF REVISIONS TO THE KERN COUNTY BOARD OF SUPERVISORS

**Dodgin-Couch – 6 Ayes**

19. 2020 Board of Retirement Meeting Schedule – CHAIR JORDAN KAUFMAN HEARD; VICE-CHAIR RICK KRATT HEARD; TRUSTEE JUAN GONZALEZ HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD; GENERAL COUNSEL JENNIFER ZAHRY HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER HEARD

APPROVED BASED ON STAFF'S RECOMMENDATION, EXCEPT THAT A REGULAR MEETING WILL BE SCHEDULED ON JANUARY 15, 2020

**Kratt-Gonzalez – 6 Ayes**

20. Discussion and appropriate action regarding the KCERA Organization Chart presented by Executive Director Dominic Brown – CHAIR JORDAN KAUFMAN HEARD; VICE-CHAIR RICK KRATT HEARD; TRUSTEES DUSTIN DODGIN AND JUAN GONZALEZ HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER HEARD

APPROVED STAFF RECOMMENDATION; DIRECT STAFF TO WORK WITH KERN COUNTY HUMAN RESOURCES DIVISION TO ADD POSITIONS APPROVED BY THE BOARD OF RETIREMENT TO THE DEPARTMENTAL POSITIONS AND SALARY SCHEDULE AND TO REVIEW SALARY RANGE OF CHIEF INVESTMENT OFFICER

**Dodgin-Kratt – 6 Ayes**

**STAFF/COMMITTEE REPORTS & NEW BUSINESS**

21. Report from Executive Director

EXECUTIVE DIRECTOR DOMINIC BROWN REPORTED THE FOLLOWING:

- OPERATIONAL ACTIVITIES OF ADMINISTRATIVE SERVICES, ACCOUNTING AND REPORTING SERVICES, MEMBER SERVICES AND INFORMATION TECHNOLOGY SERVICES DIVISIONS FOR SEPTEMBER 2019
- UPDATE ON ELECTION FOR BOARD OF RETIREMENT SEATS
- UPDATE ON STAKEHOLDER OUTREACH
- UPDATE ON PART-TIME SERVICES CREDIT
- UPDATE ON CURRENT KCERA RECRUITMENTS AND HIRING
- UPDATE ON UPCOMING BOARD AND COMMITTEE MEETINGS

TRUSTEE LAUREN SKIDMORE ARRIVED AT 9:24 A.M.

CHAIR JORDAN KAUFMAN HEARD; VICE-CHAIR RICK KRATT HEARD; TRUSTEES DUSTIN DODGIN AND PHIL FRANEY HEARD; GENERAL COUNSEL JENNIFER ZAHRY HEARD

TRUSTEE DUSTIN DODGIN MADE A REFERRAL TO STAFF TO BRING ELECTIONS PROCEDURES BACK TO ADMINISTRATIVE COMMITTEE TO DISCUSS NOTICING REQUIREMENTS

22. Report from Chief Investment Officer

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

- INVESTMENT ACTIVITIES, INITIATIVES AND PORTFOLIO OPPORTUNITIES

23. Report from General Counsel

GENERAL COUNSEL JENNIFER ZAHRY SUBMITTED A REPORT ON THE FOLLOWING:

- UPL (UNAUTHORIZED PRACTICE OF LAW) – STAFF TRAINING
- FAMILY LAW COURT – OUTREACH AND EDUCATION
- KCERA DISABILITY LITIGATION – COURT OF APPEALS
- U.S. SUPREME COURT – 11<sup>TH</sup> AMENDMENT DECISION

24. Report from Committee Chairs:

- a. Administrative Committee – GONZALEZ – MEETING SCHEDULED OCTOBER 23, 2019
- b. Finance Committee – SKIDMORE – NONE
- c. Investment Committee – DODGIN – WILL MEET TODAY AFTER BOARD OF RETIREMENT MEETING
- d. KCERA Property, Inc. – KRATT – NONE

**BOARD MEMBER ANNOUNCEMENTS OR REPORTS**

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

TRUSTEE DAVID COUCH HEARD; EXECUTIVE DIRECTOR DOMINIC BROWN HEARD

26. ADJOURNED – 9:42 A.M.

  
Secretary, Board of Retirement

  
Chair, Board of Retirement