

Executive Team:

Dominic D. Brown, CPA, CFE
Chief Executive Officer

Daryn Miller, CFA
Chief Investment Officer

Jennifer Zahry, JD
Chief Legal Officer

Matthew Henry, CFE
Chief Operations Officer

**Board of Retirement:**

Joseph D. Hughes, Chair
Jordan Kaufman, Vice-Chair
Ajaib Gill
Rocio Mosqueda
David Couch
John Sanders
Rick Kratt
Jeff Frapwell
Tyler Whitezell
Chase Nunneley, Alternate
Robb Seibly, Alternate
Alternate 7th Member (Vacant)

October 8, 2026

Trustees, Board of Retirement
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, October 14, 2026, at 8:30 a.m. in the KCERA Boardroom, 11125 River Run Boulevard, Bakersfield, California, 93311.

HOW TO PARTICIPATE: LISTEN TO OR VIEW THE BOARD MEETING

To listen to the live audio of the Board meeting, please dial one of the following numbers and enter ID# 852 1427 0546:

(669) 900-9128; U.S. Toll-free: (888) 788-0099 or (877) 853-5247

To access live audio and video of the Board meeting, please use the following:

- <https://us02web.zoom.us/j/85214270546?pwd=6fwPJEzaAiZBst4a5wr5Z29WkVfErz.1>
- Passcode: 072368

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 KCERA at (661) 381-7700 or send an email to Administration@kcera.org.

Sincerely,

Dominic D. Brown

Dominic D. Brown
Chief Executive Officer

Attachments

❖ **KCERA Board Agenda Notifications:** Sign up [here](#) on the KCERA website.

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 Section 54953.2)

Disabled individuals who need special assistance to listen to and/or participate in the 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.

CALL TO ORDER

ROLL CALL (IN PERSON)

FLAG SALUTE / MOMENT OF SILENCE

SB 707 REMOTE APPEARANCE(S)

Item 1 withdrawn from agenda if no trustee(s) request to appear remotely:

1. Trustee(s) who have notified the Board of a "Just Cause" to attend this meeting via teleconference. (See Government Code Section 54953.8.3).

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.*

- *2. Application for service-connected disability retirement for Mike Avila, Public Works (General) – ADOPT RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT
- *3. Application for service-connected disability retirement for Donnie Coleman, Behavioral Health (General) – ADOPT RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT

*4. [Summaries of proceedings of the following meetings:](#)

- September 9, 2026 Board of Retirement
- September 21, 2026 Administrative Committee

APPROVE

*5. [Report from the KCERA office on new retirees processed during the month of September 2026 – RATIFY](#)

*6. [Securities Lending Earnings Summary Report from Deutsche Bank for the period ending August 31, 2026 – RECEIVE AND FILE](#)

*7. [KCERA asset allocation, cash flow position, investment fees cash flow, and operating expense budget status reports for the month of August 2026 – RECEIVE AND FILE](#)

*8. [2027 Board of Retirement Meeting Schedule – RECEIVE AND FILE; APPROVE](#)

*9. [Invitation from SACRS to trustees to attend the SACRS Fall Conference 2026, November 10-13, 2026, in Rancho Mirage, California – APPROVE ATTENDANCE OF TRUSTEES DAVID COUCH, JEFF FRAPWELL, JOSEPH D. HUGHES, JORDAN KAUFMAN, RICK KRATT, ROCIO MOSQUEDA, AND JOHN SANDERS](#)

*10. [Invitation from Quantum for Investment Officer Jack Bowman to attend the Quantum Annual General Meeting, October 6-8, 2026, in Houston, Texas – RECEIVE AND FILE](#)

*11. [Invitation from Barclays for Chief Investment Officer Daryn Miller to attend the Barclays Global HF Symposium, October 13, 2026, in New York, New York – RECEIVE AND FILE](#)

*12. [Invitation from J.P. Morgan for Chief Investment Officer Daryn Miller to attend the J.P. Morgan Asset Owner Forum, October 15, 2026, in New York, New York – RECEIVE AND FILE](#)

*13. [Invitation from Fortress for Investment Officer Jack Bowman to attend the Fortress Annual General Meeting, October 21-23, 2026, in Dallas, Texas – RECEIVE AND FILE](#)

*14. [Invitation from Global ARC for Chief Investment Officer Daryn Miller to attend the 23rd Annual Global ARC Boston, October 26-28, 2026, in Boston, Massachusetts – RECEIVE AND FILE](#)

- *15. [Invitation from APPFA for Deputy Director of Compliance Tarrah Shockley to attend the APPFA Fall 2026 Professional Development Conference, November 8-11, 2026, in Louisville, Kentucky – RECEIVE AND FILE](#)
- *16. [Updated 2026 Board of Retirement Committee Assignments – RECEIVE AND FILE](#)
- *17. [Proclamation of October 2026 as Retirement Security Awareness Month – ADOPT PROCLAMATION](#)
- *18. [Service provider evaluation period initiated pursuant to the KCERA Evaluation Period Policy – RATIFY](#)

PUBLIC COMMENTS

- 19. 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 Chair, 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.

MATTERS FOR CONSIDERATION

Staff recommendations are shown in caps after each item.

ADMINISTRATIVE MATTERS

- 20. [Presentation and trustee education regarding Kern County Superior Court Employees and Social Security Integration Vote by Senior Deputy Chief Legal Officer Kristen McDonald – RECEIVE EDUCATIONAL TRAINING \(30 MINUTES TRUSTEE EDUCATION CREDIT\)](#)
- 21. [Discussion and appropriate action on KCERA's voting delegation for the SACRS Fall 2026 Conference, presented by Chief Executive Officer Dominic Brown – APPOINT VOTING DELEGATION](#)
- 22. [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 2027 calendar year, and designation of Nominating Committee Chair – MAKE APPOINTMENTS TO NOMINATING COMMITTEE; DESIGNATE NOMINATING COMMITTEE CHAIR; APPROVE](#)

EXECUTIVE STAFF REPORTS

23. [Report from Chief Executive Officer – HEAR PRESENTATION](#)
24. [Report from Chief Investment Officer – HEAR PRESENTATION](#)
25. [Report from Chief Legal Officer – HEAR PRESENTATION](#)

COMMITTEE REPORTS

26. Report from Committee Chairs:
 - a. Administrative Committee: Hughes
 - b. Finance Committee: Sanders
 - c. Investment Committee: Whitezell

CALL FOR PUBLIC COMMENT ON EXECUTIVE SESSION ITEM(S)

EXECUTIVE SESSION

Items 2-3 are withdrawn from Executive Session if approved on consent agenda:

2. PUBLIC EMPLOYMENT (pursuant to Government Code Section 54957)
Application for service-connected disability retirement:

Mike Avila Public Works (General)
3. PUBLIC EMPLOYMENT (pursuant to Government Code Section 54957)
Application for service-connected disability retirement:

Donnie Coleman Behavioral Health (General)

RETURN TO PUBLIC SESSION:

- ROLL CALL TO CONFIRM QUORUM
- REPORT OF EXECUTIVE SESSION ACTIONS, IF APPLICABLE

REFERRALS TO STAFF, ANNOUNCEMENTS, OR REPORTS

27. On their own initiative, Board members may make a brief announcement, refer matters to staff, subject to KCERA's rules and procedures, or make a brief report on their own activities.

NEW BUSINESS

28. Consider, discuss, and take possible action to agendize one or more items for future meetings of the Board of Retirement – **CONSIDER, DISCUSS, AND TAKE ACTION ON WHETHER TO AGENDIZE PROPOSED ITEMS, IF ANY, FOR A FUTURE MEETING**
29. Adjournment





SUMMARY OF PROCEEDINGS

Board of Retirement Meeting

September 9, 2026

Board Members: Couch, Frapwell, Gill, Chair Hughes, Vice-Chair Kaufman, Kratt, Mosqueda, Nunneley (Alternate), Sanders, Seibly (Alternate), Whitezell, (7th Member Alternate Vacant)

CALLED TO ORDER: 8:33 A.M.

ROLL CALL (IN PERSON)

Present: Gill, Hughes, Kaufman, Kratt, Mosqueda, Nunneley, Sanders, Seibly, Whitezell

Absent: Couch, Frapwell

FLAG SALUTE: TRUSTEE JORDAN KAUFMAN

MOMENT OF SILENCE

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

SB 707 REMOTE APPEARANCE(S)

Item 1 withdrawn from agenda. No trustees appeared remotely.

CONSENT MATTERS

All consent matter items listed below with an asterisk () were considered to be routine and non-controversial by staff and approved by one motion, unless otherwise noted.*

- *2. Application for service-connected disability retirement for Rigoberto Lucio, Sheriff (Safety) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT**

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *3. Application for service-connected disability retirement for Bryson Wattenbarger, Fire (Safety) – ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

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

- August 5, 2026 Investment Committee
- August 12, 2026 Board of Retirement

APPROVED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *5. Report from the KCERA office on new retirees processed during the month of August 2026 – RATIFIED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *6. Securities Lending Earnings Summary Report from Deutsche Bank for the period ending July 31, 2026 – RECEIVED AND FILED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *7. KCERA asset allocation, cash flow position, investment fees cash flow, and operating expense budget status reports for the month of July 2026 – RECEIVED AND FILED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *8. Review of KCERA's Compensation Policy – REFERRED REVIEW TO THE ADMINISTRATIVE COMMITTEE

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *9. Invitation from P2F2 for Chief Financial Officer Angela Kruger, Deputy Chief Financial Officer Maritza Rodriguez, and Deputy Chief Financial Officer Cory Pruett to attend the P2F2 23rd Annual Conference, October 4-7, 2026, in Orlando, Florida – RECEIVED AND FILED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *10. Invitation from Albourne for Investment Officer Rafael Jimenez to attend the Albourne Client Conference, September 30 – October 1, 2026, in London, England – RECEIVED AND FILED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

- *11. Service provider evaluation period initiated pursuant to the KCERA Evaluation Period Policy – RATIFIED

Whitezell-Kratt – 8 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

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 Chair, 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

MATTERS FOR CONSIDERATION

Staff recommendations are shown in caps after each item.

INVESTMENT MATTERS

13. Presentation on the 2nd Quarter Investment Performance Review period ending June 30, 2026 by Investment Consultants Scott Whalen and Brian Kwan, Cerity Partners – RECEIVED AND FILED

Gill-Sanders – 9 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

TRUSTEE DAVID COUCH ARRIVED AT 9:02 AM

14. Presentation on the 2nd Quarter 2026 Portfolio Review by Investment Consultant Spencer Edge, Albourne America¹ – RECEIVED AND FILED

Kratt-Whitezell – 9 Ayes

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

FINANCIAL MATTERS

15. Discussion and appropriate action on the Actuarial Experience Study for the period July 1, 2022 through June 30, 2025, presented by Actuary Molly Calcagno, Segal, and the Finance Committee – ADOPTED THE ECONOMIC AND NON-ECONOMIC ASSUMPTIONS WITH EXCEPTION OF MAINTAINING CURRENT INVESTMENT RATE OF RETURN ASSUMPTION OF 7.00%

TRUSTEE JOHN SANDERS LEFT AT 10:06 AM

TRUSTEE AJAIB GILL LEFT AT 10:28 AM

Kratt-Couch – 7 Ayes; 1 Abstention (Gill)

Trustee Robb Seibly voted in place of Trustee Jeff Frapwell

EXECUTIVE STAFF REPORTS

16. Report from Chief Executive Officer

CHIEF EXECUTIVE OFFICER DOMINIC BROWN REPORTED THE FOLLOWING:

- OFFICE UPDATE
- OPERATIONS ACTIVITY
- MEMBER OUTREACH & EDUCATION
- UPCOMING EVENTS

HEARD 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 Sections 7928.710, 7922.000, and 54957.5.

17. Report from Chief Investment Officer

CHIEF INVESTMENT OFFICER DARYN MILLER REPORTED THE FOLLOWING:

- MARKET COLOR
- POSITIONING
- REBALANCING
- DELEGATION
- CLOSED INVESTMENTS

HEARD PRESENTATION

18. Report from Chief Legal Officer

CHIEF LEGAL OFFICER JENNIFER ZAHRY AND SENIOR DEPUTY CHIEF LEGAL OFFICER KRISTEN MCDONALD REPORTED THE FOLLOWING:

- LEGISLATIVE UPDATES

HEARD PRESENTATION

COMMITTEE REPORTS

19. Report from Committee Chairs:

- Administrative Committee: HUGHES – MEETING TO BE SCHEDULED
- Finance Committee: SANDERS – NO REPORT
- Investment Committee: WHITEZELL – NO REPORT

REFERRALS TO STAFF, ANNOUNCEMENTS, OR REPORTS

20. On their own initiative, Board members may make a brief announcement, refer matters to staff, subject to KCERA's rules and procedures, or make a brief report on their own activities – NONE

NEW BUSINESS

21. Consider, discuss, and take possible action to agendize one or more items for future meetings of the Board of Retirement – NONE

22. ADJOURNED: 11:24 A.M.

Secretary, Board of Retirement

Chair, Board of Retirement



SUMMARY OF PROCEEDINGS

Administrative Committee Meeting

September 21, 2026

Committee Members: Gill, Chair Hughes, Mosqueda, Seibly, (Alternate Vacant)

CALLED TO ORDER: 1:03 P.M.

ROLL CALL (IN PERSON)

Present: Gill, Hughes, Mosqueda, Seibly,

Absent: None

NOTE: The vote is displayed in bold below each item. For example, Seibly-Mosqueda denotes Trustee Robb Seibly made the motion and Trustee Rocio Mosqueda seconded the motion.

SB 707 REMOTE APPEARANCE(S)

Item 1 withdrawn from agenda. No trustees appeared remotely.

PUBLIC COMMENTS

2. The public is provided the opportunity to comment on agenda items at the time those agenda items are discussed by the Committee. 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. 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 – NONE

MATTERS FOR CONSIDERATION

3. Response to referral, discussion, and appropriate action on review of changes to KCERA's Compensation Policy presented by Administrative Committee Chair – DIRECTED GOVERNANCE CONSULTANT TO REVIEW NOTES FROM LABOR NEGOTIATORS, PROPOSE LANGUAGE, AND RETURN TO THE ADMINISTRATIVE COMMITTEE FOR REVIEW OF PROPOSED REVISIONS

Gill-Seibly – 4 Ayes

REFERRALS TO STAFF, ANNOUNCEMENTS, OR REPORTS

4. On their own initiative, Committee members may make a brief announcement, refer matters to staff, subject to KCERA's rules and procedures, or make a brief report on their own activities – NONE
5. ADJOURNED: 1:31 P.M.

Secretary, Board of Retirement

Chair, Administrative Committee



Kern County Employees' Retirement Association
New Retirees Processed – September 1, 2026 to September 30, 2026

Employer Name: Buttonwillow Recreation & Park District

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Villa	Rosa	08/15/2026	General Tier I	Buttonwillow Recreation & Park District



Kern County Employees' Retirement Association

New Retirees Processed – September 1, 2026 to September 30, 2026

Employer Name: County Of Kern

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Beretti	Roger	08/22/2026	General Tier I	Environ Health Serv Dept
Blanks	Phillip	08/08/2026	Safety Tier I	Sheriff
Camarillo	Veronica	08/22/2026	General Tier I	Behavioral Health & Recovery
Contreras	Vidal	08/04/2026	Safety Tier I	Sheriff
Crawford	Stacy	08/22/2026	Safety Tier I	Probation
Devitt	Leslie	08/22/2026	General Tier II PEPRA	District Attorney
Edwards	Donna	08/08/2026	General Tier I	Fire
Guandique	Jaime	02/28/2023	Safety Tier I	Probation
Hernandez	Jose	07/11/2026	General Tier I	Sheriff
Leper	Michele	08/22/2026	General Tier I	Sheriff
Molica	Monica	08/15/2026	General Tier I	Human Resources Division
Ochoa	Pamela	03/16/2023	General Tier I	Recorder
Otaya	Annabelle	08/22/2026	General Tier I	Department Of Human Services
Parker	Jasen	08/22/2026	Safety Tier I	Sheriff
Reiswig	Patty	08/14/2026	General Tier I	Department Of Child Support Svc
Seidenkranz	Russell	08/08/2026	General Tier II PEPRA	Airports-Enterprise Fund



Kern County Employees' Retirement Association
New Retirees Processed – September 1, 2026 to September 30, 2026

Employer Name: Kern County Hospital Authority

Last Name	First Name	Retirement Date	Membership Tier	Department Name
DeLuca	Cheryl	08/22/2026	General Tier I	Kern County Hospital Authority



Kern County Employees' Retirement Association
New Retirees Processed – September 1, 2026 to September 30, 2026

Employer Name: Kern County Superior Court

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Kapp	Dawn	08/15/2026	General Tier I	Superior Court



Kern County Employees' Retirement Association
New Retirees Processed – September 1, 2026 to September 30, 2026

Employer Name: Kern County Water Agency

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Budak	Kristina	07/31/2026	General Tier II	Kern County Water Agency



Kern County Employees' Retirement Association
New Retirees Processed – September 1, 2026 to September 30, 2026

Employer Name: San Joaquin Valley Air Pollution Control District

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Aftanas	Alexander	08/15/2026	General Tier I	San Joaquin Valley Air Pollution Control District
Hockett	Donoo	08/08/2026	General Tier I	San Joaquin Valley Air Pollution Control District

SECURITIES LENDING

Summary Earnings Report

Run Time: 09-Sep-2026 14:30 EDT
Date Range: 01-AUG-2026 To 31-AUG-2026
Location: New York
Currency: USD
Client ID: Not Specified
Master Client: CAKERN
Grouping Type: None
Level: Individually

	Client ID	Average Contract Amount	Gross Earnings	DB Earnings	Client Earnings	Custody Account
New York						
USD						
KNCTY PIMCO EMD	CAKE08	3,058,523.07	1,166.86	105.02	1,061.84	KNC12
KNCTCY - Aristotle Short Duration	CAKE20	50,752,881.23	15,489.31	1,394.04	14,095.27	KNC21
KNCTCY - CONGRESS SMALL CAP VALUE	CAKE21	47,784,685.00	13,267.72	1,194.09	12,073.62	4437610
KNCTCY - FIDELITY BROADMARKET DURATION	CAKE22	112,633,840.74	23,021.04	2,071.89	20,949.14	KNC24
KNCTCY - Geneva	CAKE16	28,452,929.74	8,133.79	732.04	7,401.75	2667336
CCY Total		242,682,859.78	61,078.71	5,497.08	55,581.62	
Grand Total USD:			61,078.71	5,497.08	55,581.62	

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KCERA ASSET ALLOCATION*
8/31/2026

Manager Name	Type	\$(000)	Current Allocation	Target Percentage	Variance Over Target (Under Target)	Variance Over Target (Under Target) \$(000)
Abbott Capital Funds	Private Equity Fund of Funds	1,135	0.0%	Private Equity Range 0.0% - 11.0%		
Accel-KKR Capital Partners VII	Private Equity	4,004	0.1%			
Atlas Capital Resources V	Private Equity	3,469	0.0%			
Blue Owl Strategic Equity Partners	Private Equity	9,118	0.1%			
Brighton Park Capital Fund I & II	Private Equity	61,052	0.8%			
Level Equity Growth Partners V, VI & 2021	Private Equity	41,451	0.5%			
LGT Crown Global V & VI	Private Equity	54,347	0.7%			
Linden Capital Partners V, VI & Co-Investment	Private Equity	37,340	0.5%			
Longreach CAP Partners IV-JPY	Private Equity	5,820	0.1%			
OrbiMed Private Investments IX & X	Private Equity	9,125	0.1%			
Pantheon Funds	Private Equity Fund of Funds	1,573	0.0%			
Parthenon Investors VII	Private Equity	14,243	0.2%			
Peak Rock Capital Fund III	Private Equity	17,745	0.2%			
Petershill PES II	Private Equity	500	0.0%			
Rubicon Technology Partners IV	Private Equity	21,668	0.3%			
Vista Foundation Fund IV	Private Equity	20,856	0.3%			
Warren Equity Partners Fund III, IV, V, Co-Investment & WEP TreeCo	Private Equity	103,437	1.4%			
TOTAL PRIVATE EQUITY		\$406,883	5.4%	6.0%	(0.6%)	(\$45,686)
Ares Pathfinder Fund II	Private Credit	21,352	0.3%	Private Credit Range 0.0% - 13.0%		
Ares Senior Direct Lending III	Private Credit	17,294	0.2%			
Blue Torch Credit Opportunities II, III & IV	Private Credit	58,154	0.8%			
Brookfield Real Estate Finance Fund V	Private Credit	4,933	0.1%			
Castellake Aviation V Stable Yield	Private Credit	10,113	0.1%			
Cerberus Levered Loan Opportunities Fund V	Private Credit	20,058	0.3%			
DC Value Recovery Fund IV	Private Credit	7,827	0.1%			
Fortress Credit Opportunities Fund V Exp & VI	Private Credit	38,633	0.5%			
Fortress Legal Assets Fund II	Private Credit	15,729	0.2%			
Fortress Lending Fund II & III	Private Credit	27,682	0.4%			
H.I.G Bayside Loan Opportunity Fund V	Private Credit	34,491	0.5%			
HPS Special Situations Opportunity Fund II	Private Credit	14,384	0.2%			
ITE Rail Fund	Private Credit	41,438	0.5%			
Magnetar Constellation Fund V	Private Credit	8,395	0.1%			
Oak Hill Advisors Structured Products Fund III	Private Credit	26,386	0.3%			
OrbiMed Royalty & Credit Opportunities IV & V	Private Credit	14,147	0.2%			
Quantum Capital Solutions II & Co-Investment	Private Credit	22,269	0.3%			
Silver Point Specialty Credit Fund III	Private Credit	16,083	0.2%			
Sixth Street TAO Partners (B)	Private Credit	60,519	0.8%			
TPG AG Asset Based Credit Evergreen Fund	Private Credit	25,816	0.3%			
TOTAL PRIVATE CREDIT		\$485,703	6.4%	8.0%	(1.6%)	(\$117,722)
Covenant Apartment Fund X, XI & XII	Private Real Assets	64,932	0.9%	Private Real Estate Range 0.0% - 10.0%		
Juniper Capital IV LP & Co-Investment	Private Real Assets	18,531	0.2%			
Kayne Anderson Real Estate Partners VII	Private Real Assets	15,510	0.2%			
KSL Capital Partners VI	Private Real Assets	16,130	0.2%			
Landmark Real Estate Partners VIII, IX & Project Yeti II	Private Real Assets	64,313	0.9%			
LBA Logistics Value Fund IX	Private Real Assets	26,417	0.4%			
Long Wharf Real Estate Partners VI	Private Real Assets	25,258	0.3%			
Merit Hill Self-Storage V & VI	Private Real Assets	24,594	0.3%			
Post Oak Energy Partners V	Private Real Assets	27,049	0.4%			
Sculptor Real Estate Fund V	Private Real Assets	6,216	0.1%			
Singerman Real Estate Opportunity Fund IV & V	Private Real Assets	26,829	0.4%			
TOTAL PRIVATE REAL ASSETS		\$315,779	4.2%	5.0%	(0.8%)	(\$61,362)
TOTAL PRIVATE MARKETS		\$1,208,365	16.0%	19.0%	(3.0%)	(\$224,770)

KCERA ASSET ALLOCATION*
8/31/2026

Manager Name	Type	\$(000)	Current Allocation	Target Percentage	Variance Over Target (Under Target)	Variance Over Target (Under Target) \$(000)
Chilton Capital	Large Cap Core	241,039	3.2%	Domestic Equity Range 12.0% - 29.0%		
Congress Small Cap Value	Small Cap	92,845	1.2%			
Geneva Capital	Small Cap Growth	68,917	0.9%			
Mellon Capital Management Stock Index Fund	Large Cap Passive	870,682	11.5%			
PIMCO StockPlus	Large Cap Enhanced	212,497	2.8%			
Total Domestic Equity		\$1,485,980	19.7%	12 - 29%		
Cevian Capital II LP	International Large	67,631	0.9%	International Developed Equity Range 5.0% - 19.0%		
Dalton Japan Long Only	International Small	94,649	1.3%			
Lazard Japanese Equity	International Large	200,282	2.7%			
Mellon DB SL Developed Markets EX U.S. Stock Index	International Large Passive	466,818	6.2%			
Total International Developed Equity		\$829,380	11.0%	5 - 19%		
ABS Direct Equity	Emerging Markets	108,390	1.4%	Emerging Markets 0.0% - 10.0%		
Carrhae Long Only	Emerging Markets	124,882	1.7%			
DFA Emerging Markets Value Portfolio	Emerging Markets	87,117	1.2%			
Mellon Emerging Markets	Emerging Markets Passive	5,279	0.1%			
Total Emerging Market Equity		\$325,668	4.3%	0 - 10%		
TOTAL EQUITY		\$2,641,028	35.0%	34.0%	1.0%	\$76,472
Aristotle Pacific Capital, LLC	Core	300,332	4.0%	Core Range 8.0% - 23.0%		
Fidelity Broad Market Duration	Core	217,120	2.9%			
Mellon Capital Management Agg Bond	Core Passive	218,982	2.9%			
Total Core		\$736,434	9.8%	13.0%	(3.2%)	(\$244,132)
Guggenheim Securitized Products	Credit	195,463	2.6%	Credit Range 5.0% - 15.0%		
KKR US Broadly Syndicated Loan Fund	Credit	168,616	2.2%			
PIMCO EM Beta	Credit	183,913	2.4%			
Schroders Securitized Products	Credit	195,242	2.6%			
Western Asset Management - HY	Credit	715	0.0%			
Total Credit		\$743,949	9.9%	10.0%	(0.1%)	(\$10,332)
TOTAL FIXED INCOME		\$1,480,383	19.6%	23.0%	(3.4%)	(\$254,464)
Wellington Trust Company (WTC)	Commodities	342,236	4.5%	Commodities Range 0.0% - 9.0%		
TOTAL COMMODITIES		\$342,236	4.5%	5.0%	(0.5%)	(\$34,905)
Aristeia International	Hedge Fund - Direct	84,316	1.1%	Hedge Fund Range 7.0% - 17.0%		
Brevan Howard Fund Limited	Hedge Fund - Direct	60,980	0.8%			
D.E. Shaw Composite Fund	Hedge Fund - Direct	88,722	1.2%			
Elliott Associates	Hedge Fund - Direct	68,222	0.9%			
Frontier Commodities Fund	Hedge Fund - Direct	61,191	0.8%			
Hawk Ridge Partners II	Hedge Fund - Direct	87,431	1.2%			
HBK Multi-Strategy Fund	Hedge Fund - Direct	59,696	0.8%			
Hudson Bay Enhanced Fund	Hedge Fund - Direct	93,034	1.2%			
Indus Pacific Opportunities Fund	Hedge Fund - Direct	65,253	0.9%			
PIMCO Absolute Return Strategy V Fund (PARS V)	Hedge Fund - Direct	48,972	0.6%			
PIMCO Commodity Alpha Fund	Hedge Fund - Direct	71,195	0.9%			
Pharo Macro Fund	Hedge Fund - Direct	98,472	1.3%			
TOTAL HEDGE FUND		\$887,484	11.8%	12.0%	(0.2%)	(\$17,654)
Davidson Kempner	Hedge Fund - Direct	61,723	0.8%	CE Alpha Pool Range 0.0% - 5.0%		
Garda Fixed Income	Hedge Fund - Direct	46,087	0.6%			
HBK Alpha Pool	Hedge Fund - Direct	22,371	0.3%			
Hudson Bay Enhanced Fund	Hedge Fund - Direct	42,245	0.6%			
TOTAL CE ALPHA POOL		\$172,426	2.3%	2.5%	(0.2%)	(\$16,144)
ASB Capital Management	Core	98,703	1.3%	Core Real Estate Range 2.0% - 10.0%		
Beach Point Capital Real Estate Debt - Acquino	Core	2,758	0.0%			
Blue Owl Real Estate Fund VI	Core	64,475	0.9%			
BPC Real Estate Debt Fund	Core	16,791	0.2%			
Fortress CRE Enhanced Income Fund	Core	74,096	1.0%			
HBC Financing Partners Fund	Core	105,174	1.4%			
Hines Rialto Credit Partners	Core	13,101	0.2%			
Hudson Bay Real Estate Opportunities Fund	Core	43,028	0.6%			
JPMCB Strategic Property Fund	Core	81,370	1.1%			
Sculptor DREIT Inc-Issuance of Founders Class	Core	76,977	1.0%			
Sculptor Real Estate MI Fund	Core	9,835	0.1%			
TPG AG Essential Housing Fund III	Core	32,216	0.4%			
TOTAL CORE REAL ESTATE		\$618,524	8.2%	7.0%	1.2%	\$90,527
Aristeia Select Opportunities II	Opportunistic	801	0.0%	Opportunistic Range 0.0% - 10.0%		
Beach Point Capital Real Estate Debt - Fulton	Opportunistic	3,066	0.0%			
Hudson Bay Special Opportunities Fund	Opportunistic	6,515	0.1%			
Sixth Street TAO Partners (D)	Opportunistic	56,228	0.7%			
TOTAL OPPORTUNISTIC		\$66,610	0.9%	0.0%	0.9%	\$66,610
Northern Trust STIF	Short Term	14,370	0.2%	Cash Range -5.0% - 4.0%		
BlackRock Short Duration	Short Term	76,341	1.0%			
Parametric	Overlay	23,292	0.3%			
Treasurers Pooled Cash	Short Term	147	0.0%			
Wells Fargo Bank	Short Term	11,314	0.1%			
TOTAL CASH AND OVERLAY		\$125,464	1.7%	-2.5%	4.2%	\$314,034
Transition Accounts	Liquidation	293	0.0%			
Other		\$293	0.0%	0.0%	0.0%	\$293
TOTAL PRIVATE EQUITY ***		\$406,884	5.4%	6.0%	(0.6%)	(\$45,685)
TOTAL PRIVATE CREDIT ***		\$485,702	6.4%	8.0%	(1.6%)	(\$117,723)
TOTAL PRIVATE REAL ASSETS ***		\$315,778	4.2%	5.0%	(0.8%)	(\$61,363)
As Allocated to Managers **		\$7,542,813	100.0%	100.0%	0.0%	\$0

*This report reflects the strategic asset allocation policy adopted by the Board of Retirement July 2026.

**Physical securities market value only. Does not include notional market values of the overlay or capital efficiency program.

*** See second page of the report for account details.

KCERA
Operating Expense Budget Status Report
For the Month Ended August 31, 2026

Expense Type	Budget FY 2026/27	Expenses	Over (Under)
Personnel Costs			
Salaries	5,435,248	557,524	(4,877,724)
Benefits	3,087,704	318,673	(2,769,031)
Total Personnel Costs	8,522,952	876,197	(7,646,755)
Staff Development			
Education & professional development	142,000	15,266	(126,735)
Staff recognition	6,000	-	(6,000)
Total Staff Development	148,000	15,266	(132,735)
Professional Services			
Actuarial fees	163,200	-	(163,200)
Audit fees	54,950	-	(54,950)
Consultant fees	90,000	-	(90,000)
Custodial fees	579,200	-	(579,200)
Disability services	250,000	15,220	(234,780)
Due Diligence	38,000	155	(37,845)
Investment consultants	1,671,950	140,618	(1,531,332)
Legal fees	465,000	-	(465,000)
Total Professional Services *	3,312,300	155,993	(3,156,307)
Office Expenses			
Building expenses	197,000	13,445	(183,555)
Communication platforms	65,001	9,507	(55,494)
Equipment lease & maintenance	12,000	1,486	(10,514)
Member engagement	38,000	-	(38,000)
Subscriptions & memberships	63,000	8,975	(54,025)
Office supplies & misc. admin.	83,700	4,087	(79,613)
Payroll & accounts payable fees	-	-	-
Postage	30,000	2,091	(27,909)
Other services - Kern County	30,000	-	(30,000)
Utilities	39,000	3,071	(35,929)
Total Office Expenses	557,701	42,662	(515,039)
Insurance	209,527	81,589	(127,939)
Information Technology Systems			
Audit-security & vulnerability scan	12,930	-	(12,930)
Business continuity expenses	10,600	358	(10,243)
Hardware	224,150	106,255	(117,895)
Licensing & support	224,520	42,844	(181,676)
Software	609,583	108,243	(501,340)
Website design & hosting	26,400	2,200	(24,200)
Total Information Technology Systems	1,108,183	259,900	(848,284)
Board of Retirement			
Board compensation	14,500	900	(13,600)
Board conferences & training	55,000	5,453	(49,547)
Board elections	-	-	-
Board meetings	7,500	130	(7,370)
Total Board of Retirement	77,000	6,483	(70,517)
Depreciation	265,284	40,256	(225,028)
Total Operating Expenses	14,200,947	1,478,346	(12,722,604)

**KCERA
CASH FLOW POSITION
August, 2026**

TREASURERS POOLED CASH

Beginning Cash Balance:		\$ 1,832,649
Contributions	32,909,290	
Interest Apportionment	50,324	
Misc	180	
Total Receipts:		32,959,794
Salaries	(626,980)	
Transfers-out	(34,000,000)	
Total Disbursements:		<u>(34,626,980)</u>
Ending Cash Balance:		<u><u>165,462</u></u>

WELLS FARGO BANK

Beginning Balances			
Cash Balance			\$ 135,788
STIF Balance			<u>\$ 11,178,288</u>
Total			<u>\$ 11,314,076</u>
		<u>5109</u>	<u>5447</u>
Contributions			7,277,167
Transfer In	5109/5447	40,979,523	8,728
Transfer In	Northern Trust		
Transfer In	TPC - County		34,000,000
ACH Returns / Deletes		33,242	114
Interest Earned			71,162
Misc			
Total Receipts:			82,369,937
Operating Expenses			(964,754)
Investment Expenses			(674,745)
ACH Benefit Payments		(35,337,052)	
Total Checks Paid		(570,954)	(16,306)
Taxes Withholding Deposits		(5,094,084)	
Bank Services		(1,948)	
Transfers Out	5109/5447	(8,728)	(40,979,523)
Transfers Out	Northern Trust		
Total Disbursements:			(83,648,093)
Net Sweep Activity			<u>1,144,566</u>
Pending Bank Transactions			
Ending Balances			
Cash Balance			2,197
STIF Balance			10,033,722
Total			<u><u>\$ 10,035,919</u></u>

KCERA
CASH FLOW POSITION
August, 2026

NORTHERN TRUST

Beginning Cash Balance:		\$ 42,283,022
Private Markets - Distributions	13,158,276	
Commingled Funds - Distributions	1,017,010	
Redemption Aristeia Select Opp - Full Redemption	64,513,129	
Dividend and Interest Income	27,145	
Securities Lending Earnings (NET)	54,380	
Total Receipts:		78,769,939
Capital Calls Private Markets	(11,377,910)	
Capital Calls Commingled Funds	(70,114,711)	
Contribution Parametric	(6,000,000)	
Contribution Aristotle Pacific Capital	(22,000,000)	
Contribution		
Contribution		
Pending Cash Transfers		
Other Expenses	(2,551)	
Total Disbursements:		<u>(109,495,172)</u>
Ending Cash Balance:		<u>\$ 11,557,789</u>

**KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT FEES CASH FLOW REPORT
FOR THE MONTH ENDED August 31, 2026**

Description	July	August	Total
Investment Base Fees:			
Domestic Equity:			
AllianceBernstein	0.00	0.00	0.00
Henderson Geneva Capital	146,188.00	0.00	146,188.00
Mellon Capital	0.00	0.00	0.00
Congress Small Cap Value	128,613.75	0.00	128,613.75
International Equity:			
Lazard	140,526.96	0.00	140,526.96
Mellon Capital (Developed Markets)	58,583.66	0.00	58,583.66
Fixed Income:			
Aristotle Pacific Capital, LLC	0.00	62,239.00	62,239.00
Mellon Capital (Agg Bond)	0.00	0.00	0.00
Pacific Investment Management Company	157,335.89	0.00	157,335.89
Western Asset Management	0.00	0.00	0.00
Guggenheim Securitized Products	139,628.53	0.00	139,628.53
Schroders Securitized Products	133,159.67	0.00	133,159.67
Fidelity Broadmarket Duration	0.00	0.00	0.00
Commodities:			
Wellington Trust Company	0.00	413,408.72	413,408.72
Real Estate:			
ASB Capital Management	201,762.55	0.00	201,762.55
Midstream Energy:			
Harvest Midstream	0.00	0.00	0.00
Cash & Overlay			
BlackRock	43,262.62	0.00	43,262.62
Parametric	27,039.00	0.00	27,039.00
Subtotal	1,176,100.63	475,647.72	1,651,748.35
Investment Professional Fees:			
Consulting:			
Abel Noser	8,190.00	8,190.00	16,380.00
Albourne America LLC	33,333.33	33,333.33	66,666.66
Cambridge Associates	0.00	0.00	0.00
Glass, Lewis & Co.	7,950.00	0.00	7,950.00
Verus (Cerity Partners)	35,416.67	36,666.67	72,083.34
Consulting - Other Expenses	0.00	0.00	0.00
Custodial:			
The Northern Trust Co.	0.00	0.00	0.00
Legal:			
Foley & Lardner LLP	0.00	0.00	0.00
Hanson Bridgett LLP	0.00	0.00	0.00
Nossaman LLP	25,150.00	120,752.00	145,902.00
Due Diligence / Investment-Related Travel:	1,718.07	155.15	1,873.22
Subtotal	111,758.07	199,097.15	310,855.22
Total Investment Fees	1,287,858.70	674,744.87	1,962,603.57



11125 River Run Blvd
Bakersfield, CA 93311
661.381.7700
www.kcera.org

BOARD OF RETIREMENT 2027 MEETING SCHEDULE

January *Dark – No meeting*
February 10 Board of Retirement
March 10 Board of Retirement
April 14 Board of Retirement
May 5* Board of Retirement
June 9 Board of Retirement

July *Dark – No meeting*
August 11 Board of Retirement
September 8 Board of Retirement
October 13 Board of Retirement
November 3* Board of Retirement
December 8 Board of Retirement

Board of Retirement meetings are generally held on the second Wednesday of the month at 8:30 a.m. in the KCERA Board Room, located at 11125 River Run Boulevard, Bakersfield, California. The Administrative, Finance, Investment, and Nominating Committees meet periodically throughout the year, as necessary.

ANY SCHEDULING CHANGES WILL BE NOTED ON AGENDAS

**Scheduled first weeks of May and November due to SACRS Spring Conference held May 11-14 and SACRS Fall Conference held November 9-12.*

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **SACRS Fall Conference 2026**
Rancho Mirage, California
November 10-13, 2026

In accordance with the Trustee Travel Policy approved by the Board of Retirement on April 13, 2022, I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of attendance to a fiduciary – Preliminary agenda is attached
- Specific information as to whether members of the Board will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Accordingly, I recommend that the Board approve the attendance of Trustees David Couch, Jeff Frapwell, Joseph D. Hughes, Jordan Kaufman, Rick Kratt, Rocio Mosqueda, and John Sanders.

Attachments

Travel Subject	SACRS Fall 2026 Conference
Sponsor	SACRS
Date(s)	November 10-13, 2026
Location	Rancho Mirage, California

David Couch, Jeff Frapwell, Joseph D. Hughes, Jordan Kaufman, Rick Kratt, Rocio Mosqueda, and John Sanders

Proposed Attendee(s) Sanders

Estimated Total Travel Cost \$12,901.00

Description	Computation		Couch	Frapwell	Hughes	Kaufman	Kratt	Mosqueda	Sanders	Totals	Borne By	
											KCERA	Sponsor
Registration fees	\$290.00	=	290.00	290.00	290.00	290.00	290.00	290.00	290.00	2,030.00	2,030.00	
Lodging expense	3 nights @ \$ 287.52 /night	=	862.56	862.56	862.56	862.56	862.56	862.56	862.56	6,037.92	6,037.92	
Per diem meals reimbursement:	4 days @ \$ 86.00 /day	=	344.00	344.00	344.00	344.00	344.00	344.00	344.00			
Less meals provided by sponsor	3 Breakfast, 2 Lunch, 1 Dinner = \$147.06	=	(\$147.06)	(\$147.06)	(\$147.06)	(\$147.06)	(\$147.06)	(\$147.06)	(\$147.06)			\$1,029.42
Total meals expense		=								2,408.00	1,378.58	
Shuttle/taxicab expense	Taxi Estimate	=								-	-	
Airfare	\$0.00	=	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-	
Vehicle-related expenses:		=	-	-	-	-	-	-	-	-	-	
Parking	4 days @ 40.00 /day	=	160.00	160.00	160.00	160.00	160.00	160.00	160.00	1,120.00	1,120.00	
Mileage	460 miles @ 0.725 /mile (Trustee)	=	333.50	333.50	333.50	333.50	333.50	333.50	333.50	2,334.50	2,334.50	
Totals		=	1,843.00	1,843.00	1,843.00	1,843.00	1,843.00	1,843.00	1,843.00	\$ 13,930.42	\$ 12,901.00	\$ 1,029.42

SACRS FALL CONFERENCE 2026

NOV. 10-13 | OMNI RANCHO LAS PALMAS RESORT & SPA | RANCHO MIRAGE, CA



SACRS FALL CONFERENCE 2026 PRELIMINARY AGENDA

TUESDAY, NOVEMBER 10

Time	Session Title
2:00 pm – 6:30 pm	SACRS REGISTRATION
3:00 pm – 5:00 pm	PRE-CONFERENCE TRAINING SESSIONS DISABILITY TRAINING <i>The path to disability retirement—and retirement in general—can feel like an overwhelming maze of paperwork, medical evaluations, board decisions, and complex calculations. For some members, it is a detailed, complex, and overwhelming experience. This session invites you to step into the shoes of those navigating this journey, offering a fresh perspective on the human experience behind the system.</i> Nicole McIntosh, Director of Disability, Orange CERS Tamara Caldwell, Disability Retirement Specialist, Supervisor, Los Angeles CERA ETHICS TRAINING FOR TRUSTEES AND STAFF MORE THAN A CONCEPT <i>This ethics training provides the information required for bi-annual training of public officials in California by AB 1234, and it also addresses key considerations for those public officials whose responsibilities arise from their role as trustees or executives of public retirement systems. *This class is approved for MCLE credit. Sign-In/Sign-Out is mandatory to receive credit for all attendees seeking credit for CEs or MCLE.</i> Ashley Dunning, Partner, Nossaman LLP Amber Maltbie, Partner, Nossaman, LLP
5:30 pm – 6:30 pm	SACRS NETWORKING RECEPTION <i>Get your SACRS Fall 2026 Conference off to a great start: Meet up with old friends, connect with new ones, and discover opportunities during this great networking experience. Held on-site at the Omni, all registered attendees are welcome to participate.</i>

WEDNESDAY, NOVEMBER 11

Time	Session Title
7:00 am – 8:00 am	SACRS WELLNESS SESSION YOGA <i>Fitting in fitness when away from home is often difficult, but not during SACRS Fall Conference 2026! We bring a yoga class onsite to start your day the right way. This class, led by a certified yoga instructor, is intended for everyone, beginner to expert. Water and towels are provided. Pre-registration is required to participate for conference attendees & guests and a participation fee.</i>
7:30 am – 6:30 pm	SACRS REGISTRATION
7:30 am – 8:30 am	SACRS BREAKFAST <i>Start your conference day the SACRS way: A full hot breakfast and your SACRS community to share it with! All registered attendees are welcome to come fuel up for what promises to be a great day ahead.</i>
7:30 am – 8:30 am	SACRS FIRST TIME ATTENDEES & NEW MEMBER BREAKFAST <i>Connect and engage from day one at our First-Time Conference Attendee and New Members Orientation Breakfast! Share a meal with fellow new attendees, get connected, and learn how to best leverage your time at SACRS Annual Fall Conference 2026. This is a fantastic opportunity to build your professional network and immerse yourself within the SACRS community. This breakfast is intended for first-time conference attendees and new members only.</i>
8:45 am – 9:00 am	SACRS WELCOME OPENING CEREMONIES, PRESENTATION OF THE FLAGS, PLEDGE OF ALLEGIANCE, AND NATIONAL ANTHEM Adele Lopez Tagaloa, Trustee, Orange CERS, SACRS President Kellie DeMarco, Kellie DeMarco Communications, Conference Moderator Mariachi Bonitas, Honor Guard
9:00 am – 10:00 am	KEYNOTE GENERAL SESSION DARING MIGHTY THINGS: THE FUTURE OF U.S. SECURITY AND GLOBAL STABILITY <i>Highly accomplished, O'Hanlon is a senior fellow and director of research in Foreign Policy at the Brookings Institution. He directs the Strobe Talbott Center on Security, Strategy and Technology, and is the inaugural holder of the Philip H. Knight Chair in Defense and Strategy. He is an adjunct professor at Columbia and Georgetown universities and was on the Pentagon's Defense Policy Board from 2021-2025 as well as the External Advisory Board at the Central Intelligence Agency from 2011-12.</i> <i>In this riveting SACRS opening keynote, O'Hanlon will share his observations on current geopolitics and discuss his latest book, To Dare Mighty Things: U.S. Defense Strategy Since the Revolution, published earlier this year.</i> Michael E. O'Hanlon, Author, Senior Fellow, and Director of Research in Foreign Policy, Brookings Institution
10:00 am – 10:30 am	SACRS NETWORKING BREAK

10:30 am – 11:30 am

GENERAL SESSION | POWERING THE AI ECONOMY: CAN INFRASTRUCTURE KEEP UP?

BLACKROCK

TBD

11:40 am – 12:40 pm

GENERAL SESSION | SHARK TANK 3.0

Back by popular demand, this is an opportunity for SACRS Affiliate Members to showcase their marketing and presentation skills in our "Shark Tank 3.0" competition. Contestants will jump into the tank with a 3-minute verbal presentation demonstrating how they would pitch an investment strategy of their choice to consultants and plan sponsors. Each presentation will be followed by 2 minutes of Q&A from our panel of Sharks.

Sean Gannon, Manulife, Affiliate Committee Chair

TBD Sharks

TBD Contestants

12:45 pm – 1:45 pm

SACRS LUNCH

They say the best deals are made over a meal. At this year's SACRS Fall Conference, we're making sure your lunch hour is the most productive part of your day! Join us for a curated networking experience. All registered attendees are invited to participate.

2:00 pm – 4:30 pm

SACRS BREAKOUTS

2:00 pm – 4:30 pm

ADMINISTRATORS BREAKOUT | CLOSED SESSION

2:00 pm – 4:30 pm

AFFILIATE BREAKOUT |

Sean Gannon, Manulife, Affiliate Committee Chair

2:00 pm – 4:30 pm

ATTORNEY'S BREAKOUT |

TBD

2:00 pm – 4:30 pm

INTERNAL AUDITORS' BREAKOUT |

Margo Allen, PhD, Chief Operations Officer, Sacramento CERS

Larry Jensen, Chief Executive Officer, Audit & Risk Management Services

Marlon Montenegro, Alameda CERA

Harsh Jadhav, Chief Audit Executive, Alameda CERA

2:00 pm – 4:30 pm

INVESTMENT BREAKOUT | CLOSED SESSION

TBD

2:00 pm – 4:30 pm

OPERATIONS/BENEFITS BREAKOUT |

TBD

2:00 pm – 4:30 pm

SAFETY BREAKOUT |

Skip Murphy, Trustee, San Diego CERA

2:00 pm – 4:30 pm

TRUSTEE BREAKOUT | GUN JUMPING, GAG ORDERS, CRYPTOCURRENCY, SAFE HARBORS, FORCED ARBITRATION, AND MEGA-IPOS: HOW TO BE A GOOD FIDUCIARY IN OUR ERA OF RAPID REGULATORY CHANGE

This session will brief SACRS members on big federal regulatory changes impacting their investment portfolios and provide guidance on what fiduciaries can do about it.

Andrew Baker, UC Berkeley Law Professor
Omid Harraf, Stanford Law School
Anya J. Freedman, Attorney, BLB&G
Rhonda Biesemeier, Trustee, Stanislaus CERA, SACRS Board of Directors

6:30 pm – 9:30 pm

SACRS ANNUAL WEDNESDAY NIGHT EVENT | **BOOTS & BLING**

A magical evening of cowboy chic elegance is in store at the Omni Rancho Las Palmas Resort & Spa, enjoy an evening outside under the stars and the backdrop of panoramic mountain views. Dust off your finest boots and cowboy hats for an unforgettable night of high-end networking, sophisticated ranch-to-table dinner, and high-energy line dancing. All registered attendees are welcome to participate in this spectacular, boots-and-bling evening.

THURSDAY, NOVEMBER 12

Time	Session Title
7:00 am – 8:00 am	RISE, RUN, AND RECHARGE: THE SACRS 5K FUN RUN! <i>Your morning starts off with an additional opportunity for team building and networking, while enjoying the early morning air. A SACRS tradition, the 5K (3.1 miles) Fun Run course is the perfect way to get energized for the conference day ahead. Designed for the walker, jogger, or runner, the course is flat and paved. Pre-registration is required and costs \$15 per person. Pocket maps, Fun Run T-shirts, water, and snacks at the end of the course will be provided.</i>
7:30 am – 6:30 pm	SACRS REGISTRATION
7:30 am – 8:30 am	SACRS BREAKFAST: THE SACRS CONNECTION CAFE <i>They say the best ideas happen over coffee. Use this dedicated morning breakfast hour to find that person you missed yesterday. Whether you're comparing notes from yesterday's keynote or preparing for today's workshops, start your morning fueled and ready for more. All registered conference attendees are welcome to participate.</i>
8:45 am – 9:00 am	SACRS VOLUNTEER AWARDS & HOMETOWN HERO AWARD Adele Lopez Tagaloa, Trustee, Orange CERS, SACRS President
9:00 am– 10:00 am	GENERAL SESSION CYBERCRIME, IDENTITY THEFT, AND SCAMS <i>Frank Abagnale is one of the world's most respected authorities on forgery, embezzlement, secure documents, cybercrime, and scams. For over 48 years he has worked with, advised, and consulted with hundreds of financial institutions, corporations, and government agencies around the world. Mr. Abagnale has been associated with the Federal Bureau of Investigation for over four decades. He lectures at the FBI Academy and for the FBI field offices. On January 18, 2023, Mr. Abagnale was the recipient of the first-ever Lifetime Achievement Award given by InfraGard which, along with the FBI, honored Mr.</i>

Abagnale for his longtime work with InfraGard, the FBI, and the FBI CyberCamp.

Frank Abagnale, Renowned Cyber-Crime and Fraud Prevention Expert; Bestselling Author, Catch Me if You Can

10:00 am–10:30 am

SACRS NETWORKING BREAK

10:30 am–11:30 am

GENERAL SESSION | THE BILLION-DOLLAR BIOLOGY: INVESTING IN GEROSCIENCE AND THE LONGEVITY ECONOMY

By 2030, one in six people globally will be aged 60 or older. This demographic shift is fueling "Geroscience"—a cutting-edge medical field focused on treating aging itself as a disease, rather than treating individual chronic illnesses. This 1-hour advanced educational session bridges the gap between clinical breakthroughs at institutions like UC Davis and institutional capital. Designed specifically for investment professionals, this presentation explores the disruptive economic potential of biotechnology, multi-omic health platforms, and cognitive resilience tools. Attendees will discover how to evaluate early-stage longevity biotech, identify market indicators within healthcare portfolios, and leverage the multi-trillion-dollar silver economy to drive alpha.

Justin Siegel, UC Davis

Harld Schmitz, March Fund

Andrew Herr, Fount

Ejnar Knudsen, AGR Partners

11:30 am–12:30 pm

GENERAL SESSION | CIO'S PANEL: THINKING OUTSIDE THE BOX

This CIO Panel features three outstanding leaders known for strategic thinking, leadership, innovation, and action. Designed as a "Fireside Chat," attendees will hear candid discussions on lessons learned, reflections on their long-standing careers, insights and strategy regarding asset allocation and approaches to today's evolving investment landscape. Questions from the audience at the end of the session will be encouraged. This panel is sure to spark ideas and evoke discussion; valuable information that attendees can share with their organizations.

Ashley Baum, CFA, Managing Director, Head of Special Opportunities, Teacher Retirement System of Texas
TBD

12:30 pm - 1:45 pm

SACRS LUNCH

Maximize your productivity during the SACRS networking lunch. Use this hour to discuss the day's speakers and evaluate insights from morning sessions. It's the premier opportunity to build valuable industry connections and discuss investment strategies over a meal. All registered attendees are welcome to participate.

2:00 pm – 3:00 pm

SACRS CONCURRENT SESSIONS

2:00 pm – 3:00 pm

CONCURRENT SESSION A | DEMYSTIFYING THE DEBT MARKETS: UNDERSTANDING PUBLIC VS. PRIVATE CREDIT

As structural shifts continue to reshape global fixed income, institutional allocators must continuously evaluate the boundaries

between public and private debt markets. This advanced educational session analyzes the distinct mechanics driving both ecosystems—contrasting the liquid debt traded openly on public exchanges with the bespoke, privately negotiated loans sourced from non-bank lenders. We will dissect how these two segments diverge across documentation, structural protections, and capital efficiency. Attendees will leave with an institutional framework to optimize credit allocations, evaluate liquidity premiums, and assess how macro factors alter the risk-reward dynamic across the entire credit spectrum.

Jason Valencourt, Columbia Threadneedle Investments
TBD

2:00 pm – 3:00 pm

CONCURRENT SESSION B | INFRASTRUCTURE
FENGATE
TBD

2:00 pm – 3:00 pm

CONCURRENT SESSION C | OPERATIONS
Darren Dang, Orange CERS

3:00 pm – 3:30 pm

SACRS NETWORKING BREAK

3:30 pm – 4:30 pm

CONCURRENT SESSION A | LEGISLATIVE UPDATE 2026
Laurie Johnson, SACRS Legislative Advocate
Cara Martinson, SACRS Legislative Advocate
Eric Stern, Chief Executive Officer, Sacramento CERS

3:30 pm – 4:30 pm

CONCURRENT SESSION B | PRIVATE CREDIT, UNBUNDLED: A PRACTITIONER'S VIEW OF A FRAGMENTING MARKET

Private credit has grown from a single, largely undifferentiated asset class into a set of distinct sub-strategies, much as private equity split into buyout, growth, and venture over the past two decades. With bank lending capacity constrained and capital continuing to flow into space, trustees are now facing a market where "private credit" covers meaningfully different risk, return, and liquidity profiles depending on the segment. This session moves past the introductory framing covered in prior years and brings in practitioners from distinct segments to give trustees a working framework for evaluating managers and building allocations with intent rather than treating the asset class as one decision, including:

Upper middle market, sponsor-backed direct lending

Lower middle market, non-sponsored direct lending

Asset-based lending and specialty finance

Opportunistic and distressed or special situations credit

Monroe Capital
TDA

3:30 pm – 4:30 pm

CONCURRENT SESSION C | CLARIFY, CONTROL, COMMAND: EXECUTIVE PRESENCE FOR HIGH-STAKES MOMENTS

Too often, senior women leaders have the credentials but still face the challenge of being fully heard in critical meetings.

Drawing from her Emmy-winning television career, Kellie reveals how to align your communication style with your professional

stature. Discover the actionable strategies needed to clarify your message, control the room, and command authority during high-stakes presentations and board-level discussions.

Kellie DeMarco, Founder, DeMarco Consulting

4:30 pm – 5:30 pm

BREAKOUT SESSION | IN SOLIDARITY

Alissa Bonner, Fresno CERA

4:30 pm – 5:30 pm

SACRS COMMITTEE MEETINGS

SACRS NOMINATING COMMITTEE MEETING

SACRS AFFILIATE COMMITTEE MEETING

5:30 pm – 6:30 pm

SACRS RECEPTION

Don't let the week's insights end in your notebook! Join us for the ultimate Fall Conference wrap-up. With the majestic, palm-lined peaks of the San Jacinto Mountains as our backdrop, it's time to trade your ROI talk for a celebratory toast. Whether you're here to cement new partnerships or just soak in the warm desert air one last time, this is the 'must-attend' hour of the week. Let's finish strong, cheers to another successful year at Omni Rancho Las Palmas Resort & Spa! All registered attendees are welcome to attend.

FRIDAY, NOVEMBER 13

Time	Session Title
7:30 am – 8:30 am	SACRS BREAKFAST LAST CALL: THE SACRS CONNECTIONS CAFE <i>The sessions are ending, but the community is just beginning. Join us for a relaxed final breakfast to toast to a successful week. It's your last chance to catch that speaker you missed or snap a final team photo over pancakes and parfaits. All registered attendees are welcome to participate.</i>
9:00 am – 10:00 am	GENERAL SESSION PLANES, TRAINS, AND BOATS INFRASTRUCTURE PANEL Napier Park TBD
10:00 am -10:15 am	SACRS NETWORKING BREAK
10:15 am –11:30 am	SACRS ANNUAL BUSINESS MEETING

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **Quantum Annual General Meeting**
Houston, Texas
October 6-8, 2026

I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Investment Officer Jack Bowman
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments

Travel Subject	Quantum Annual General Meeting
Sponsor	Quantum
Date(s)	October 6-8, 2026
Location	Houston, Texas
Proposed Attendee(s)	Jack Bowman

Estimated Total Travel Cost **\$1,851.20**

Description	Computation		Bowman	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	2 nights @ \$ 449.00 /night	=	\$898.00	\$898.00	\$898.00	
Per diem meals reimbursement:	2 days @ \$ 80.00 /day	=	\$160.00			
Less meals provided by sponsor	1 Breakfast, 0 Lunch, 1 Dinner = \$56.80	=	(\$56.80)			\$56.80
Total meals expense		=		\$160.00	\$103.20	
Rideshare expense	200	=	\$200.00	\$200.00	\$200.00	
Airfare	\$650.00	=	\$650.00	\$650.00	\$650.00	
Vehicle-related expenses:		=	-	-	-	
Parking	- days @ - /day	=	-	-	-	
Mileage	miles @ 0.410 /mile (Department Head)	=	-	-	-	
	miles @ 0.700 /mile (Staff, Trustee)	=	-	-	-	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
Totals		=	\$1,851.20	\$1,908.00	\$1,851.20	\$56.80

Date

Tuesday, October 6, 2026 (in Central Time)

- *8:00 am – 9:00 am: Breakfast*
- **9:00 am – 5:00 pm: Firm & Fund Updates, Energy Market Insights, Investment Landscape, & Portfolio Company Discussions**
- *5:30 pm – 9:00 pm: Cocktail Reception & Dinner*

Please note the schedule provided above is preliminary and subject to change. The finalized schedule will be provided to all attendees in advance of the meeting.

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **Barclays Global HF Symposium**
New York, New York
October 13, 2026

I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Chief Investment Officer Daryn Miller
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

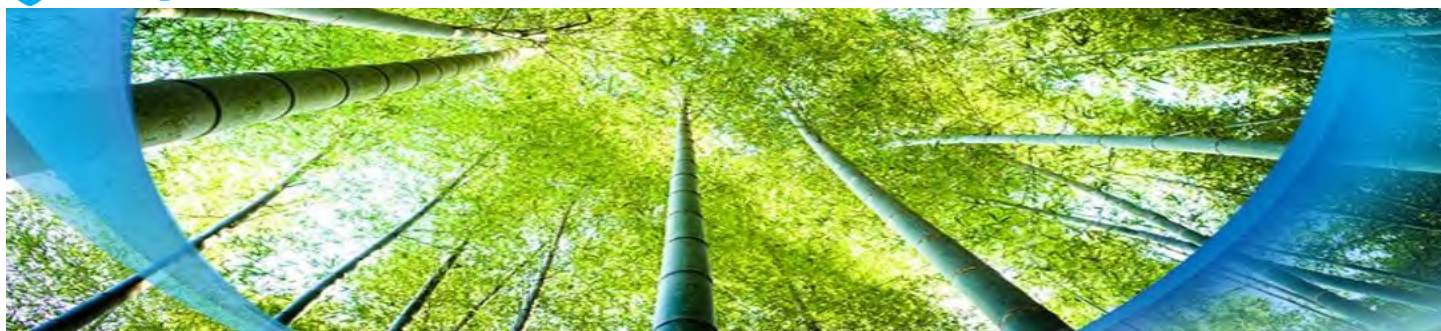
The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments

Travel Subject	Barclays Global HF Symposium
Sponsor	Barclays
Date(s)	October 13, 2026
Location	New York, New York
Proposed Attendee(s)	Daryn Miller

Estimated Total Travel Cost **\$1,708.00**

Description	Computation		Miller	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	2 nights @ \$ 425.00 /night	=	850.00	850.00	850.00	
Per diem meals reimbursement:	2 days @ \$ 92.00 /day	=	184.00			
Less meals provided by sponsor	1 Breakfast, 1 Lunch, 0 Dinner = \$46.00	=	(\$46.00)			\$46.00
Total meals expense		=		184.00	138.00	
Rideshare expense	70	=	70.00	70.00	70.00	
Airfare	\$650.00	=	\$650.00	\$650.00	650.00	
Vehicle-related expenses:		=	-	-	-	
Parking	- days @ - /day	=	-	-	-	
Mileage	miles @ 0.410 /mile (Department Head)	=	-	-	-	
	miles @ 0.700 /mile (Staff, Trustee)	=	-	-	-	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
Totals		=	1,708.00	\$ 1,754.00	\$ 1,708.00	\$ 46.00



Global Hedge Fund Symposium

Tuesday, October 13, 2026

The Conrad Downtown, New York City

Agenda

7:30am	Attendee Registration	West Ballroom Foyer, 2nd Floor
7:30am	Breakfast	Gallery Ballroom, 4th Floor
8:15am	Welcome Remarks Mike Webb , <i>Global Head of Liquid Financing</i> , Barclays	Gallery Ballroom, 4th Floor
8:20am	Outlook Panel Gregory Bond , <i>Chief Investment Officer</i> , Man Group Greg Eisner , <i>Founding Partner & Chief Executive Officer</i> , Engineers Gate Atish Nigam , <i>Senior Managing Director & Chief Investment Officer</i> , Multi-Strategy Platform, Blackstone Moderated by Michelle Knudsen , <i>Chief Investment Officer</i> , New York University	Gallery Ballroom, 4th Floor
9:05am	Manager Roundtables Session 1	
9:50am	Manager Roundtables Session 2	
10:30am	Break	West Ballroom Foyer, 2nd Floor
10:45am	Manager Roundtables Session 3	
11:30am	Manager Roundtables Session 4	
12:15pm	Keynote Lunch Opening Remarks by David Lohuis , <i>Chairman of Financing</i> , Barclays Jean-Philippe Bouchaud , <i>Chairman & Chief Scientist</i> , Capital Fund Management (CFM) Moderated by Mike Webb , <i>Global Head of Liquid Financing</i> , Barclays	Gallery Ballroom, 4th Floor
1:10pm	Macro Panel Robert Citrone , <i>Founder & Chief Investment Officer</i> , Discovery Capital Management Philippe Khuong-Huu , <i>Founder & Chief Investment Officer</i> , Alphadyne Suhail Shaikh , <i>CFA, Partner & Chief Investment Officer</i> , Fulcrum Asset Management Moderated by Nicholas Cormier , <i>Managing Director, External Portfolio Management</i> , CPP Investments	Gallery Ballroom, 4th Floor
2:00pm	Manager Roundtables Session 5	
2:45pm	Manager Roundtables Session 6	
3:25pm	Break	West Ballroom Foyer, 2nd Floor
3:40pm	Manager Roundtables Session 7	
4:25pm	Manager Roundtables Session 8	

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **J.P. Morgan Asset Owner Forum**
New York, New York
October 15, 2026

I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Chief Investment Officer Daryn Miller
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments

Travel Subject	J.P. Morgan Asset Owner Forum
Sponsor	JPM
Date(s)	October 15, 2026
Location	New York, New York
Proposed Attendee(s)	Daryn Miller
Estimated Total Travel Cost	\$1,727.32

Description	Computation		Miller	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	2 nights @ \$ 425.00 /night	=	850.00	850.00	850.00	
Per diem meals reimbursement:	2 days @ \$ 92.00 /day	=	184.00			
Less meals provided by sponsor	0 Breakfast, 1 Lunch, 0 Dinner = \$26.68	=	(\$26.68)			\$26.68
Total meals expense		=		184.00	157.32	
Rideshare expense	70	=	70.00	70.00	70.00	
Airfare	\$650.00	=	\$650.00	\$650.00	650.00	
Vehicle-related expenses:		=	-	-	-	
Parking	- days @ - /day	=	-	-	-	
Mileage	miles @ 0.410 /mile (Department Head)	=	-	-	-	
	miles @ 0.700 /mile (Staff, Trustee)	=	-	-	-	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
Totals		=	1,727.32	\$ 1,754.00	\$ 1,727.32	\$ 26.68

AGENDA

11:30 am–12:30 pm

Registration and Lunch

12:30 pm–4:30 pm

Business Sessions

4:30 pm–5:30 pm

Networking Reception

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **Fortress Annual General Meeting**
Dallas, Texas
October 21-23, 2026

I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Investment Officer Jack Bowman
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments

Travel Subject	Fortress Annual General Meeting
Sponsor	Fortress
Date(s)	October 21-23, 2026
Location	Dallas, Texas
Proposed Attendee(s)	Jack Bowman

Estimated Total Travel Cost	\$2,006.80
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Description	Computation		Bowman	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	2 nights @ \$ 650.00 /night	=	1,300.00	1,300.00	1,300.00	
Per diem meals reimbursement:	2 days @ \$ 80.00 /day	=	160.00			
Less meals provided by sponsor	0 Breakfast, 1 Lunch, 2 Dinner = \$103.20	=	(\$103.20)			\$103.20
Total meals expense		=		160.00	56.80	
Rideshare expense	100	=	100.00	100.00	100.00	
Airfare	\$550.00	=	\$550.00	\$550.00	550.00	
Vehicle-related expenses:		=	-	-	-	
Parking	- days @ - /day	=	-	-	-	
Mileage	miles @ 0.410 /mile (Department Head)	=	-	-	-	
	miles @ 0.700 /mile (Staff, Trustee)	=	-	-	-	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
Totals		=	2,006.80	\$ 2,110.00	\$ 2,006.80	\$ 103.20

Agenda Overview

October 20th

- Welcome Reception and Dinner

October 21st

- Opening Session: Investment Outlook and Year in Review
- Investment Strategy Sessions: Asset-Based Finance
 - Specialty Finance, Forward Flows, Legal Assets, Intellectual Property
- Lunch Sessions:
 - Main Networking Lunch
 - Breakout Lunch: Our Approach to Multi-Strategy Credit
 - Breakout Lunch: Asset-Based Credit Strategy
- Investment Strategy Sessions: Real Estate
 - NPLs, Commercial Real Estate Debt, Net Lease
- Guest Speaker
- Investor Cocktails and Dinner

October 22nd

- Investment Strategy Sessions: Corporates
 - Direct Lending, Distressed Debt, Strategic Capital

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **23rd Annual Global ARC Boston**
Boston, Massachusetts
October 26-28, 2026

I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Chief Investment Officer Daryn Miller
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments

Travel Subject	23rd Annual Global ARC Boston
Sponsor	Global ARC
Date(s)	October 26-28, 2026
Location	Boston, Massachusetts
Proposed Attendee(s)	Daryn Miller

Estimated Total Travel Cost	\$3,752.96
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Description	Computation		Miller	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	4 nights @ \$ 537.50 /night	=	2,150.00	2,150.00	2,150.00	
Per diem meals reimbursement:	4 days @ \$ 92.00 /day	=	368.00			
Less meals provided by sponsor	0 Breakfast, 3 Lunch, 0 Dinner = \$80.04	=	(\$80.04)			\$80.04
Total meals expense		=		368.00	287.96	
Rideshare expense	115	=	115.00	115.00	115.00	
Airfare	\$1,200.00	=	\$1,200.00	\$1,200.00	1,200.00	
Vehicle-related expenses:		=	-	-	-	
Parking	- days @ - /day	=	-	-	-	
Mileage	miles @ 0.410 /mile (Department Head)	=	-	-	-	
	miles @ 0.700 /mile (Staff, Trustee)	=	-	-	-	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
Totals		=	3,752.96	\$ 3,833.00	\$ 3,752.96	\$ 80.04

Closed-Door Investor Education Forum Sponsors and Allocators ONLY

8.00am Investor Education Forum commences

Global ARC's Monday morning Investor Education Forum is a closed-door session open only to Global ARC's sponsors and to major pension funds, sovereign wealth funds, foundations and endowments and to pre-approved investment consultants, wealth managers and OCIOs.

The Global ARC Investor Education Forum will provide institutional investors with the opportunity to choose meetings from amongst a range of leading high-alpha investment firms.

The Forum will be structured around four customized twenty-minute small group roundtable meetings, covering the following high-alpha strategies: Alternative Credit, Equity Alternative, FX, Fixed Income, Global Macro, Gold, Commodities, Energy, Private Credit, Private Equity, Public Credit, Public Equities, Quantitative/Systematic and Real Estate managers.

If you are interested in discovering how your firm can participate in Global ARC's 2026 Investor Education Forum, please contact Samantha Allwork via samantha@global-arc.net

9.30am Investor Education Forum closes



General Sessions

9.40am Welcome and Opening Remarks

(Chair) David Stewart, Founder
Global ARC, Australia

Latest Alt. Investing Research

"Hedge funds made their largest asset gains on record in 2025.... the hedge fund industry recorded returns of 12.8 per cent last year, its best performance since 2009."

The Financial Times, February 17th 2026

9.45am A review of the most interesting alternative investment centered academic research of 2025-2026.

A perennial delegate favourite, Professor Nicole Boyson of Northeastern University D'Amore-McKim's School of Business will return for her annual review of the most thought-provoking academic alternatives research of the last twelve months.

(Chair) Cameron Dawson, Chief Investment Officer
NewEdge Wealth

Professor Nicole Boyson

Chair of the Department of Economics and Finance and Professor of Finance
Northeastern University D'Amore-McKim School of Business



Professor Nicole Boyson's research and teaching interests fall in the area of investments and corporate finance, with a particular focus on hedge fund management, hedge fund activism and regulatory arbitrage. Her most recently published research includes: 'Hostile Resistance to Hedge Fund Activism' in The Review of Financial Studies,

'Activism Mergers' in The Journal of Financial Economics, 'Thawing Frozen Capital Markets and Backdoor Bailouts, Evidence from the Fed's Liquidity Programs' in The Journal of Banking and Finance and 'Liquidity Shocks and Hedge Fund Contagion' in The Journal of Investment Management. Her previous work 'The Performance of Female Hedge Fund Managers' findings, that despite female hedge fund managers on average outperforming their male counterparts, female managers struggled to raise capital received widespread attention. Nicole Boyson holds a Ph.D. in Finance from Ohio State University.

Correlations

"The 1920s roared with financial overindulgence until the markets drowned in the Wall Street crash of 1929. Today we find ourselves again dancing toward new highs in the stock market. Speculative money is once more pouring into risky investment schemes, with staggering sums of money being thrown at A.I. and cryptocurrencies. ... The parallels between the 1920s and the 2020s are numerous — and ominous."

The New York Times, November 7th 2025

10.30am Which high-alpha strategies are best able to protect your portfolio against correlation risk?

Investment returns across asset classes are increasingly driven by a narrow set of growth themes, such as artificial intelligence. At the same time, richly valued risk assets across multiple asset classes have heightened vulnerability to a broad, cross-asset sell-off - particularly in the event of an inflation shock. In this environment, building portfolios that are resilient to rising correlations has never been more important, yet it has also become more challenging.

(Chair) Pete Drewienkiewicz, Chief Investment Officer
Gallagher Benefit Services, United Kingdom

Ryan Taliaferro, Ph.D., SVP, Director, Investment Strategies
Acadian Asset Management

Gil Haddad Ph.D., Chief Investment Officer, Advanced Strategies and Research
Fidelity Investments

Jessica Laird, Chief Executive Officer
Nephila Capital

Additional panelist tba

Volatility

"Current market volatility underscores epic buildup of global risk. Some experts see a dangerous combination of factors reminiscent of practices that led to previous financial crises."

The New York Times, November 25th 2026

11.10am Volatility as an ally: turning market turbulence into a portfolio advantage.

What are the best ways for investors to construct an investment portfolio that benefits from increased volatility? More fundamentally, should investors rethink their investment beliefs and, by extension, their manager allocations, to actively seek opportunities to profit from volatility spikes rather than simply fear them?

(Chair) Pete Drewienkiewicz, Chief Investment Officer
Gallagher Benefit Services, United Kingdom

Steve Vaccaro, Chief Executive Officer and
Chief Investment Officer
CIFC Asset Management

Paul Horvath, Chief Executive Officer
Orchard Global

William Bartlett, Chief Executive Officer
Parallax Volatility Advisers

Joseph Cavatoni, Senior Market Strategist, Americas and
Head of Public Policy, US
World Gold Council

11.50am - Lunch

1.00pm Chair's Opening Remarks

(Chair) Bill Kelly, Advisor, **Global ARC**
and Founder, **Educational Alpha**

Fundamentally Rethinking Investment Markets

"Benjamin Graham, the doyen of financial analysis, once quipped: 'In the short run, the market is a voting machine but in the long run, it is a weighing machine.' However, according to a hot new financial theory - dubbed the Inelastic Markets Hypothesis - this is utter baloney. It argues that inflows and outflows are wildly more impactful on the stock market than previously thought. This has caused a stir in the cloistered world of financial research [as it offers] a compelling explanation for why the stock market keeps marching higher, almost impervious to bad news."

The Financial Times, September 19th 2025

1.05pm The inelastic markets hypothesis: challenging what we thought we knew about how markets really work.

(Chair) Bill Kelly, Advisor, **Global ARC**
and Founder, **Educational Alpha**

Professor Xavier Gabaix

Winner of the 2011 Fisher Black Prize
The Pershing Square Professor of Economics and Finance
Harvard University



Professor Xavier Gabaix is the Pershing Square Professor of Economics and Finance at Harvard's economics department. He received his undergraduate degree in mathematics from the Ecole Normale Supérieure (Paris) and obtained his Ph.D. in economics from Harvard University. His research focuses on finance, macroeconomics, and behavioural economics. Xavier Gabaix's research has been widely lauded, and his awards include: the prestigious Fischer Black Prize, awarded every two years to the best financial economist under 40; the Bernacer Prize given to the best European economist under 40 working in macroeconomics and finance; and the Lagrange and Allais Prizes. His research has been published in the American Economic Review, Econometrica, the Quarterly Journal of Economics, the Journal of Finance, and Nature. Xavier Gabaix is a Research Associate of the National Bureau of Economic Research and of the Center for Economic Policy Research. He holds a Ph.D. in Economics from Harvard University.

Designated Investor Questioners:

Gisela Jaeggi, Head of Private Markets
Swiss Mobiliar Asset Management, Switzerland

Private Markets

1.50pm Which private market strategies currently offer the most attractive illiquidity premiums?

How is the increasing convergence of private and public markets reshaping the skill sets required of managers? Do current deal flow challenges in private equity create compelling investment opportunities? And within infrastructure investing, which areas offer the greatest potential for growth?

(Chair) Francis Griffin, Head of Private Credit,
Alternatives Consulting
Callan

Alex Cha, Partner, Co-Chief Investment Officer
400 Capital Management

Taylor Boswell, Head of Credit Origination & Research
AGL Credit Management

Brett Klein, Executive Managing Director and
Global Head of Corporate Credit
Sculptor Capital

Additional panelist tba

Private Credit

"Private credit is no longer a niche strategy, but an essential component of the financial system."
CNBC, January 19th 2026

2.20pm How can you gauge whether your private credit provider is equipped to thrive in today's increasingly challenging environment?

With an increase in private credit default rates and covenant-lite deals, first- rate risk management systems are becoming an essential component of private credit manager outperformance. How can investors best gauge whether their private credit manager is in possession of truly top tier due diligence and operational infrastructure systems?

(Chair) Russ Ivinjack, Global Chief Investment Officer
Aon Investments

Vivek Mathew, President of Antares Capital Advisors
Antares Capital

Kevin Magid, President, Private Debt
Audax Private Debt

Matthew Freund, President of Barings BDC & Head of North America Private Credit Portfolio Management
Barings

Randy Schwimmer, Vice Chairman, Chief Investment Strategist
Churchill Asset Management (Nuveen)

3.00pm - Afternoon Coffee

“ Asset-backed financing will be a key engine for private credit growth this year. ”
Bloomberg, January 21st 2026

3.30pm Investment opportunities in the rapidly evolving asset-backed lending space.

Fuelled by traditional banks' ongoing de-risking and the strong financing demand from asset-intensive digital infrastructure and data centres, asset-backed lending has experienced remarkable growth over the past few years.

(Chair) Russ Ivinjack, Global Chief Investment Officer
Aon Investments

Kevin McCormick, Managing Director
Campbell Lutyens

Tina Suo, Head of Alternative Credit
NYC Office of the Comptroller

Additional panelists tba

Public Credit

4.00pm Public credit markets: prospects and opportunities in 2027.

With the end of the “easy money era” public credit markets seem poised for increased return dispersion and thus conditions more conducive to high-alpha credit strategies.

(Chair) Nimisha Srivastava, Head of Investments, North America
Willis Towers Watson

Todd Ludgate, Senior Investment Officer, Fixed Income
Florida State Board of Administration

Alexander Mackey, Co-Chief Investment Officer, Fixed Income
MFS Investment Management

Amy Hsiang, Senior Investment Officer, Fixed Income
Oregon State Treasury

Additional panelist tba

Public Equities

“ An [equities] bull market that was once fuelled by bets on American exceptionalism and the profitmaking potential of A.I. has become far broader... Assuming investors in aggregate remain rational, high valuations amount to a bet that corporate profits are set to grow unusually fast across much of the world. If this bet is correct, rising earnings could fuel steady returns for shareholders despite stocks' expensive starting point. ”

The Economist, December 30th 2025

4.30pm With public equity markets reaching ever more elevated levels, which equity strategies still have room to run?

Despite heightened geopolitical tension, policy uncertainty, and rapid technological disruption, business fundamentals in many sectors remain more resilient than headlines suggest. In this environment, should investors prioritise resilience and downside protection, or position for dispersion and opportunity in more cyclical, higher-volatility sectors?

And looking ahead, will the recent rotation away from U.S. market dominance continue, with Europe and other regions sustaining relative outperformance, or will U.S. equities reassert their leadership as conditions stabilise?

(Chair) Tom Tull, Fellow
AIF Global Institution

John Campbell, Senior Portfolio Manager, Custom SMA and Head of Systematic Core Equity
Allspring Global Investments

Craig Heron, Director of Public Markets
Railpen, United Kingdom

Additional panelists tba

Common Knowledge

“Groupthink is the silent killer of transformation. It convinces us to swap critical thinking for default ‘best practices’.... Consensus feels safe. But this homogeneity suffocates innovation and blinds organisations to new opportunities or threats.”

Management Today, July 5th 2025

5.00pm When everyone knows that everyone knows.... common knowledge and the science of harmony, hypocrisy and outrage.

Professor Steven Pinker is one of the world's foremost thinkers and bestselling author of *Enlightenment Now*, *The Better Angels of Our Nature* and *The Language Instinct*.

In this keynote session he will reveal the power and perils of group think, or ‘common knowledge’ and how this has a momentous impact on our economic, political, and social lives.

Understanding ‘common knowledge’, Professor Pinker shows, can make sense of many of life's enigmas, including financial bubbles and crashes, revolutions that seemingly come out of nowhere, the posturing and pretence of diplomacy, the eruption of social media shaming mobs and academic cancel culture.

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business, University of Waterloo, Canada**

Professor Steven Pinker

Author of *‘The Better Angels of Our Nature’*

The Johnstone Family Professor of Psychology
Harvard University



Professor Pinker is widely acknowledged as the foremost psychological researcher in the world. He has been recognized by Time magazine as one of “The 100 Most Influential People in the World Today” and has appeared multiple times on Foreign Policy's list of the “Top 100 Global Thinkers.” His research in cognitive psychology has won the Boyd McCandless Award from the American Psychological Association, the Troland Research Award from the National Academy of Sciences, the Henry Dale Prize from the Royal Institution of Great Britain. He has twice been selected a finalist for the Pulitzer Prize, in 1998 and in 2003. In 2006, he received the American Humanist Association's Humanist of the Year award for his contributions to public understanding of human evolution. In 2022 he was awarded the BBVA Foundation Frontiers of Knowledge Award in the category of “Humanities and Social Sciences.” Professor Pinker's books - including *‘The Language Instinct’*, *‘How the Mind Works’*, *‘The Blank Slate’*, and *‘The Better Angels of Our Nature’* - have also earned numerous awards. In his latest book, *‘When Everyone Knows That Everyone Knows’*, he explores the nature of common knowledge - how we think about each other's thoughts - and shows how it sheds light on some of life's enduring puzzles, from financial bubbles to social-media mobs. Bill Gates calls it “one of the most insightful books I've read about what makes us human and how we understand each other.”

5.45pm - Networking cocktails and canapés

7.30am Chair's Opening Remarks

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business, University of Waterloo, Canada**

The 2026 Mid-Terms

"Stopping attempts to subvert the 2026 midterms will require courage and integrity from the courts, political leaders of both parties, and the local officials running elections. Most of all, it will depend on individual Americans to stand up for their rights and demand that their votes are counted."

The Atlantic, October 28th 2025

7.35am How can we counter the growing challenges to electoral integrity?

There is widespread concern that public trust in elections is under threat in America and many other parts of the world. This development heightens risks to voter participation, civic engagement, and feelings of political legitimacy and, in the most severe cases, catalyse contentious outcomes, election-related violence, and democratic backsliding.

Attitudes toward electoral integrity matter for political behaviour and system stability and access to information in society.

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business, University of Waterloo, Canada**

Professor Pippa Norris

Winner of the 2011 Johan Skytte Prize in Political Science
Founding Director, Harvard Electoral Integrity Project
Harvard Kennedy School Government



Professor Pippa Norris is one of the top two most cited political scientists in the world, according to Google Scholar. Her research focusses on public opinion and elections, political institutions and cultures, gender politics, and political communications in many countries worldwide. Major career honours include: the Johan Skytte Prize in Political Science – known informally as the 'Nobel' prize in political science; - IPSA's Karl Deutsch award, APSA's Charles Merriam award, the Warren E. Miller award and the PSA's Sir Isaiah Berlin Lifetime Achievement award, as well as several honorary doctorates. She has published around fifty books, translated into dozens of languages. Professor Pippa Norris's most recent books include 'In Praise of Scepticism: Trust but Verify' (Oxford University Press, 2022),

'Strengthening Electoral Integrity' (Cambridge University Press, 2017.) 'Why Elections Fail' (Cambridge University Press, 2015.) and 'Why Electoral Integrity Matters' (Cambridge University Press, 2014.) Professor Norris holds a Ph.D. from London School of Economics.

Designated Investor Questioner:

Elmer Huh, Chief Investment Officer
M.J. Murdock Charitable Trust

Private Credit - Part 2

"Red-hot debt markets are putting pressure on the extra yields that private credit can charge borrowers above public alternatives. That added 'premium' is the key selling point for private credit from an investors point of view was historically around 200 basis points... this figure has halved to... 100 basis points or less."

Reuters, December 30th 2025

8.20am Which less 'commoditized' U.S. and European private credit sub-sectors and strategies can still reliably deliver outsized risk-adjusted premiums to institutional investors?

(Chair) Russ Ivinjack, Global Chief Investment Officer
Aon Investments

Sengal Selassie, Co-Founder and Chief Executive Officer
Brightwood Capital Advisors

Owain Griffiths, Partner, Head of Capital Solutions
Sona Asset Management, United Kingdom

Michela Bariletti, Chief Credit Officer and Head of Global Investment Research
Standard Life, United Kingdom

Real Estate

"Real assets - global real estate, listed infrastructure, natural resource equities, and commodities - offer a compelling way to build portfolio resilience... taken together, these 'core four' categories create a coherent portfolio that complements and diversifies traditional allocations."

The Financial Times, November 14th 2025

8.50am Where are the most attractive opportunities for institutional investors in today's real estate market, and which strategies are best able to unlock further value?

(Chair) Odi Lahav, Chief Operating Officer and Head of Investment Research
bfinance, United Kingdom

Jim Dunbar, Partner and Head of Real Estate Lending
Värde Partners

Additional panelists tba

9.20am - Morning Coffee

A.I. Macroeconomic Solutions

"America isn't ready for what AI will do to jobs. Does anyone have a plan for what happens next?"

The Atlantic, February 10th 2026

9.55am My incoming 2029 administration's economic plan for what comes next.

In this thought experiment session, it is January 2029 and to the surprise of American political pundits - and the even greater surprise of the "natural-born citizen" clause of the U.S. Constitution - Professor Mark Blyth has been elected the 48th President of the United States, propelled into office on the strength of a radical policy agenda centred on artificial intelligence.

Whilst A.I. has accelerated the pace of technological progress in the 2026-29 period, it has also brought a sharp and rapidly rising wave of unemployment. This shift has led to a dangerous contraction in demand and increasing social dislocation across the economy.

Mark Blyth will outline some of the innovative macroeconomic policies and tools that his incoming 2029 administration plans to deploy to ensure that the United States' political and economic system can withstand - and adapt to - the economic storm unleashed by the A.I. revolution.

(Chair) Jerry Moriarty, Independent Advisor
Moriarty & Associates, Ireland

Professor Mark Blyth

The William Rhodes '57 Professor of International Economics
Brown University



Professor Mark Blyth is the William R. Rhodes '57 Professor of International Economics at the Watson Institute for International and Public Affairs at Brown University and the Director of the Rhodes Centre for International Economics and Finance. Mark finished his Ph.D. in political science at Columbia University in 1999. He then joined the

Johns Hopkins University before moving to Brown University in 2009. He is the author of many award-winning books including, 'Austerity: The History of a Dangerous Idea' (Oxford University Press 2015), 'Angrynomics' (Columbia University Press 2020), 'Diminishing Returns: The New Politics of Growth and Stagnation' (Oxford University Press 2022), and forthcoming with 'Inflation: A Guide for Users and Losers' (Norton, 2025). He writes about the politics of growth, distribution and decarbonization and why people continue to believe dubious economic ideas despite buckets of evidence to the contrary.

10.40am A.I. - The Investor Perspective

Chair TBC

Thomas Ingerslev, Head of Alternatives

Danica Pension, Denmark

Joseph Veeneman, Chief Investment Officer, IBM U.S. Pension Fund and Foundation

IBM Retirement System

Antonio Candia, Principal of Innovation and Research

Latin American Reserve Fund (FLAR), Colombia

Geopolitical Risks

"For decades after the end of the Cold War... the premise was simple: markets could be optimized through globalization and cooperation... and [they didn't see] hard geopolitics and national-security issues as the primary constraints on global economic growth. That premise no longer holds. Today, markets are shaped by war, sanctions, industrial policy and geopolitical tension."

The Wall Street Journal, February 12th 2026

11.10am Which geopolitical risks are currently overstated, and which dangerously underappreciated?

Wars in Ukraine and the Middle East, persistent grey-zone conflict between the U.S. and China and Europe and Russia, along with troubling signs of fraying social cohesion across several Western European societies, have combined to create a profound sense of uncertainty - verging on asset allocation paralysis - amongst many institutional investors.

Professor David Betz and Professor Hal Brands will explore how current and emerging external security pressures and internal western societal schisms are likely to shape the geopolitics of the coming decade: where are existing Western policies falling short and what kinds of urgent adjustments need to be enacted to address these vulnerabilities.

(Chair) David Stewart, Founder

Global ARC, Australia

Professor David Betz

Professor of War in the Modern World

King's College, University of London



Professor David Betz is Professor of War in the Modern World, heads King's College's Insurgency Research Group and is Academic Director of its master's degree, War in the Modern World. He has written widely on issues of the conduct of contemporary warfare, insurgency and counterinsurgency, information warfare and the RMA, most recently in the Journal of Strategic Studies and the Journal of Contemporary Security Policy. One of his main research interests is the Russian military and civil-military relations. He headed a 2-year United States Defense Department Minerva-funded project on 'Strategy and the Network Society'. He is also a Senior Fellow of the Foreign Policy Research Institute. He has advised or worked with the U.K.'s Ministry of Defence and GCHQ - the U.K. equivalent to the United States N.S.A. - on strategic issues, counterinsurgency and stabilisation doctrine, cyberspace and cyber strategy and advised British commanders in Afghanistan. He obtained his Ph.D. from the University of Glasgow.

and

Professor Hal Brands

The Henry Kissinger Distinguished Professor of Global Affairs
Johns Hopkins University School of Advanced International Studies (SAIS)



Professor Hal Brands is the Henry A. Kissinger Distinguished Professor of Global Affairs at the Johns Hopkins School of Advanced International Studies (SAIS). In January 2025 Senate Republican Leader Mitch McConnell, appointed Professor Brands to a two-year term as Commissioner on the U.S.-China Economic and Security Review Commission, which is a legislative branch commission created by the United States Congress with to monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China, and to provide recommendations, to Congress for legislative and administrative action. He also served on the Secretary of State's Foreign Affairs Policy Board and shaped U.S. defense planning as Special Assistant to the Secretary of Defense (2015-16), bringing historical perspective to congressional and executive decision-making. He is also a columnist for Bloomberg Opinion. He is the author of several books widely praised books on geopolitics, including 'Danger Zone: The Coming Conflict with China,' (2022) 'American Grand Strategy in the Age of Trump,' (2018); and 'The Eurasian Century: Hot Wars, Cold Wars, and the Making of the Modern World' (2025). He earned a Ph.D. in history from Yale.

12.10pm - Lunch

1.40pm Chair's Opening Remarks

(Chair) David Stewart, Founder

Global ARC, Australia

"The global zeitgeist is changing. Gone is the old language of the "rules-based order"; today, large powers talk more about spheres of influence and less about restraint. In Washington, President Donald Trump has embraced a more transactional view of raw power....

the United States should not be surprised, then, if China

comes to a similar conclusion."

Unherd, February 16th 2026

1.45pm Will the accelerating breakdown in the international "ruled based order", ultimately benefit China more than the United States?

(Chair) David Stewart, Founder

Global ARC, Australia

Professor Rana Mitter, O.B.E.

The S.T. Lee Chair in U.S. - China Relations

Harvard Kennedy School of Government



Professor Rana Mitter is ST Lee Chair in US-Asia Relations at the Harvard Kennedy School. Prior to which, he was the Director of The University of Oxford China Centre. He is the author of several books, including Forgotten Ally: China's World War II, which won the RUSI/Duke of Westminster's Medal, and was named a Book of the Year in the Financial Times and Economist. His latest book is China's Good War: How World War II is Shaping a New Nationalism. Rana Mitter's recent documentary on contemporary Chinese politics "Meanwhile in Beijing" is available on BBC Sounds and his TV documentary "The Longest War: China's World War II" was broadcast on the History Channel. Rana was appointed Officer of the Order of the British Empire (OBE) in the Queen's 2019 Birthday Honours. He holds a Ph.D. in History from University of Cambridge.

"Demand for geopolitical analysis is rising, as asset managers and corporate investors seek guidance on the best way to price in risk from wars and global political risk... for investors, geopolitical risk used to be overshadowed by factors including economic data points and central bank decisions. But since the Ukraine war, the demand for insight has been climbing steadily."

Reuters, January 23rd 2026

2.30pm How are rising geopolitically driven investment risks impacting institutional investors' risk management systems and asset allocations decisions?

(Chair) Odi Lahav, Chief Operating Officer and Head of Investment Research

bfinance, [United Kingdom](#)

Sebastian Vadakumcherry, Chief Risk Officer and Chief Compliance Officer

Alaska Permanent Fund Corporation

Vasilios Siokis Ph.D., Chief Risk Officer

Emirates Investment Authority, [United Arab Emirates](#)

Ju Hui Lee, Chief, Financial and Performance Risk

United Nations Joint Staff Pension Fund

Additional panelist tba

3.10pm - General Session Ends

Parallel Breakout Sessions

3.20pm Parallel Breakout Sessions commence

Delegates can customize Global ARC to their needs by choosing between several highly interactive parallel breakouts.

Some of these parallel breakouts are continuations of preceding plenary panel topics, whilst others provide delegates with the opportunity to explore fresh topics.

To allow for a more in-depth exploration of these subjects, each breakout session is approximately one and a half hours long.

PARALLEL BREAKOUT SESSION A

Correlation and volatility continued

(Chair) Pete Drewienkiewicz, Chief Investment Officer

Gallagher Benefit Services, [United Kingdom](#)

PANELISTS

Sengal Selassie, Co-Founder and Chief Executive Officer

Brightwood Capital Advisors

Gil Haddad Ph.D., Chief Investment Officer, Advanced Strategies and Research

Fidelity Investments

Jessica Laird, Chief Executive Officer

Nephila Capital

Paul Horvath, Chief Executive Officer

Orchard Global

William Bartlett, Chief Executive Officer

Parallax Volatility Advisers

Joseph Cavatoni, Senior Market Strategist, Americas and Head of Public Policy, US

World Gold Council

INSTITUTIONAL INVESTOR DISCUSSANTS

Markus Schaen, Senior Investment Manager

Brand New Day Retirement, [The Netherlands](#)

David Dowsett, Chief Investment Officer

Convex Insurance, [United Kingdom](#)

Jonathan Glidden, Chief Investment Officer

Delta Airlines Pension

Ming Cen, Managing Director, Dynamic Asset Allocation

Maryland State Retirement and Pension System

Patrícia Queiroz, Chief Investment Officer

Real Grandeza Pension Fund, [Brazil](#)

Ernesto D. Francisco, Jr., Executive Vice President Investments Sector

Social Security System, [The Philippines](#)

Ryan Johnston, Senior Analyst - Funds Alpha

State of Wisconsin Investment Board

OCIO DISCUSSANTS

Julia Mord, Chief Investment Officer

Commonfund OCIO

Greg Dowling, Chief Investment Officer & Head of Research

FEG Investment Advisors

PARALLEL BREAKOUT SESSION B

Private Credit continued

(Chair) Russ Ivinjack, Global Chief Investment Officer

Aon Investments

PANELISTS

Taylor Boswell, Head of Credit Origination & Research

AGL Credit Management

Vivek Mathew, President of Antares Capital Advisors

Antares Capital

Kevin Magid, President, Private Debt

Audax Private Debt

Matthew Freund, President of Barings BDC & Head of North America Private Credit Portfolio Management

Barings

Kevin McCormick, Managing Director

Campbell Lutyens

Randy Schwimmer, Vice Chairman, Chief Investment Strategist

Churchill Asset Management (Nuveen)

Owain Griffiths, Partner, Head of Capital Solutions

Sona Asset Management, [United Kingdom](#)

Jim Dunbar, Partner and Head of Real Estate Lending

Värde Partners

INSTITUTIONAL INVESTOR DISCUSSANTS

Colleen Davis, Chief Financial Officer & State Treasurer

Delaware State Treasury

Noel Friel, Pensions Chief Investment Officer

Electricity Supply Board, [Ireland](#)

Corrado Pistarino, Chief Investment Officer

Foresters Friendly Society, [United Kingdom](#)

Joseph Veeneman, Chief Investment Officer, IBM U.S. Pension Fund and Foundation

IBM Retirement System

Leslie Lenzo, Founder

L-Squared Investment Solutions

Elmer Huh, Chief Investment Officer

M.J. Murdock Charitable Trust

Michela Bariletti, Chief Credit Officer and Head of Global Investment Research

Standard Life, [United Kingdom](#)

Lan Cai, Chief Investment Officer

The Pension Boards - United Church of Christ

PARALLEL BREAKOUT SESSION C

Private Markets continued

(Chair) Francis Griffin, Head of Private Credit, Alternatives Consulting

Callan

PANELISTS

Alex Cha, Partner, Co-Chief Investment Officer

400 Capital Management

Steve Vaccaro, Chief Executive Officer and Chief Investment Officer

CIFC Asset Management

Brett Klein, Executive Managing Director and Global Head of Corporate Credit

Sculptor Capital

INSTITUTIONAL INVESTOR DISCUSSANTS

Aaron Lemner, Senior Portfolio Manager, Multi-Asset Group

Allstate Investments

Don Walker, Chief Investment Officer

Board of Pensions of the Presbyterian Church

Scott Gerdes, Vice President, Private Investments

Builders Vision

Peggy Huang Ph.D., Chief Investment Officer

CC Capital/Ceres Life

James Barty, Deputy Chief Investment Officer

Church Commissioners for England, [United Kingdom](#)

Rafael Judar Vicchini, Chief Investment Officer and Chief Financial Officer

Fundação ELOS Pension, [Brazil](#)

Harrison Griffin, Associate Portfolio Manager, Private Markets

Nova Scotia Pension Services Corporation, [Canada](#)

Luiz Claudio Levy Cardoso, Chief Investment Officer

Nucleos-Instituto de Seguridade Social, [Brazil](#)

Tina Suo, Head of Alternative Credit

NYC Office of the Comptroller

Mauricio Gúzman, Head of Investment Strategy and Fund Selection

SURA Investments, [Colombia](#)

Gisela Jaeggi, Head of Private Markets

Swiss Mobiliar Asset Management, [Switzerland](#)

Chung Ma, Deputy Chief Investment Officer

Virginia Retirement System

OCIO DISCUSSANTS

Rich Nuzum, Head of Outsourced CIO

Franklin Templeton Investment Solutions

Sohel Hussain, Founder and Managing Partner

Integrated Capital Advisors (OCIO)

PARALLEL BREAKOUT SESSION D

Public Markets continued

(Chair) Tom Tull, Fellow

AIF Global Institution

PANELISTS

Thomas Dobler, Ph.D., SVP, Portfolio Manager

Acadian Asset Management

John Campbell, Senior Portfolio Manager, Custom SMA and Head of Systematic Core Equity

Allspring Global Investments

Todd Ludgate, Senior Investment Officer, Fixed Income

Florida State Board of Administration

Alexander Mackey, Co-Chief Investment Officer, Fixed Income

MFS Investment Management

Amy Hsiang, Senior Investment Officer, Fixed Income

Oregon State Treasury

Farouki Majeed, Chief investment Officer

School Employees Retirement System of Ohio

INSTITUTIONAL INVESTOR DISCUSSANTS

Santiago Hernández, Chief Investment Officer

AFAP SURA, [Uruguay](#)

Ricardo Martinelli Ph.D., Deputy Head of the Foreign Reserves Department

Banco Central do Brasil, [Brazil](#)

Divyesh Shah, Senior Investment Officer

Dallas Police & Fire Pension

Michael Dittrich, Vice Secretary General, Head of Finance and Administration

Deutsche Bundesstiftung Umwelt (DBU), [Germany](#)

Marta Norton, Chief Investment Strategist

Empower

Alexander Neszvecsko, Portfolio Manager

European Patent Office Reserve Funds, [Germany](#)

Steve Thompson, Assistant Deputy Minister, Treasury and Risk Management

Government of Alberta, [Canada](#)

Patricia Alejo, Investment Officer

Inter-American Development Bank

Xiaowei Han, Vice President, Head of ALM

TIAA

Anthony Tang, Director, Public Markets

TTC Pension Plan, [Canada](#)

Joana Marfoh, Head of Treasury and Pension Fund Management

UK Local Authority Pension Fund, [United Kingdom](#)

Christophe L'Ahelec, Managing Director, Public Markets

University Pension Plan Ontario, [Canada](#)

PARALLEL BREAKOUT SESSION E

Geopolitical Risks continued

(Chair) David Stewart, Founder
[Global ARC, Australia](#)

KEYNOTE PANELISTS

Professor Mark Blyth

The William Rhodes '57 Professor of International Economics
[Brown University](#)

Professor Rana Mitter, O.B.E.

The S.T. Lee Chair in U.S. - China Relations
[Harvard Kennedy School of Government](#)

Professor Hal Brands

The Henry Kissinger Distinguished Professor of Global Affairs
[Johns Hopkins University School of Advanced International Studies \(SAIS\)](#)

Professor David Betz

Professor of War in the Modern World
[King's College, University of London, United Kingdom](#)

INSTITUTIONAL INVESTOR DISCUSSANTS

Edgar Sosa, Chief Risk Officer
[Afore InverCap, Mexico](#)

Sebastian Vadakumcherry, Chief Risk Officer and Chief Compliance Officer
[Alaska Permanent Fund Corporation](#)

Lan Kollengode, Chief Endowment Officer
[Azim Premji Foundation, India](#)

Konstantinos Grigoriadis, Treasury Manager - Pension Investments
[DXC Technology](#)

Vasilios Siokis Ph.D., Chief Risk Officer
[Emirates Investment Authority, United Arab Emirates](#)

Soraphol Tulayasathien, Ph.D., Secretary General
[Government Pension Fund of Thailand, Thailand](#)

Raivo Vanags, Head of Market Operations Department
[Latvijas Banka \(Central Bank of Latvia\), Latvia](#)

Han Yik, Senior Advisor, Investment Strategy & Asset Allocation

[New York State Teachers' Retirement System](#)

Clemens Quast, Head of Treasury
[Sächsische Aufbaubank - Förderbank, Germany](#)

Bridget Uku, Investment Officer
[UK Local Authority Pension Fund, United Kingdom](#)

Ju Hui Lee, Chief, Financial and Performance Risk
[United Nations Joint Staff Pension Fund](#)

PARALLEL BREAKOUT SESSION F

New and Emerging Alternative Investment Strategies

(Chair) Michael Nicks, Chief Investment Officer
[Pepperdine University Investment Office](#)

PANELISTS

Veronica Wong, Senior Portfolio Manager
[Bank of Hawaii Investment Management Services](#)

Kevin Edwards, Managing Director
[Carnegie Mellon University Investment Office](#)

Eric Newman, Treasury Manager
[City of Stamford](#)

Ellen Hung, State Investment Officer
[Nebraska Investment Council](#)

INSTITUTIONAL INVESTOR DISCUSSANTS

Mateo Fernández, Chief Investment Officer
[AFAP Itaú, Uruguay](#)

Eunice Han, Head of Alternatives
[AXIS Capital](#)

Yelena Stepanyan, Head of Investments
[Embark Student Corp, Canada](#)

Jean-Michel Charette, Director of Investments
[HEC Montréal Endowment, Canada](#)

Victor Bogachev, Managing Director, Investments
[Kensington Investment Company Inc](#)

Clark Cheng, Chief Investment Officer
[Merrimac Corp](#)

DeAnne Mannion, Deputy Chief Investment Officer
[Ohio Public Employees' Retirement System \(OPERS\)](#)

Brian Neale, Chief Investment Officer
[University of Nebraska Foundation](#)

INVESTMENT CONSULTANT & OCIO DISCUSSANTS

Arlete Nese Ph.D., Partner and Executive Director
[ON Valor, Brazil](#)

Sona Menon, Head of Outsourced CIO
[Morgan Stanley](#)

4.50pm Parallel Breakout Sessions End

The Space Economy

“ The global space market is forecast to cross the USD 1 Trillion mark as early as 2032.... the rate of innovation and the speed at which new companies are coming into the space ecosystem is like nothing we have experienced before. “

The Wall Street Journal, February 10th 2026

4.55pm Why the space economy is likely institutional investors next big investment opportunity.

The rapidly expanding space economy is just that--an economy--governed by the same laws of supply and demand that apply here on Earth.

How can we best deploy economic analysis, rather than the usual breathless hype, to understand how the economic market in space is forming, its source of value for businesses across industries, and where the most compelling investment opportunities lie for institutional investors?

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business, University of Waterloo, Canada**

Professor Matthew Weinzierl

Author: *'Space to Grow: Unlocking the Final Economic Frontier'*
The Joseph and Jacqueline Elbling Professor of Business Administration

Harvard Kennedy School Government



Professor Matt Weinzierl is the Joseph and Jacqueline Elbling Professor of Business Administration in the Business, Government, and the International Economy Unit, as well as Senior Associate Dean for Faculty Research and Development at Harvard Business School. From 2022 through 2025, he served as Faculty Chair of the MBA Program at Harvard Business School, where he also teaches courses on economic policy and the space sector. His research focuses on the optimal design of economic policy, in particular taxation, with an emphasis on better understanding the philosophical principles underlying policy choices, and on the commercialization of the space sector and its economic implications. Prior to completing his Ph.D. in economics at Harvard University in 2008, Professor Weinzierl served as the Staff Economist for Macroeconomics on the President's Council of Economic Advisers and worked in the New York office of McKinsey & Company.

Designated Investor Questioners:

Lan Kollengode, Chief Endowment Officer
Azim Premji Foundation, India

5.40pm - Networking cocktails and canapés





7.30am Chair's Opening Remarks

(Chair) Jerry Moriarty, Independent Advisor

Moriarty & Associates, [Ireland](#)

Asset Class Convergence

"One asset management structural trend towers over the rest: the "great convergence" between traditional and alternative asset management. These two worlds are beginning to blend as public and private investing increasingly overlap, and as private capital managers penetrate deeper into wealth, defined contribution, and insurance channels."

McKinsey & Co, September 18th 2025

7.35am How will the 'great convergence' between traditional and alternative asset classes impact upon institutional investors strategic asset allocations?

(Chair) Jerry Moriarty, Independent Advisor

Moriarty & Associates, [Ireland](#)

Russ Ivinjack, Global Chief Investment Officer

Aon Investments

Pete Drewienkiewicz, Chief Investment Officer

Gallagher Benefit Services, [United Kingdom](#)

Nimisha Srivastava, Head of Investments, North America

Willis Towers Watson

Additional panelist tba

How to Resist Manipulation

"With the exponential rise of generative A.I. systems, the greatest danger is no longer a flood of invective and falsehoods on social media. Rather, it is the slow, subtle and corrosive manipulation of online communication. We have entered a new era in international influence operations, where A.I.-generated narratives shift the political landscape without drawing attention."

The New York Times, August 5th 2025

8.15am Manipulation: what it is, why it's bad, what to do about it.

New technologies are offering companies, politicians, and others unprecedented opportunity to manipulate us. Sometimes we are

given the illusion of power - of freedom - through choice, yet the game is rigged, pushing us in specific directions that lead to less wealth, worse health, and weaker democracy.

In, his new book Manipulation, nudge theory pioneer and New York Times bestselling author, Professor Cass Sunstein, offers a new definition of manipulation for the digital age, explains why it is wrong; and shows what we can do about it.

Professor Sunstein reveals how manipulation compromises freedom and personal agency, while threatening to reduce our well-being; he explains the difference between manipulation and unobjectionable forms of influence, including 'nudges'; and he lifts the lid on online manipulation and manipulation by artificial intelligence, algorithms, and generative AI, as well as threats posed by deepfakes, social media, and 'dark patterns,' which can trick people into giving up time and money.

Drawing on decades of groundbreaking research in behavioural science, this landmark book outlines steps we can take to counteract manipulation in our daily lives and offers guidance to protect consumers, investors, and workers.

(Chair) Bill Kelly, Advisor, **Global ARC**
and Founder, **Educational Alpha**

Professor Cass Sunstein

The Robert Walmsley University Professor
Harvard Law School



Studies of legal publications have found Professor Cass Sunstein to be, by a wide margin, the most frequently cited American legal scholar. In 2018, he received the Holberg Prize from the government of Norway, often described as the equivalent of the Nobel Prize for law and the humanities. In 2020, the World Health Organization appointed him as Chair of its technical advisory group on Behavioural Insights and Sciences for Health. From 2009-12, he was Administrator of the Obama White House Office of Information and Regulatory Affairs, and after that, he served on the Pentagon's Defense Innovation Board. He has testified before congressional committees on many subjects, and he has advised officials at the United Nations and the World Bank. Professor Sunstein is the author of dozens of books, including the New York Times bestselling books '*Nudge: Improving Decisions about Health, Wealth, and Happiness*' '*Can It Happen Here? Authoritarianism in America*'.

A Total Portfolio Approach

"For decades, institutional allocators took roughly the same approach to managing the vast piles of cash under their control: they diversified by divvying up the money across asset classes then stuck with it by rebalancing now and again when things got out of whack. But a growing list of institutional investors are challenging that convention and ditching these asset-class silos. Instead, they pit investments as disparate as, say, public equities and private credit against each other in search of the best bet for the whole portfolio. Dubbed the Total Portfolio Approach, it's gaining traction fast."

Reuters, January 24th 2026

9.00am What are the potential challenges, risks and opportunities for institutional investors in implementing a total portfolio approach?

(Chair) Leslie Lenzo, Founder

L-Squared Investment Solutions

James Barty, Deputy Chief Investment Officer

Church Commissioners for England, [United Kingdom](#)

Soraphol Tulayasathien, Ph.D., Secretary General

Government Pension Fund of Thailand, [Thailand](#)

Arjen Pasma, Chief Investment Officer

PGGM Investments, [The Netherlands](#)

Chung Ma, Deputy Chief Investment Officer

Virginia Retirement System

9.40am - Morning Coffee

Future Spheres of Financial Influence

10.20am Sovereign Debt and the Future Spheres of Influence in Global Finance

As global capital flows become increasingly politicised, sovereign debt markets are emerging as an important arena of strategic influence. This session explores how sovereign debt and state-backed capital are contributing to the formation of new capitalist and political spheres of influence in global finance.

Could sovereign debt markets increasingly become a channel for financial statecraft and influence? What macro risks and opportunities might this create for global capital markets? At the portfolio level, what should institutional investors be looking out for as they try to navigate an increasingly complex financial system?

(Chair) Michael Rosen, Chief Investment Officer
Angeles Investments

Professor Layna Mosley

Director, Princeton Sovereign Finance Lab
Princeton University



Professor Layna Mosley is Professor in the School of Public and International Affairs (SPIA) and the Department of Politics at Princeton University. She also serves as Director of the Princeton Sovereign Finance Lab. Her research focuses on the political economy of sovereign borrowing and debt. Exploring how governments, as borrowers, interact strategically with their creditors; how governments choose among creditors; how creditors evaluate government policies and political events; how governments structure the terms of their borrowing; and how governments market themselves to potential bond buyers. Professor Mosley is author of the book 'Global Capital and National Governments' (Cambridge University Press.) She holds a Ph.D., Political Science, Duke University.

and

Dr. Zongyuan Zoe Liu

The Maurice R. Greenberg Senior Fellow for China Studies
The Council on Foreign Relations



Dr. Liu is the author of two books: 'Can BRICS De-dollarize the Global Financial System?' (Cambridge U.P., 2021) and 'Sovereign Funds: How the Communist Party of China Finances its Global Ambitions' (Harvard U.P., 2023). 'Sovereign Funds' is the first in-depth account of the sudden growth of China's sovereign wealth funds and offers a comprehensive and up-to date analysis of the evolution of Chinese sovereign funds and how they have become mechanisms for supercharging Chinese power projection and creating Chinese spheres of influence worldwide Dr. Liu holds a Ph.D. in international relations from Johns Hopkins University.

"It is comforting, in times of chaos, to believe that things will return to normal. People tend to seize on hints that the worst is over. This is why stock markets surge every time U.S. President Donald Trump does something marginally reasonable.... [However], letting your guard

now would be to fall victim to "normalcy bias." This theory holds that people believe during abnormal times that normality will reassert itself, removing the urgency to act."

The Globe and Mail, February 17th 2026

11.15am How can institutional investors create internal management systems that actively resist normalcy bias?

On Monday we heard from Professor Steven Pinker on the dangers of group think; one of the most insidious repercussions of which is normalcy bias. In the context of investing, normalcy bias can imprison investors in the cognitive trap of assuming that the fundamentals of our established economic system will continue to remain in place and that any disruptions to the system will ultimately self-correct and prove transitory.

Yet over the last eighteen months numerous 'fixed' cornerstones of the international order have begun to crumble: hastily imposed tariffs point to a long-term rollback of global free trade, whilst sudden and often quixotic switches in U.S. economic policy and the acceleration U.S. federal deficit have the questioning of U.S. dollar dominance.

In a world where clinging to assumptions can be increasingly dangerous how can institutional investors best create and then nourish investment systems that are resistant to confirmation bias?

(Chair) Valerie Sill, President and Chief Executive Officer
DuPont Capital Management (Pension)

Marta Norton, Chief Investment Strategist
Empower

Steve Thompson, Assistant Deputy Minister, Treasury and Risk Management
Government of Alberta, Canada

Ellen Hung, State Investment Officer
Nebraska Investment Council

Farouki Majeed, Chief Investment Officer
School Employees Retirement System of Ohio

11.55am - Champagne Brunch

1.15pm Chair's Opening Remarks

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business, University of Waterloo, Canada**

1.20pm Can the centre-left and centre-right find common ground to alleviate the most socio-economically destabilising aspects of neoliberalism?

Current media platforms often incentivise the amplification of discord between U.S. political parties and movements, since the resulting noise generates monetizable online "clicks" for their owners.

Yet a closer examination reveals that, beneath the empty media bombast, many of the concerns held by the centre-left and centre-right about neoliberalism are, in fact, shared by both sides.

The centre-left has long expressed scepticism about neoliberalism and the growing market dominance of a small number of powerful transnational oligopolies.

At the same time, within centre-right thought, a new conservative-interventionist current has emerged increasingly sceptical of neoliberal orthodoxy and believing that more must be done to protect society from the often-profound moral, economic, and social downsides to neo-liberalism.

In this session, two leading academics - one broadly aligned with the centre-right and the other with the centre-left - will explore their shared concerns. Through this dialogue they will seek to formulate policy approaches that could command support across both their traditions.

This is no empty intellectual exercise.

The magnitude of the socio-economic challenges facing Western democratic societies today are immense and growing by the day. Only through more bipartisan engagement can effective and lasting solutions begin to emerge.

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business, University of Waterloo, Canada**

Professor Mark Blyth

The William Rhodes '57 Professor of International Economics
Brown University
See page 11 for Professor Blyth's bio.

Professor Patrick J. Deneen

Author of 'Why Liberalism Failed'
The David Potenziani Memorial Chair of Constitutional Studies
University of Notre Dame



Professor Patrick Deneen is one of the most influential conservative scholars in the United States; Vice President J.D. Vance having cited Deneen as a major intellectual influence on his views. Deneen is the most prominent academic proponent of “post-liberalism,” a political philosophy that eschews small-L liberalism’s focus on the protection of individuals’ rights and liberties in favour of promoting a “postliberal” order grounded in the promotion of conservative and religious values. His widely discussed 2018 book, *Why Liberalism Failed*, which argues that the principles of liberalism have caused societal fragmentation and the erosion of communal bonds, has been translated into over twenty languages and was praised by former President Barack Obama. Professor Deneen’s most recent published books include *Regime Change: Toward a Postliberal Future* (Penguin, 2023) and *Why Liberalism Failed* (Yale University Press, 2018.)

2.20pm - General Session Ends

Parallel Breakout Sessions

2.30pm Parallel Breakout Sessions commence

Delegates can customize Global ARC to their needs by choosing between several highly interactive parallel breakouts.

Some of these parallel breakouts are continuations of preceding plenary panel topics, whilst others provide delegates with the opportunity to explore fresh topics.

To allow for a more in-depth exploration of these subjects, each breakout session is approximately one and a half hours long.

PARALLEL BREAKOUT SESSION A

Wealth Manager Round Table: Why some external investment managers get selected...and others don't: A wealth management perspective.

In an environment shaped by higher uncertainty and market volatility, wealth managers have become increasingly deliberate about which external managers they include in client portfolios. This discussion will bring together leading wealth managers to share how they assess external managers beyond the traditional pillars of performance, process and people, and how wealth firms

are placing greater emphasis on other factors such as transparency, trustworthiness, communication, client service and the ability to collaborate effectively.

The session will explore what ultimately differentiates investment managers in today's increasingly competitive investment landscape.

(Chair) Scott Lavelle, Chief Investment Officer
Diversified LLC

WEALTH MANAGER PANELISTS

Peter Chiappinelli, Chief Investment Officer
Ballentine Partners

Ohm Srinivasan, Global Head of Alternative Investing
CIBC Private Wealth Management, US

Erik Lehr, Chief Investment Officer
Empirical Wealth Management

Terry Monis, Co-Chief Investment Officer
ICG Advisors

Ahmed Riesgo, Chief Investment Officer
Insigneo

Laurie Goodman, Global Head of Investment & Wealth Solutions
Jefferies Private Wealth Management

Kevin O'Donnell, Executive Managing Director
Peakline Partners

Doug Butler, Senior Vice President and Director of Research
Rockland Trust

Kristopher Weiner, Partner
Summit Rock Advisors

Jamil McNeal, Director of Investments – Private Markets
True North Advisors

Peter Phillips, Senior Vice President and Chief Investment Officer
Washington Trust Wealth Management

INSTITUTIONAL INVESTOR DISCUSSANTS

Colleen Davis, Chief Financial Officer & State Treasurer
Delaware State Treasury

Victor Bogachev, Managing Director, Investments
Kensington Investment Company Inc

Clark Cheng, Chief Investment Officer
Merrimac Corp

PARALLEL BREAKOUT SESSION B

The 'Great Convergence' of private and public assets classes
.... continued: **investment consultant perspectives**

(Chair) Jerry Moriarty, Independent Advisor
Moriarty & Associates, Ireland

INVESTMENT CONSULTANT PANELISTS

Matthew Coyne, Managing Director
Aksia

Michael Rosen, Chief Investment Officer
Angeles Investments

Russ Ivinjack, Global Chief Investment Officer
Aon Investments

Regina Cho, Executive Director of Investments
Crewcial Partners

Pete Drewienkiewicz, Chief Investment Officer
Gallagher Benefit Services, United Kingdom

Thomas Lyons, Director, Alternative Investments
Mercer

Phillip Nelson, Partner, Head of Asset Allocation
NEPC

Melissa Santaniello, Managing Director, Private Credit
StepStone Group

Nimisha Srivastava, Head of Investments, North America
Willis Towers Watson

INVESTMENT CONSULTANT DISCUSSANT

Arlete Nese Ph.D., Partner and Executive Director
ON Valor, Brazil

INSTITUTIONAL INVESTOR DISCUSSANTS

Edgar Sosa, Chief Risk Officer
Afore InverCap, Mexico

David Dowsett, Chief Investment Officer
Convex Insurance, United Kingdom

Rafael Judar Vicchini, Chief Investment Officer and Chief Financial Officer
Fundação ELOS Pension, Brazil

Ryan Johnston, Senior Analyst – Funds Alpha
State of Wisconsin Investment Board

Xiaowei Han, Vice President, Head of ALM
TIAA

OCIO DISCUSSANTS

Greg Dowling, Chief Investment Officer & Head of Research
FEG Investment Advisors

Rich Nuzum, Head of Outsourced CIO
Franklin Templeton Investment Solutions

PARALLEL BREAKOUT SESSION C

The Future of Capitalism

(Chair) Professor Christopher Holt, Senior Advisor **Global ARC** and Associate Professor, **Conrad School of Business**, **University of Waterloo**, Canada

KEYNOTE PANELISTS

Professor Mark Blyth

The William Rhodes '57 Professor of International Economics
Brown University

Professor Layna Mosley

Director, Princeton Sovereign Finance Lab
Princeton University

Dr. Zongyuan Zoe Liu

The Maurice R. Greenberg Senior Fellow for China Studies
The Council on Foreign Relations

Professor Patrick J. Deneen

Author of *'Why Liberalism Failed'*
The David Potenziani Memorial Chair of Constitutional Studies
University of Notre Dame

INSTITUTIONAL INVESTOR DISCUSSANTS

Mateo Fernández, Chief Investment Officer
AFAP Itaú, Uruguay

Don Walker, Chief Investment Officer
Board of Pensions of the Presbyterian Church

Michael Dittrich, Vice Secretary General, Head of Finance and Administration
Deutsche Bundesstiftung Umwelt (DBU), Germany

Valerie Sill, President and Chief Executive Officer
DuPont Capital Management (Pension)

Yelena Stepanyan, Head of Investments
Embark Student Corp, Canada

Patricia Alejo, Investment Officer
Inter-American Development Bank

Antonio Candia, Principal of Financial Innovation and Research
Latin American Reserve Fund (FLAR), Colombia

Luiz Claudio Levy Cardoso, Chief Investment Officer
Nucleos-Instituto de Seguridade Social, Brazil

DeAnne Mannion, Deputy Chief Investment Officer
Ohio Public Employees' Retirement System (OPERS)

Patrícia Queiroz, Chief Investment Officer
Real Grandeza Pension Fund, Brazil

Clemens Quast, Head of Treasury
Sächsische Aufbaubank – Förderbank, Germany

Ernesto D. Francisco, Jr., Executive Vice President Investments Sector
Social Security System, The Philippines

Joana Marfoh, Head of Treasury and Pension Fund Management
UK Local Authority Pension Fund, United Kingdom

PARALLEL BREAKOUT SESSION D

Selecting your alternatives managers: institutional investor perspectives

(Chair) Leslie Lenzo, Founder
L-Squared Investment Solutions

PANELISTS

Peggy Huang Ph.D., Chief Investment Officer
CC Capital/Ceres Life

Corrado Pistarino, Chief Investment Officer
Foresters Friendly Society, United Kingdom

Tina Suo, Head of Alternative Credit
NYC Office of the Comptroller

Michael Nicks, Chief Investment Officer
Pepperdine University Investment Office

Mauricio Gúzman, Head of Investment Strategy and Fund Selection
SURA Investments, Colombia

INSTITUTIONAL INVESTOR DISCUSSANTS

Eunice Han, Head of Alternatives
AXIS Capital

Veronica Wong, Senior Portfolio Manager
Bank of Hawaii Investment Management Services

Markus Schaen, Senior Investment Manager
Brand New Day Retirement, The Netherlands

Scott Gerdes, Vice President, Private Investments
Builders Vision

Kevin Edwards, Managing Director
Carnegie Mellon University Investment Office

Eric Newman, Treasury Manager
City of Stamford

Divyesh Shah, Senior Investment Officer
Dallas Police & Fire Pension

Jean-Michel Charette, Director of Investments
HEC Montréal Endowment, [Canada](#)

Harrison Griffin, Associate Portfolio Manager, Private Markets
Nova Scotia Pension Services Corporation, [Canada](#)

Lan Cai, Chief Investment Officer
The Pension Boards - United Church of Christ

Anthony Tang, Director, Public Markets
TTC Pension Plan, [Canada](#)

Brian Neale, Chief Investment Officer
University of Nebraska Foundation

PARALLEL BREAKOUT SESSION E

Normalcy bias continued

(Chair) Valerie Sill, President and Chief Executive Officer
DuPont Capital Management (Pension)

PANELISTS

Jonathan Glidden, Chief Investment Officer
Delta Airlines Pension

Konstantinos Grigoriadis, Treasury Manager - Pension
Investments DXC Technology

Marta Norton, Chief Investment Strategist
Empower

Alexander Neszvecsko, Portfolio Manager
European Patent Office Reserve Funds, [Germany](#)

Steve Thompson, Assistant Deputy Minister, Treasury and Risk Management
Government of Alberta, [Canada](#)

Farouki Majeed, Chief investment Officer
School Employees Retirement System of Ohio

Michela Bariletti, Chief Credit Officer and Head of Global Investment Research
Standard Life, [United Kingdom](#)

INSTITUTIONAL INVESTOR DISCUSSANTS

Santiago Hernández, Chief Investment Officer
AFAP SURA, [Uruguay](#)

Aaron Lemner, Senior Portfolio Manager, Multi-Asset Group
Allstate Investments

Ricardo Martinelli Ph.D., Deputy Head of the Foreign Reserves Department
Banco Central do Brasil, [Brazil](#)

Noel Friel, Pensions Chief Investment Officer
Electricity Supply Board, [Ireland](#)

Raivo Vanags, Head of Market Operations Department
Latvijas Banka (Central Bank of Latvia), [Latvia](#)

Ming Cen, Managing Director, Dynamic Asset Allocation
Maryland State Retirement and Pension System

Arjen Pasma, Chief Investment Officer
PGGM Investments, [The Netherlands](#)

Bridget Uku, Investment Officer
UK Local Authority Pension Fund, [United Kingdom](#)

Christophe L'Ahelec, Managing Director, Public Markets
University Pension Plan Ontario, [Canada](#)

Chung Ma, Deputy Chief Investment Officer
Virginia Retirement System

4.00pm Parallel Breakout Sessions End

Key 2026 Take-Outs

4.05pm Reflecting on the key take-outs from Global ARC 2026

Chair TBC

Additional panelists tba

4.45pm - Close of Global ARC 2026

Note* This agenda, including topics, timings and speakers is subject to change without notice.

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **APPFA Fall 2026 Professional Development Conference**
Louisville, Kentucky
November 8-11, 2026

I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Deputy Director of Compliance Tarrah Shockley
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments

Travel Subject	APPFA Fall 2026 Professional Development Conference
Sponsor	APPFA
Date(s)	November 8-11, 2026
Location	Louisville, Kentucky
Proposed Attendee(s)	Tarrah Shockley

Estimated Total Travel Cost **\$2,352.00**

Description	Computation		Shockley	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	4 nights @ \$ 229.75 /night	=	919.00	919.00	919.00	
Per diem meals reimbursement:	4 days @ \$ 80.00 /day	=	320.00			
Less meals provided by sponsor	0 Breakfast, 2 Lunch, 1 Dinner = \$90.00	=	(\$90.00)			\$90.00
Total meals expense		=		320.00	230.00	
Rideshare expense	150	=	150.00	150.00	150.00	
Airfare	\$1,053.00	=	\$1,053.00	\$1,053.00	1,053.00	
Vehicle-related expenses:		=	-	-	-	
Parking	days @ /day	=	-	-	-	
Mileage	miles @ 0.425 /mile (Department Head)	=	-	-	-	
	miles @ 0.725 /mile (Staff, Trustee)	=	-	-	-	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
Totals		=	2,352.00	\$ 2,442.00	\$ 2,352.00	\$ 90.00

Fall 2026 Conference Agenda

Sunday, November 8th, 2026

Welcome Reception, 6:00 – 8:00 PM: The Oakroom

Catch up and network with pension members and colleagues at the welcome reception. Light appetizers and beverages will be provided.

**This event does not qualify for CPE.*

Monday, November 9th, 2026

1a. Opening Remarks, 8:30 – 8:40 AM

Nicki E. Russell, CIA, CPA, MPA, Chief Auditor, MOSERS (APPFA President)

The APPFA President will officially start the conference. Attendees will be reminded of conference or event information and announcements, encouraged to sign in to each session to get CPE (via the Conference APP), and to complete the session surveys. Additional information about the Conference APP will be shared with attendees. One highlight of the Conference APP is the “Top Contributor Board.” This is an interactive experience through the APP to help attendees get the most out of the conference.

**This session does not qualify for CPE.*

1b. Welcome to Kentucky/KPPA and TRS Benefits Overview, 8:40 – 9:40 AM

Ed Owens, CERS CEO

John Chilton, KRS CEO

Ryan Barrow, KPPA Executive Director

Gary Harbin, TRS Executive Secretary

This session will provide attendees with a warm welcome to Kentucky, and gain highlights from the Kentucky pension funds and provide a benefits overview. Attendees will take away industry knowledge and learn more about the Kentucky pension system.

Specialized Knowledge, 1.2 CPE

1c. What Keeps the CFOs Up at Night, 9:45 – 10:45 AM

Mark Whelan, TRS Chief Financial Officer

In today’s dynamic financial landscape, chief financial officers face unprecedented challenges that demand constant vigilance and adaptability. This session, “What Keeps CFOs Up at Night?” will explore the complex issues and risks confronting public pension fund CFOs, including changes in accounting standards, cybersecurity threats, and shifting market conditions. Attendees will gain valuable insights into strategies for safeguarding their organizations’ financial health. Identify risks and trends impacting public pension fund CFOs, including regulatory developments and economic volatility. This session will also examine best practices for managing operational challenges, including cybersecurity, fraud prevention, and technology integration. Attendees will also learn more about approaches to ensuring long-term sustainability and transparency in financial reporting and governance.



APPFA Professional Development Conference, Fall 2026, Louisville, Kentucky

1d. There's No Such Thing as Accounting Ethics, 11:00 AM – 12:00 PM

Brian Ingle, APA

In the presentation, "There's No Such Thing as Accounting Ethics," Brian Ingle adapts content from the book by John Maxwell titled "There's No Such Thing as Business Ethics" to an audience of accountants and auditors. In his adaptation, Brian unpacks how ethical dilemmas always create a PR problem. From there, Brian applies the principles of John's book to relevant scenarios faced by financial professionals and adapts them into the 5 Ps and the 8 Rs of ethics. In this session, participants will discover the 5 Ps that drive people to make unethical decisions, illustrated by real, recent ethical dilemmas that may be familiar to KY-based participants. In addition, they'll identify the 8 Rs that help people avoid unethical decisions. By the end of the session, participants will be equipped to identify and mitigate circumstances that lead to poor ethical decisions, and they'll fully comprehend that, ultimately, there's no such thing as accounting ethics.

Behavioral Ethics, 1.2 CPE

1e. Liar, Liar Pants on Fire, 1:00 – 2:00 PM

Traci Brown, Body Language Expert

People's pants are on fire around you all the time, and you haven't even noticed. In this presentation, you'll discover how to use Traci's 9-Point Deception Detection Framework- built on peer-reviewed studies- to separate lies from the truth—so you know what people AREN'T telling you. This means making better-informed, high-stakes decisions, protecting your company's reputation, increasing profits, and avoiding a catastrophic misstep that could cost millions.

Specialized Knowledge, 1.2 CPE

1f. Identifying Instances of Waste, Fraud, and Abuse in County Retirement Systems with the Kentucky Auditor of Public Schools, 2:15 – 3:15 PM

Jim Royce, APA

The Kentucky Auditor of Public Accounts office walks you through cases of waste, fraud, and abuse in County retirement systems, identifying what happened, why it happened, and how you can implement procedures to find the issues first. *Behavioral Ethics, 1.2 CPE*

1g. Roll Call of the States, 3:20 – 4:20 PM

Alex McDowell, CIA, CISA, CRISC, Senior Internal Auditor, OCERS (APPFA Vice-President and APPFA Program Committee, Chair)

**Individuals who are attending the conference and are non-members
or do not have internal audit responsibilities
should not attend the "Roll Call of the States" session.**

Prior to the conference, each attending system completed a Roll Call of the States survey. A representative from each participating organization (i.e., System) will share highlights from their respective system. In addition, all staff from that System will participate in introductions. This is a way



for other attendees to know which System you represent and helps with networking and follow-up if attendees have questions about any of the content shared. Attendees will take away information on audit topics and be prompted to network by identifying peers working on similar projects or facing similar challenges. There will be no roundtable discussions with this session.

Auditing (Governmental), 1.2 CPE

Group Dinner, 6:00 – 9:00 PM

This is an off-site networking event and dinner. 4th Street Live is a short walk from the hotel. Attendees will meet in the lobby at approximately 5:50 PM and walk together to the destination.

**This event does not qualify for CPE.*

Tuesday, November 10th, 2026

2a. APPFA Housekeeping, 8:00– 8:10 AM

APPFA Bylaws & Policy Committee, Rebecca Takahashi, CIA, CFE, CGAP, Los Angeles Fire & Police Pensions, Caroline Stinziano, CPA, Ohio Public Employees Retirement System

Attendees will receive an update on any potential changes in APPFA Bylaws and Policies. They will be reminded of conference or event information, announcements, and to sign in to each session to get CPE, complete the session surveys, and complete the conference survey.

**This session does not qualify for CPE.*

2b. Partners in Prevention: A Collaboration between Auditors and Law Enforcement, 8:10 – 9:50 AM

Christopher Cantrell, FBI

Jennifer Ratterman, FBI

This session examines how coordinated efforts between pension auditors and law enforcement help detect, prevent, and disrupt fraud schemes targeting vulnerable populations. The presentation highlights recent scams affecting seniors and outlines practical strategies for identifying red flags and strengthening investigative partnerships to better protect the public. *Behavioral Ethics, 2.0 CPE*

2c. Could It Happen Here? Lessons from the Corporate Scandals That Changed Governance Forever, 10:05 – 11:05 AM

Amanda Jenami, Teacher Retirement System of Texas

At Volkswagen, a culture of winning at all costs overrode ethics. At Wells Fargo, incentives drove widespread misconduct. At Equifax, known cybersecurity vulnerabilities went unaddressed. At Boeing, warning signs were overshadowed by competing business priorities. In every case, controls existed. Oversight structures existed. Yet disaster still occurred.

This thought-provoking session examines the governance failures behind some of the most consequential corporate scandals of the last decade and challenges participants to consider a difficult question: Could similar conditions exist within our own organizations?

Using real-world case studies, attendees will explore how culture, incentives, information quality, risk management, and board oversight can either protect an organization or contribute to its downfall. The session concludes by connecting these lessons to today's top risks, including artificial intelligence, cybersecurity, third-party dependencies, data governance, and organizational culture.



Whether you serve as a trustee, executive, internal auditor, or risk leader, you'll leave with practical insights to spot early warning signs and strengthen governance before the next crisis emerges.
Auditing (Governmental), 1.2 CPE

2d.From Hype to Impact: How Public Pension Auditors Are Turning AI into Results, , 11:10 AM – 12:10 PM
Charmaine Zhang, Florida State Board of Administration, Tony Chavez, Employee Retirement System of Texas, and Steven Randall, Teacher Retirement System of Texas, moderated by Amanada Jenami, Teacher Retirement System of Texas

As organizations adopt and expand the use of evolving technologies, internal auditors are increasingly asked to provide assurance in areas where governance structures, policies, and controls are still maturing. This session demonstrates how auditors can apply traditional risk-based auditing principles by focusing on governance, accountability, data, and risk management rather than attempting to evaluate every technical component. Participants will gain practical lessons learned from real-world audit engagements and learn how to provide meaningful assurance in rapidly changing environments.
Information Technology, 1.2 CPE

2e. Actuarial Valuation Introduction, 1:10 – 2:10 PM
Bryan Hoge, CavMac

This session will discuss the valuation process and the various inputs and outputs. Bryan will discuss the different inputs (data, assets, etc.) and then dive into which items have the greatest impact on valuation results. The session will conclude with a discussion of how much the results/contributions could change if there are errors in the data provided to the actuary. *Specialized Knowledge, 1.2 CPE*

2f. Follow the Money – A Day in the Life of your Pension Fund Equity Portfolio, 2:15 – 3:15 PM
Bruce Mills, Weaver

Equities account for 60% or more of your Fund portfolio. Do you understand what's involved and where Internal Audit should focus? From Concept to Settlement, we will delve into the various operational components of equity funds that are managed through the trade lifecycle, including internal vs. external management, passive vs. active strategies, use of derivatives for hedging and cash overlays, compliance, and operations *Auditing (Governmental), 1.2 CPE*

2g. Investment Conflicts and Fraud: Understanding How Investment Fraud Can Bring Down the House, 3:30 – 4:30 PM
Bruce Mills, Weaver

Fraud happens everywhere, but if it occurs within your investment team, your organization can lose the confidence of participants, boards, and legislators. We will explore some of the key investment-related conflicts of interest and fraud scenarios, along with discussing real-world examples that internal auditors should know when assessing fraud risks or the investment processes within your organization. *Behavioral Ethics, 1.2 CPE*

APPFA Business Meeting, 4:45 – 6:00 PM



Per [APPFA's Bylaws](#), several things are required at the fall business meeting, including the election of officers, the approval of APPFA's annual budget, and the approval of the annual membership dues. We will also hear a special presentation from the Membership Committee on the member survey results. In addition, other Committee Chairs may summarize the items they have worked on, and that could have a future impact on APPFA. As to voting, the designated Primary representative or their designee for each Regular member organization is entitled to cast one vote at the business meeting. The officer positions up for election include vice-president. **This event does not qualify for CPE.*

Dinner is on your own! See some tips and tricks located in the Louisville brochure.

Wednesday, November 11th, 2026

3a. APPFA Housekeeping, Membership Committee Updates, and Recognizing Veterans, 8:00 – 8:10 AM

Kristy Scott, Principal Auditor – Governance & Program Administration, VRS (APPFA Membership Committee, Chairwoman)

We will hear updates and/or reminders from the Membership Committee. Attendees will be reminded of conference or event information, announcements, and to sign in to each session to get CPE, complete the session surveys, and complete the conference survey.

**This session does not qualify for CPE.*

3b. Strong Data Governance Reducing Fear of AI Adoption, 8:10 – 9:10 AM

Jason Todd, Linea

Artificial intelligence is rapidly transforming how pension funds operate, but successful AI adoption begins with a strong data foundation, not more bureaucracy. This session explores how public pension organizations can right-size their data governance practices to improve data quality, strengthen decision-making, reduce organizational risk, and confidently prepare for AI, analytics, and future modernization initiatives. Attendees will learn practical strategies for building a scalable governance framework that aligns with their fund's size, resources, and business objectives, ensuring data becomes an asset that enables innovation rather than a barrier to change. *Information Technology, 1.2 CPE*

3c. Auditing Evolving Technologies: Lessons Learned from the Front Lines 9:15 – 10:15 AM

Stephen Randall, Teacher Retirement System of Texas and Jack Henserling, Teacher Retirement System of Texas

Artificial intelligence is quickly moving from concept to core capability—and public pension systems are under growing pressure to harness its potential while managing its risks. In this dynamic and practical panel, three/ four seasoned internal auditors from large public pension organizations will share how their institutions are actually putting AI to work to drive efficiency, strengthen decision-making, and enhance member service. This is not a theoretical discussion. You'll hear candid, real-world insights on how AI is being embedded into strategic plans, operational priorities, and governance frameworks—and the critical role internal audit is playing every step of the way. From advising on AI strategy to evaluating controls and helping leadership navigate evolving risks, internal audit is uniquely positioned to serve as both a trusted advisor and an independent assurance function.



Panelists will also discuss how their boards are engaging in AI risk oversight, what effective governance looks like in practice, and how audit functions are building credibility and influence in this rapidly changing space. You'll learn how internal audit teams are using AI themselves, deliver value, where caution is warranted, and how to balance innovation with accountability.

Expect honest lessons learned, including:

- What worked (and what didn't) when launching AI initiatives
- Practical templates and frameworks you can adapt immediately
- Strategies to engage stakeholders and build alignment across the organization
- Metrics that demonstrate impact and sustain momentum
- Approaches to keeping your AI strategy flexible as risks and technologies evolve

Whether you are just beginning your AI journey or refining a more mature program, you'll leave with a clear, repeatable blueprint to elevate your internal audit function's role—strengthening alignment, accountability, and value delivery in your organization. *Information Technology, 1.2 CPE*

3d. Investment Risks – Where Should IA Focus? 10:30 – 11:30 AM

Brittany Smith, CLA

This session is designed for internal auditors serving government pension systems who need to evaluate investment risk through a practical, risk-based audit lens. The session will explore where internal audit can provide the greatest value without duplicating procedures commonly reviewed by the external auditor. Participants will examine key investment risk areas relevant to public pension plans, including investment policy compliance, manager selection and monitoring, in-house trading, valuation of alternative investments, fee transparency, and the quality of reporting to boards and investment committees. The discussion will emphasize how internal audit can align audit priorities with areas of greatest risk to plan assets, fiduciary oversight, and stakeholder trust. *Auditing (Governmental), 1.2 CPE*

3e. Conference Closing, 11:30 – 11:45 AM

Alex McDowell, CIA, CISA, CRISC, Senior Internal Auditor, OCERS (APPFA Vice-President and APPFA Program Committee, Chair)

APPFA will email a link to the Conference APP (Eventsential) to registered attendees closer to the conference date. The APP will include session descriptions, learning objectives, speaker information, session surveys, overall conference survey, and other relevant information.



**More information about the Conference APP
is on page 10 of this brochure.**



APPFA Professional Development Conference, Fall 2026, Louisville, Kentucky

2026 KCERA Board Committee Assignments

Member Seat #	Trustee Name	Administrative Committee	Finance Committee	Investment Committee
4th (Appointed)	Couch			Member
8th (Elected)	Frapwell	Alternate	Member	
2nd (Elected)	Gill	Member		
5th (Appointed)	Hughes	Chair		
1st (Statute)	Kaufman		Alternate	Member
7th (Elected)	Kratt			Member
3rd (Elected)	Mosqueda	Member	Member	
1st Alt. (Statute)	Nunneley			
6th (Appointed)	Sanders		Chair	Alternate
8th Alt. Ret. (Elected)	Seibly	Member		
9th (Appointed)	Whitezell			Chair
7th Alt. Sfty (Elected)	Vacant	Vacant	Vacant	Vacant
<i>The alternate 7th member (safety) shall vote as a member of the Board only if the 2nd (general elected), 3rd (general elected), 7th (safety elected), or 8th (retiree elected) member (and 8th alternate) is absent from a board meeting for any cause. Or, if there is a vacancy with respect to the 2nd, 3rd, 7th or 8th member (and 8th alternate), the alternate 7th member shall fill the vacancy until a successor qualifies.</i>				
<i>The alternate 8th (retiree elected) member shall vote as a member of the Board if the 8th member is absent from a board meeting for any cause. Or, if the 8th member is present and both the 2nd and 3rd, both the 2nd and 7th, or both the 3rd and 7th members are absent from a board meeting for any cause.</i>				



Proclamation in Recognition of National Retirement Security Month October 2026

Proudly Presented To

Kern County Employees' Retirement Association Members – Past and Present

WHEREAS, October is recognized as National Retirement Security Month, providing an opportunity to focus on financial goals and take meaningful steps toward a secure retirement; and

WHEREAS, public employees dedicate their careers to protecting our communities, caring for our residents, maintaining essential services, and improving the quality of life throughout Kern County; and

WHEREAS, a secure retirement honors that service by helping public employees maintain financial independence and dignity after their working years; and

WHEREAS, the Kern County Employees' Retirement Association (KCERA) administers a defined benefit pension plan that provides eligible members with dependable monthly retirement income for life, creating a foundation for long-term financial security; and

WHEREAS, KCERA serves active, deferred, and retired members of Kern County and participating Plan Sponsors, supporting members throughout their careers and into retirement; and

WHEREAS, KCERA's mission to expertly administer benefits, prudently invest assets, and provide quality membership services reflects its commitment to the retirement security of the public employees and retirees it serves; and

WHEREAS, whether retirement is years away, approaching, or already underway, understanding benefits and using available resources helps members make informed decisions and plan with confidence at every stage; and

WHEREAS, KCERA offers educational events and opportunities throughout October to help members understand their benefits, strengthen their retirement knowledge, and prepare for the future; and

WHEREAS, KCERA provides resources, including the KCERA Member Portal benefit estimator, to help members estimate future retirement income and consider how their pension supports their financial goals; and

WHEREAS, dependable retirement income supports retirees and their families and contributes to the economic vitality of the communities they call home.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Retirement of the Kern County Employees' Retirement Association hereby recognizes October 2026 as National Retirement Security Month and reaffirms its commitment to supporting the retirement security of KCERA members through prudent stewardship, quality service, and accessible member education.

Adopted this October 14, 2026

By the Board of Retirement,

Kern County Employees' Retirement Association

Date: October 14, 2026

To: Trustees, Board of Retirement

From: Dominic D. Brown, Chief Executive Officer

Subject: **Initiation of Service Provider Evaluation Period**

The Board of Retirement's Evaluation Period Policy was established to help ensure that decisions involving the selection, retention, or termination of KCERA service providers are consistent with fiduciary standards of conduct, and that service providers being considered by KCERA are treated fairly.

An "evaluation period" may be initiated by the Chief Executive Officer ("CEO") in the following situations:

- a) when a request for proposals (RFP) has been issued by KCERA or a short list of candidate firms has been identified for consideration by KCERA, or
- b) the Board otherwise deems it to be in the best interest of KCERA and its members and beneficiaries to do so.

The CEO has exercised his discretion and initiated the evaluation period for the following providers:

- 1) Rubicon Technology Partners

Trustees are required to comply with the evaluation period restrictions upon receipt of this notification. (See Board Communications Policy).

During evaluation periods, trustees shall not communicate with the specified service providers, except during board meetings, committee meetings, or KCERA-authorized due diligence visits; nor shall they accept meals, travel, hotel, or other types of gifts from the specified service providers. Notwithstanding the above, Trustees who need to communicate with such service providers for reasons unrelated to KCERA business agree to disclose such need to the Board beforehand. If circumstances do not permit timely disclosure to the Board, the trustee shall provide disclosure of the intended communication to the CEO and to the Chair or Vice-Chair.

Service providers that breach this policy may be terminated by KCERA or disqualified from consideration in a search process. Board members who breach this policy may be sanctioned in accordance with the KCERA Code of Conduct.

(See Evaluation Period Policy).

Pursuant to the aforementioned policies, your Board is asked to ratify the above evaluation period I recently initiated.



Social Security Integration and Court Employees

Presented by:
Kristen McDonald
Senior Deputy Chief Legal Officer



Should I Stay or Should I Go?

*Disclaimer- Informational purposes only. This is not legal advice.



History

- California courts hierarchy
- Superior and Municipal court unification
 - 1998 Prop. 220
 - 2001 statutory changes

Becoming a Superior Court employee can't mean losing your Municipal Court employee retirement benefits. Gov. Code section 71624.

So...KCERA membership
Also, kept Social Security integration



Social Security



Integrated- can claim benefits

- ✓ Federal program (Social Security Administration- SSA)
- ✓ Federal eligibility rules
- ✓ Private sector: mandatory participation
- ✓ Public sector: potentially optional



KCERA is a Replacement Plan

- ✓ Social Security Replacement Plan
- ✓ IRS rules re: value of benefit

Section 218 Agreements



What?

- ✓ How states participate in this federal program
- ✓ Administered by CalPERS in California



Employers

- ✓ Each state has its own
- ✓ Additional employers enter into 218 Agreements modifying the original statewide agreement



Employees

- ✓ Social Security coverage mandatory for public employees who are NOT members of a Replacement Plan and are NOT covered by a 218 Agreement
- ✓ Can be covered by both SSA and KCERA

Why Now?

- 2023: Social Security Administration sends out a determination letter: Superior Court employees now considered state employees for SSA purposes.
- Those courts now need their own Section 218 Agreements.
- Can't be under CA State Employees agreement because that agreement is for people under PERS pension plan.

You as Superior Court employees aren't currently under any Section 218 Agreement.

So...

Courts Have to Respond



Court System Option One

Enter into a Section 218 Agreement to
continue Social Security coverage



Court System Option Two

Don't enter into a Section 218 Agreement,
and stop withholding Social Security
contributions

All Superior Courts are now entering into their own Section 218 Agreements.

Employees Have to Respond

Current Superior Court employees now have a choice.



Employees Option One

Stay integrated with Social Security



Employees Option Two

Opt out of Social Security integration going forward*



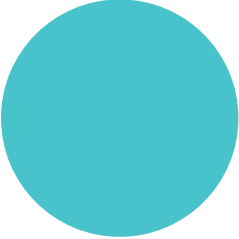
Mechanics: Vote

Majority vote

Divided vote

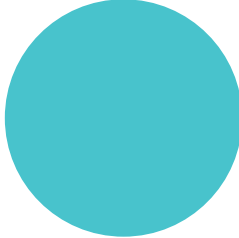
Vote: December 2026, check with employer
Any payroll changes effective after voting
closes

How does KCERA come in?



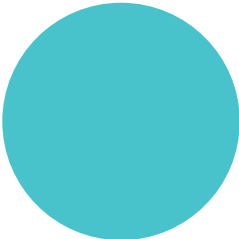
Governing Laws

- County Employees' Retirement Law of 1937 (CERL)
- Public Employees' Pension Reform Act of 2013 (PEPRA)
- State Constitution
- IRS regulations



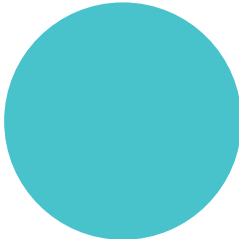
Integration

You're allowed to claim benefits under both the KCERA pension and Social Security, if your position is integrated with Social Security.



CERL Article 13

- Integration with Social Security.
- Optional, has been adopted by Kern County Board of Supervisors.



Rules about integration connect to your KCERA tier

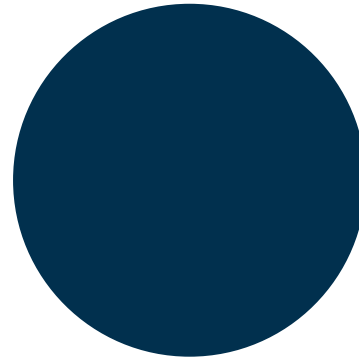


KCERA Tiers

<https://www.kcera.org/benefit-tiers>

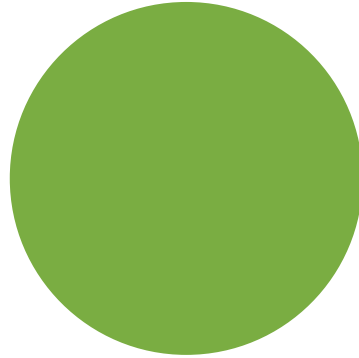


*Contact KCERA for questions about reciprocity or redeposits and Tier placement



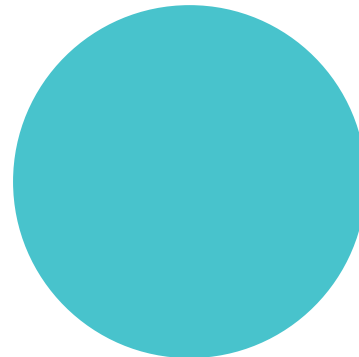
Legacy- Tier I

- 3% at 60 for General members
- CERL section 31676.17
- Social Security integration: CERL section 31808.9



Legacy- Tier II

- 1.62% at 65 for General members
- CERL section 31676.01, 31676.1
- Social Security integration: CERL section 31808

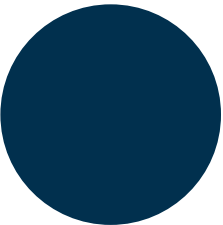


Tier II PEPRA Hybrid

- Hired on or after January 1, 2013
- 1.62% at 65 for General members
- CERL section 31676.01, 31676.1
- Social Security integration: CERL section 31808

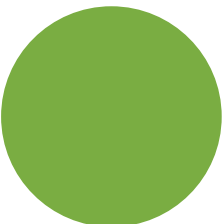


Math



Pension % is not tied to Social Security status

The percentage of your working income that your pension eventually replaces depends on your benefit tier, your age at retirement, and your years of service. It's not affected by whether you're integrated with Social Security or not.



Pension = FAC x Pension %

Example: Tier II PEPRA Hybrid, General member with 25 years of service, age 65 at retirement, FAC \$5,000/month

Age 65 means gets the full 1.62%

$1.62\% \times 25 \text{ years} = 40.54\%$ income replacement

$40.54\% \times \$5,000 \text{ FAC} = \$2,027/\text{month pension}$

An integrated member would be able to seek a Social Security monthly payment on top of the KCERA pension



Benefit Tier Percentage Chart

PERCENTAGE OF FINAL COMPENSATION GENERAL MEMBERS - TIER I Section 31676.17 "3% @ age 60"											
Years of Service *	50	51	52	53	54	55	56	57	58	59	60 and greater
10	20.00	21.00	22.00	23.00	24.00	25.00	26.00	27.00	28.00	29.00	30.00
11	22.00	23.10	24.20	25.30	26.40	27.50	28.60	29.70	30.80	31.90	33.00
12	24.00	25.20	26.40	27.60	28.80	30.00	31.20	32.40	33.60	34.80	36.00
13	26.00	27.30	28.60	29.90	31.20	32.50	33.80	35.10	36.40	37.70	39.00
14	28.00	29.40	30.80	32.20	33.60	35.00	36.40	37.80	39.20	40.60	42.00
15	30.00	31.50	33.00	34.50	36.00	37.50	39.00	40.50	42.00	43.50	45.00
16	32.00	33.60	35.20	36.80	38.40	40.00	41.60	43.20	44.80	46.40	48.00
17	34.00	35.70	37.40	39.10	40.80	42.50	44.20	45.90	47.60	49.30	51.00
18	36.00	37.80	39.60	41.40	43.20	45.00	46.80	48.60	50.40	52.20	54.00
19	38.00	39.90	41.80	43.70	45.60	47.50	49.40	51.30	53.20	55.10	57.00
20	40.00	42.00	44.00	46.00	48.00	50.00	52.00	54.00	56.00	58.00	60.00
21	42.00	44.10	46.20	48.30	50.40	52.50	54.60	56.70	58.80	60.90	63.00
22	44.00	46.20	48.40	50.60	52.80	55.00	57.20	59.40	61.60	63.80	66.00
23	46.00	48.30	50.60	52.90	55.20	57.50	59.80	62.10	64.40	66.70	69.00
24	48.00	50.40	52.80	55.20	57.60	60.00	62.40	64.80	67.20	69.60	72.00
25	50.00	52.50	55.00	57.50	60.00	62.50	65.00	67.50	70.00	72.50	75.00
26	52.00	54.60	57.20	59.80	62.40	65.00	67.60	70.20	72.80	75.40	78.00
27	54.00	56.70	59.40	62.10	64.80	67.50	70.20	72.90	75.60	78.30	81.00
28	56.00	58.80	61.60	64.40	67.20	70.00	72.80	75.60	78.40	81.20	84.00
29	58.00	60.90	63.80	66.70	69.60	72.50	75.40	78.30	81.20	84.10	87.00
30	60.00	63.00	66.00	69.00	72.00	75.00	78.00	81.00	84.00	87.00	90.00
31	62.00	65.10	68.20	71.30	74.40	77.50	80.60	83.70	86.80	89.90	93.00
32	64.00	67.20	70.40	73.60	76.80	80.00	83.20	86.40	89.60	92.80	96.00
33		69.30	72.60	75.90	79.20	82.50	85.80	89.10	92.40	95.70	99.00
34			74.80	78.20	81.60	85.00	88.40	91.80	95.20	98.60	100.00
35				80.50	84.00	87.50	91.00	94.50	98.00	100.00	
36					86.40	90.00	93.60	97.20	100.00		
37						92.50	96.20	99.90			
38							98.80	100.00			

* Five (5) years of service credit is required to be vested. Benefit payments may begin after 10 years have elapsed from a member's date of entry into the system and after reaching age 50. This table is for reference only. The reduction for Social Security has not been included in the determination of percentage of final compensation.

KCERA Member
Handbook
https://www.kcera.org/files/0ad59607b/Member_Handbook.pdf

Benefit Tier Percentage Chart

PERCENTAGE OF FINAL COMPENSATION GENERAL MEMBERS - TIER II Section 31676.01 "1.62% @ age 65"																
Years of Service *	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65 and greater
10	7.88	8.29	8.68	9.09	9.51	9.95	10.42	10.94	11.50	12.11	12.78	13.27	13.94	14.65	15.41	16.21
11	8.67	9.11	9.55	10.00	10.46	10.94	11.47	12.03	12.65	13.32	14.06	14.60	15.34	16.12	16.95	17.84
12	9.45	9.94	10.42	10.91	11.41	11.94	12.51	13.13	13.80	14.53	15.33	15.93	16.73	17.58	18.49	19.46
13	10.24	10.77	11.29	11.82	12.36	12.93	13.55	14.22	14.95	15.74	16.61	17.26	18.12	19.05	20.03	21.08
14	11.03	11.60	12.16	12.73	13.31	13.93	14.59	15.32	16.10	16.95	17.89	18.58	19.52	20.51	21.57	22.70
15	11.82	12.43	13.03	13.64	14.26	14.92	15.64	16.41	17.25	18.17	19.17	19.91	20.91	21.98	23.11	24.32
16	12.61	13.26	13.90	14.54	15.21	15.92	16.68	17.50	18.40	19.38	20.44	21.24	22.31	23.44	24.65	25.94
17	13.39	14.09	14.76	15.45	16.16	16.91	17.72	18.60	19.55	20.59	21.72	22.57	23.70	24.91	26.19	27.56
18	14.18	14.91	15.63	16.36	17.11	17.91	18.76	19.69	20.70	21.80	23.00	23.89	25.10	26.37	27.73	29.19
19	14.97	15.74	16.50	17.27	18.06	18.90	19.81	20.79	21.85	23.01	24.28	25.22	26.49	27.84	29.27	30.81
20	15.76	16.57	17.37	18.18	19.01	19.90	20.85	21.88	23.00	24.22	25.56	26.55	27.88	29.30	30.81	32.43
21	16.55	17.40	18.24	19.09	19.96	20.89	21.89	22.97	24.15	25.43	26.83	27.88	29.28	30.77	32.35	34.05
22	17.33	18.23	19.11	20.00	20.91	21.89	22.93	24.07	25.30	26.64	28.11	29.20	30.67	32.23	33.89	35.67
23	18.12	19.06	19.97	20.91	21.87	22.88	23.98	25.16	26.45	27.85	29.39	30.53	32.07	33.70	35.43	37.29
24	18.91	19.89	20.84	21.82	22.82	23.88	25.02	26.26	27.60	29.06	30.67	31.86	33.46	35.16	36.97	38.91
25	19.70	20.71	21.71	22.73	23.77	24.87	26.06	27.35	28.75	30.28	31.94	33.19	34.86	36.63	38.51	40.54
26	20.49	21.54	22.58	23.63	24.72	25.87	27.10	28.44	29.90	31.49	33.22	34.51	36.25	38.09	40.05	42.16
27	21.27	22.37	23.45	24.54	25.67	26.86	28.15	29.54	31.05	32.70	34.50	35.84	37.64	39.56	41.60	43.78
28	22.06	23.20	24.32	25.45	26.62	27.86	29.19	30.63	32.20	33.91	35.78	37.17	39.04	41.02	43.14	45.40
29	22.85	24.03	25.18	26.36	27.57	28.85	30.23	31.73	33.35	35.12	37.06	38.50	40.43	42.49	44.68	47.02
30	23.64	24.86	26.05	27.27	28.52	29.85	31.27	32.82	34.50	36.33	38.33	39.82	41.83	43.95	46.22	48.64
31	24.42	25.69	26.92	28.18	29.47	30.84	32.32	33.91	35.65	37.54	39.61	41.15	43.22	45.42	47.76	50.26
32	25.21	26.51	27.79	29.09	30.42	31.84	33.36	35.01	36.80	38.75	40.89	42.48	44.62	46.88	49.30	51.88
33		27.34	28.66	30.00	31.37	32.83	34.40	36.10	37.95	39.96	42.17	43.81	46.01	48.35	50.84	53.51
34			29.53	30.91	32.32	33.83	35.44	37.20	39.10	41.17	43.44	45.13	47.40	49.81	52.38	55.13
35				31.82	33.27	34.82	36.49	38.29	40.25	42.39	44.72	46.46	48.80	51.28	53.92	56.75
36					34.22	35.82	37.53	39.38	41.40	43.60	46.00	47.79	50.19	52.74	55.46	58.37
37						36.81	38.57	40.48	42.55	44.81	47.28	49.12	51.59	54.21	57.00	59.99
38							39.61	41.57	43.70	46.02	48.56	50.44	52.98	55.67	58.54	61.61
39								42.67	44.85	47.23	49.83	51.77	54.37	57.14	60.08	63.23
40									46.00	48.44	51.11	53.10	55.77	58.60	61.62	64.86
41										49.65	52.39	54.43	57.16	60.07	63.16	66.48
42											53.67	55.75	58.56	61.53	64.70	68.10

* Five (5) years of service credit is required to be vested. Benefit payments may begin after 10 years have elapsed from a member's date of entry into the system and after reaching age 50. This table is for reference only. The reduction for Social Security has not been included in the determination of percentage of final compensation.

KCERA Member
Handbook
https://www.kcera.org/files/0ad59607b/Member_Handbook.pdf

Benefit Tier Percentage Statutory Tables

Tier I: CERL section 31676.17

Notwithstanding any other provisions of this chapter, the current service pension or the current service pension combined with the prior service pension is an additional pension for members purchased by the contributions of the county or district sufficient, when added to the service retirement annuity, to equal the fraction of one-fiftieth of the member's final compensation set forth opposite the member's age at retirement, taken to the preceding completed quarter year, in the following table multiplied by the number of years of current

service or years of current and prior service with which the member is entitled to be credited at retirement, but in no event shall the total retirement allowance exceed the member's final compensation.

Age at retirement	Fraction
50	1.0000
50 1/4	1.0125
50 1/2	1.0250
50 3/4	1.0375
51	1.0500
51 1/4	1.0625
51 1/2	1.0750
51 3/4	1.0875
52	1.1000

Age at retirement	Fraction
59 1/4	1.4625
59 1/2	1.4750
59 3/4	1.4875
60 and over	1.5000

Benefit Tier Percentage Statutory Tables

Tier II/Tier II PEPRA Hybrid: CERL section 31676.01/31676.1

Notwithstanding any other provisions of this chapter, the current service pension, or the current service pension combined with the prior service pension, is an additional pension for members purchased by the contributions of the county or district sufficient, when added to the service retirement annuity, to equal the fraction of one-ninetieth of the member's final compensation set forth opposite the member's age at retirement, taken to the preceding completed quarter year, in the following table multiplied by the number of years of current service or years of current and prior service with which the member is entitled to be credited at retirement, but in no event shall the total retirement allowance exceed the member's final compensation.

Age at retirement	Fraction
50	0.7091
50 1/4	0.7183
50 1/2	0.7274
50 3/4	0.7366
51	0.7457

62 3/4	1.3026
63	1.3186
63 1/4	1.3355
63 1/2	1.3525
63 3/4	1.3695
64	1.3865
64 1/4	1.4047
64 1/2	1.4229
64 3/4	1.4411
65 and over	1.4593

Math

How do we get 1.62% at age 65 for the Tier II people from that CERL section 31676.01/31676.1 table?

the current service pension combined with the prior service pension, is an additional pension for members purchased by the contributions of the county or district sufficient, when added to the service retirement annuity, to equal the fraction of one-ninetieth of the member's final compensation set forth opposite the member's age at retirement, taken to the preceding completed quarter year, in the following table multiplied by the number of years of current service or years of current and prior service with which the member is entitled to be credited at retirement, but in no event shall the total retirement allowance exceed the member's final compensation.

62 3/4	1.3026
63	1.3186
63 1/4	1.3355
63 1/2	1.3525
63 3/4	1.3695
64	1.3865
64 1/4	1.4047
64 1/2	1.4229
64 3/4	1.4411
65 and over	1.4593

$$\left(\frac{1}{90}\right) \times 1.4593 = 0.016214$$

$$0.016214 \times 100 = 1.62\%$$

Then multiply 1.62 times the person's years of service credit to get their pension percentage.

Math

How do we get 3% at age 60 for the Tier I people from that CERL section 31676.17 table?

Notwithstanding any other provisions of this chapter, the current service pension or the current service pension combined with the prior service pension is an additional pension for members purchased by the contributions of the county or district sufficient, when added to the service retirement annuity, to equal the fraction of one-fiftieth of the member's final compensation set forth opposite the member's age at retirement, taken to the preceding completed quarter year, in the following table multiplied by the number of years of current

Age at retirement	Fraction
59 1/4	1.4625
59 1/2	1.4750
59 3/4	1.4875
60 and over	1.5000

$$\left(\frac{1}{50}\right) \times 1.5000 = 0.03$$

$$0.03 \times 100 = 3\%$$

Then multiply 3 times the person's years of service credit to get their pension percentage.

Integration Reduction

Different for everyone

- Members whose jobs are integrated with Social Security take a slight reduction in the amount of income we use to calculate their final pension amount, because the assumption is that they will also collect Social Security
- The amount of the reduction is different for everyone, because it's based on your age and years of service.

Maximum

- The maximum reduction any KCERA member gets is \$116.67 per month. That would be for a Tier I member who worked long enough to get a 100% pension.
- If your benefit tier and your age and years of service mean you don't get 100% income replacement, you don't have that max reduction amount, it's different for everyone.



Math



The language of CERL sections 31808 and 31808.9 means that in order to calculate the retirement allowance for someone who contributes to Social Security, when we're running the calculation, KCERA is supposed to count two thirds of the first \$350 of your monthly compensation, not the whole first \$350 you make, and that's called a reduction because only counting $\frac{2}{3}$ is us reducing it by $\frac{1}{3}$. Then we count the full amount of your monthly compensation after \$350, and then we apply your FAC amount to your pension percentage, the percentage of pay replacement you're going to get based on years of service and retirement age fraction.

Math- 3% at 60 Tier

§31808.9. Retirement allowance in counties subject to Section 31676.17, 31676.18, or 31676.19; computation of benefits

In any county or district, subject to Section 31676.17, 31676.18, or 31676.19, that adopts or has already adopted the provisions of this article, the retirement allowance of members subject to Section 31676.17, 31676.18, or 31676.19 shall be computed according to either the provisions of subdivision (a) or subdivision (b) of this section as selected by the board of supervisors.

(a) The retirement allowance for service rendered prior to the effective date of this article as specified in the resolution mentioned in Section 31800 shall be computed in accordance with the provisions of Section 31676.17, 31676.18, or 31676.19, as applicable. The retirement allowance of any member with respect to service performed after the effective date of this article as specified in the resolution mentioned in Section 31800 shall equal the total of the following:

(1) The fraction of one seventy-fifth of the first three-hundred fifty dollars (\$350) monthly of the member's final compensation set forth in the table appearing in Section 31676.17, 31676.18, or 31676.19, as applicable, in the column applicable to his or her age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service as provided therein.

(2) The fraction of one-fiftieth of any remaining portion of the member's final compensation set forth in the table appearing in Section 31676.17, 31676.18, or 31676.19, as

- Subsection (a)(2) is restating the baseline 3% at 60 math
- Subsection (a)(1) is saying take 2/3 of the baseline 3% at 60 math

$$\left(\frac{1}{75}\right) = \left(\frac{2}{3}\right) \times \left(\frac{1}{50}\right)$$

$$\left(\frac{1}{75}\right) = 0.013333$$

$$\left(\frac{1}{50}\right) = 0.02$$

$$\left(\frac{2}{3}\right) \times 0.02 = 0.013333$$

So, the integration reduction is 1/3 on the first \$350 of income you make, then we use the full remaining income you make in determining your FAC.

Math- 1.62% at 65 Tiers

§31808. Retirement allowance in certain counties; prior service; current service; computation of benefits

(a) Except as provided in subdivision (c), in any county or district subject to the provisions of Section 31676.1, 31676.11, 31676.13, or 31676.14, the retirement allowance payable for retirement service rendered prior to the effective date of the resolution mentioned in Section 31800 shall be computed in accordance with the provisions of Section 31676.1, 31676.11, 31676.13, or 31676.14, whichever is applicable. Except as provided in subdivision (b), the retirement allowance with respect to service performed after May 31, 1957, shall equal the total of the following:

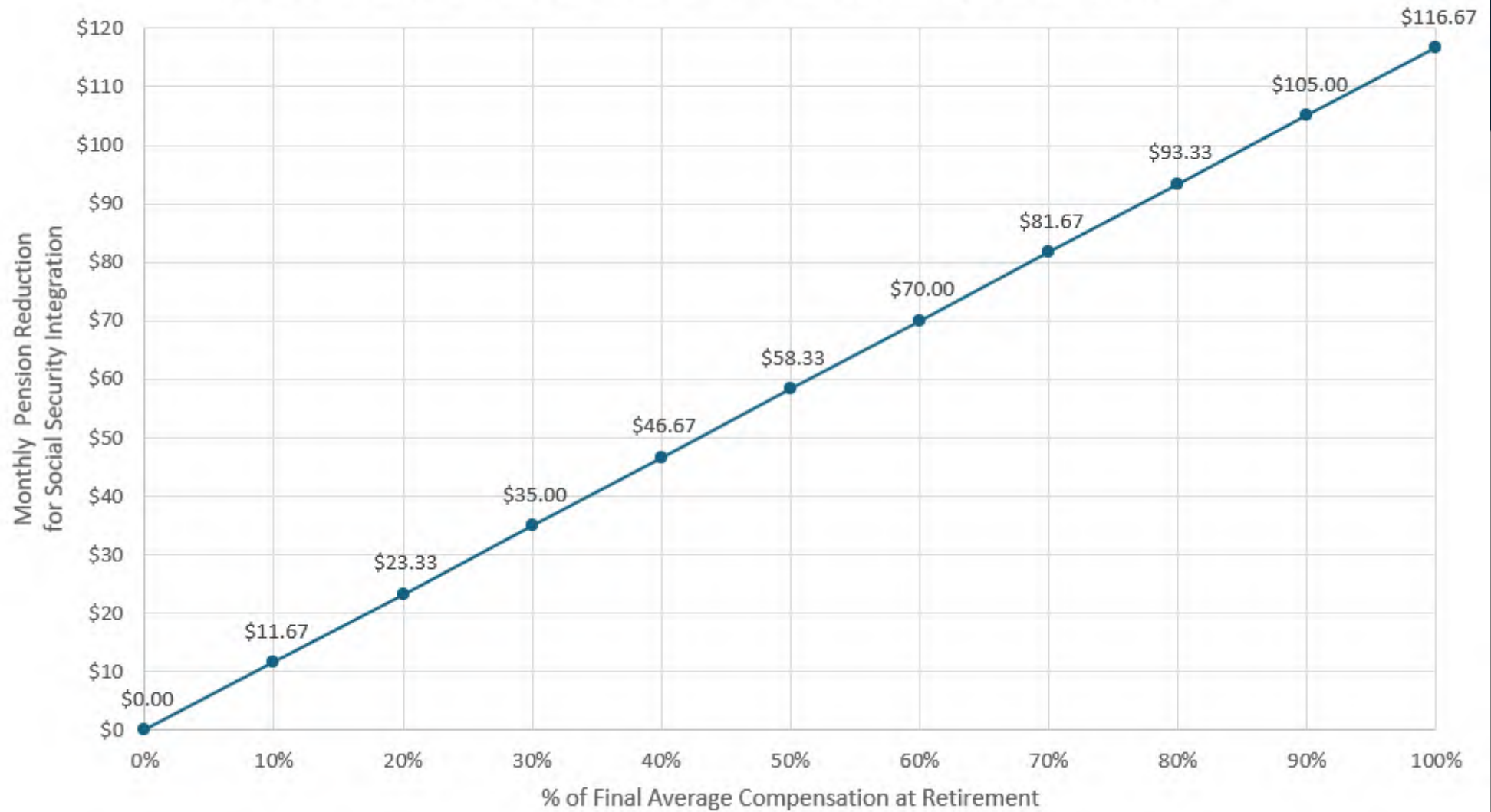
(1) The fraction of one-ninetieth of the first three hundred fifty dollars (\$350) monthly of the member's final compensation set forth in the table appearing in Section 31676.1, 31676.11, 31676.13, or 31676.14, whichever is applicable, in the column applicable to the member's age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service as provided therein.

(2) The fraction of one-sixtieth of any remaining portion of the member's final compensation set forth in the table appearing in Section 31676.1, 31676.11, 31676.13, or 31676.14, whichever is applicable, in the column applicable to the member's age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service.

- Subsection (a)(2) is restating the baseline 1.62% at 65 math
- Subsection (a)(1) is saying take 2/3 of the baseline 1.62% at 65 math

$$\left(\frac{1}{90}\right) = \left(\frac{2}{3}\right) \times \left(\frac{1}{60}\right)$$

Monthly Pension Reduction for Social Security Integration by % of FAC



% of Final Average Compensation Pension Reduction due to Social Security Integration

0%	\$ 0.00
10%	\$ 11.67
20%	\$ 23.33
30%	\$ 35.00
40%	\$ 46.67
50%	\$ 58.33
60%	\$ 70.00
70%	\$ 81.67
80%	\$ 93.33
90%	\$ 105.00
100%	\$ 116.67

	% of FAC	Integration Reduction	Monthly FAC	Integrated Pension	Non-Integrated Pension
Tier I age 50 with 20 years of service	40.00%	\$46.67	\$5,000.00	\$1,953.33	\$2,000.00
Tier I age 55 with 30 years of service	75.00%	\$87.50	\$6,000.00	\$4,412.50	\$4,500.00
Tier I age 60 with 34 years of service	100.00%	\$116.67	\$8,000.00	\$7,883.33	\$8,000.00
Tier II age 50 with 20 years of service	15.76%	\$18.39	\$5,000.00	\$769.61	\$788.00
Tier II age 55 with 30 years of service	29.85%	\$34.83	\$6,000.00	\$1,756.17	\$1,791.00
Tier II age 60 with 34 years of service	43.44%	\$50.68	\$8,000.00	\$3,424.52	\$3,475.20



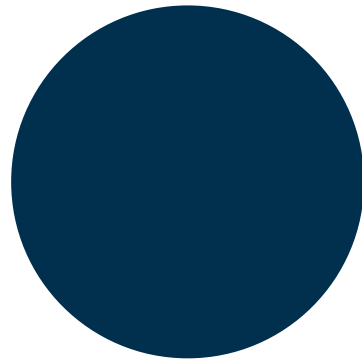
Contributions

KCERA Contributions are NOT the same
as Social Security Contributions

KCERA employee and employer contribution rates change based on plan valuation factors, which are not tied to Social Security participation.

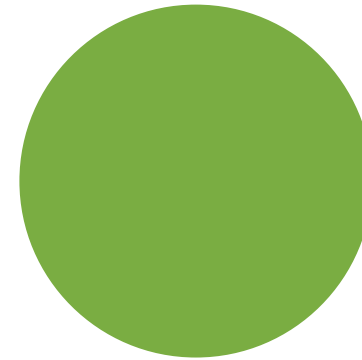
Your KCERA contributions you pay as part of your KCERA membership are separate from your Social Security contributions you pay as taxes to the IRS.

KCERA Contributions



Legacy (Tier I/Tier II)

KCERA contributions set by MOU



Tier II PEPRA Hybrid

PEPRA statutorily requires these members pay at least 50% of Normal Cost Rate.



KCERA Contributions

Because integrated members see a slight reduction on their FAC and resulting pension, the CERL has set it up that they also get a corresponding slight reduction in their contributions on that first \$350 per month (since paid biweekly, 1/3 reduction on the first \$161 of each paycheck). That's Government Code section 31812.

For Legacy members, if you're not integrated, you don't see that 1/3 reduction of contributions on the first \$350, so your KCERA contributions would be increased by that amount.

For Tier II PEPPRA Hybrid members, it's heavily dependent on how much you make; if non-integrated, you pay slightly more than integrated people below approx. \$83,000 income, and slightly less than integrated people above approx. \$83,000.

Legacy Tier I/Tier II:
slightly higher if you
opt out.

Tier II PEPPRA: it
depends.

What is the Social Security Contribution?



Social Security is funded by taxes- FICA or OASDI on your paystub

- Three separate taxes under that one line on the paystub: (1) Social Security, (2) Medicare, (3) Medicare surtax
- Social Security tax rate in 2026: 6.2% to the employer, 6.2% to the employee
- 2026 Annual Social Security contribution and benefit base: \$184,500. Income over that not taxed for SSA purposes, and not counted as part of your pay record for SSA benefit

<https://www.ssa.gov/oact/cola/cbb.html>

<https://www.irs.gov/taxtopics/tc751>



What if I opt out?

- As of the effective date of the vote, you would no longer be integrated with Social Security, so you would not be paying Social Security taxes on your wages, and you would not get any credit for any non-integrated income with Social Security when/if you eventually became eligible to claim Social Security benefits.
- If you choose to opt out of Social Security, then the change would be **prospective**- the Social Security contributions you've already paid prior to the change would stay on file for you with Social Security, and you would still be potentially able to seek Social Security based on that payment record under the applicable federal rules, if you qualified under just that time.
 - You need about 10 years of eligible work to become fully insured for retirement benefits under Social Security. <https://www.ssa.gov/myaccount/assets/materials/EN-05-10703.pdf>
 - See the Social Security website to check your eligibility.
- If you had part of your KCERA time integrated and some not, KCERA would run your final pension calculation taking the relevant integration status into account for each block of service credit.
- You can potentially seek a limited refund of your Social Security contributions from the IRS
 - Limited to 3 tax years
 - <https://www.irs.gov/filing/time-you-can-claim-a-credit-or-refund>
 - Must go through your employer
 - KCERA has nothing to do with this!



You Are Special

KCERA is unique even among CERL systems, you cannot rely on things you hear from members of other systems on this issue.

No True PEPRA Tier Employees

In other systems, their people are subject to 430(b) cap, which means a lower Social-Security-covered PEPRA limit and a higher non-Social Security-covered PEPRA limit, which is not the case here.

IRS Caps Currently Applied Will Still Apply

KCERA members are subject to a 415 cap on the amount your pension can be and a 401(a)(17) cap on the highest compensation period that can be used in your pension calculation. Both of those are applied the same whether you stay in Social Security or not.





Summary

- You get to vote on whether you want to continue participating in Social Security as part of your employment with the Kern County Courts.
- If you decide to stay in, nothing changes.
- If you decide to opt out:
 - You would no longer be paying contributions to Social Security and your service going forward would not be credited on the books with Social Security if/when you made a claim later
 - Your work history already on the books with Social Security stays on their books
 - You would still be paying contributions to KCERA, since those are entirely different from Social Security contributions
 - Your KCERA contributions amount would not change significantly based on whether you were integrated or not, but that has nothing to do with normal KCERA contributions changes as the plan factors change
 - Your pension amount would not be subject to the Social Security reduction, which at its highest is \$116.67 per month for Tier I members who have enough time to qualify for a 100% pension. Please see the chart for a better idea of the integration reduction that would be applicable to your specific situation.
 - You could seek a refund from the IRS for the last 3 years of the Social Security contributions you paid in. This would be something you and your employer take up with the IRS, KCERA would not be involved in that process.
- Specific claims you might hear from members of other retirement systems about the effect of opting out on a pensionable compensation cap are not applicable to you as a KCERA member, please contact us with questions, not friends in other systems that have true PEPPRA tiers.



QUESTIONS?





KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

www.kcera.org

11125 River Run Blvd. Bakersfield, CA 93311



Memorandum from the Office of
The Chief Executive Officer
Dominic D. Brown

Date: October 14, 2026
To: Trustees, Board of Retirement
From: Dominic D. Brown, Chief Executive Officer
Subject: **SACRS 2026 Fall Conference Voting Delegate**

It is recommended that your Board appoint a voting delegate and alternate voting delegate to represent KCERA at the SACRS 2026 Fall Conference Business Meeting held on Friday, November 13, 2026. The following trustees have registered to attend the conference:

David Couch
Jeff Frapwell
Joseph D. Hughes
Jordan Kaufman
Rick Kratt
Rocio Mosqueda
John Sanders

Alternatively, the Board may appoint the Chief Executive Officer as the voting delegate to cast votes at the Business Meeting in accordance with the Board's directive.

Attachment



SACRS VOTING PROXY FORM

The following are authorized by the _____ County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference

(If you have more than one alternate, please attach the list of alternates in priority order):

_____ Voting Delegate

_____ Alternate Voting Delegate

These delegates were approved by the Retirement Board on ____ / ____ / ____.

The person authorized to fill out this form and submit electronically on behalf of the Retirement Board:

Signature: _____

Print Name: _____

Position: _____

Date: _____

Please send your system's voting proxy by the following due date to SACRS at sacrs@sacrs.org. If you require additional information, please contact SACRS as soon as possible.

Due Dates:

- Spring Conference Due by May 1
- Fall Conference Due by November 1

**No Material
to be Distributed**



Chief Executive Officer's Report

Presented by: Dominic D. Brown

October 2026



Office Update

- Disability Files Pending: Pre-2025: 4 2025:7 2026: 18 Hearing: 5 Writ: 1
- Alive & Well: Staff continues to enhance process to verify eligibility of pensioners
- Inyokern CSD: This issue has been resolved as staff now have active KCERA membership
- Courts Social Security Update
- Staffing update: We are now at full staffing
- Draft of Annual Actuarial Valuation has been received and it being reviewed by staff



Operations Activity



Member Services

- 25 new retirements processed
- 33 death benefits processed
- 97 retirement estimates
- 91 new active members
- 74 terminations
- 31 in-person appointments
- 81 walk-ins
- 430 phone calls
- 384 emails

Accounting & Reporting

- Service Purchases
 - 63 calculations
 - Response time <45 days
- Monthly pension payroll \$40M for over 9,500 members (34 checks)
- ACFR preparation in full swing
- New General Ledger implementation complete

Information Technology

- We are lending support to Kern360 for testing
- Did extensive work to prepare for Courts' vote on Social Security



Member Outreach & Education

Recent:

- 9/18 KC Courts NEO
- **9/24 KCERA End-of-Career Seminar**
- 9/30 Kern Medical New Employee Orientation
- 10/01 KC New Employee Orientation
- 10/07 BHRS New Employee Orientation
- 10/13 REOKC Luncheon

Upcoming:

- 10/20 SQVAPCD Health Fair Fresno
- 10/21 SQVAPCD Health Fair Bakersfield
- 10/22 Child Support Services Health Fair
- 10/23 Kern County Health Fair
- 10/27 DHS Mojave Education
- 10/28 Kern Medical New Employee Orientation
- 10/29 KC New Employee Orientation
- 11/03 Kern Medical Health Fair



Upcoming Events

- Investment Committee – No meetings scheduled at this time
- Finance Committee – No meetings scheduled at this time
- Administrative Committee – Meeting scheduled October 20 to discuss KCERA Compensation Policy with Aon
- Board of Retirement – Next regular monthly meeting will be November 4 (*early due to SACRS*)
- Nomination Committee – Meeting to be scheduled





CIO REPORT

October 2026

Presented by:

Geoff Nolan

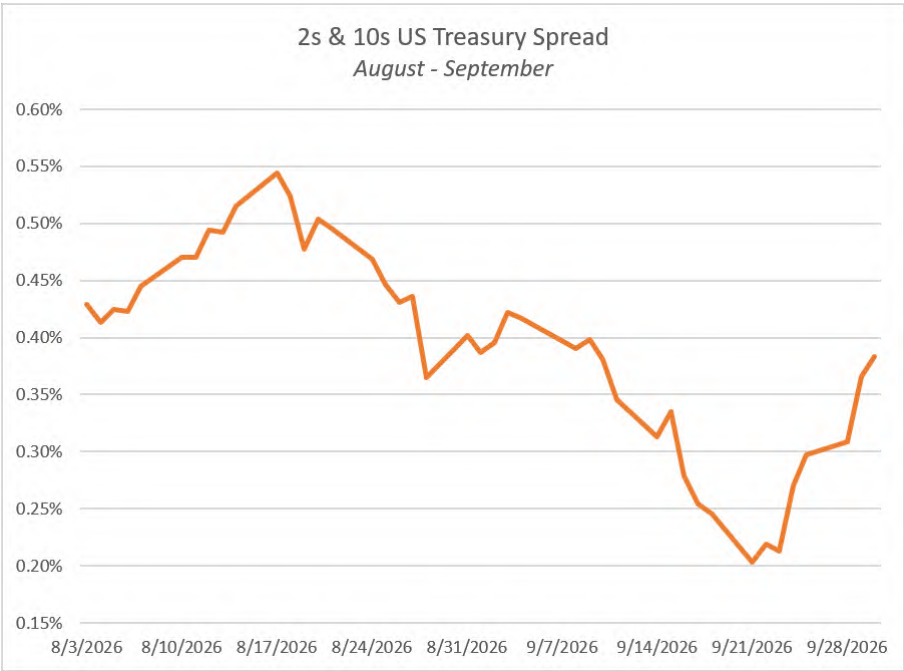
Senior Investment Officer



MARKET COLOR

An Updated Comment on US Treasury Yields & Portfolio Implications

Market	Jul 2026	Aug 2026	Sep 2026	Sep Δ
US 2-YR Treasury Yield	4.30%	4.35%	4.91%	0.55%
US 10-YR Treasury Yield	4.74%	4.76%	5.29%	0.54%
US 30-YR Treasury Yield	5.28%	5.24%	5.63%	0.39%
US Dollar (DXY)	99.91	99.43	101.45	
Brent Crude	87.93	90.49	98.03	
Gold	4,107.00	4,481.50	4,186.70	



In September, Staff presented a comment on the state of Treasury yields and the implications for the Plan given relative positioning in Duration and Equities. Staff noted that the rise in interest rates could be attributed to a confluence of factors including a re-pricing of inflation expectations, mounting concern over the federal debt deficit, and a more idiosyncratic factor – the perception that US Policy was embracing *unorthodox* measures to suppress long-end yields.

During the month of September, the Federal Reserve delivered a 25-basis point interest rate hike and the selloff in interest rates continued. While the pivot in the Federal Reserve’s stance re-affirmed the commitment to containing inflation, long-end yields rose meaningfully. The rise reflects the expectation of sustained economic growth and the bond market’s concern over debt sustainability. Staff is monitoring developments, specifically monetary and fiscal policy, as a further rise in Treasury yields could have implications for the Plan.

The Plan’s underweight position in Core Fixed Income has been beneficial as interest rates have risen across the yield curve. The Plan maintains an underweight **Duration** stance on the expectation that long-term yields can move higher.

A move higher in interest rates would (at some point) have an impact on **Equities**, as investors would apply a higher discount rate to future earnings, and *risk-free* assets become a more attractive alternate destination of capital.

Asset Class	Actual	Policy Target	Delta
Public Equities	34.5%	34.0%	0.5%
Fixed Income	21.8%	23.0%	-1.2%
Core	12.1%	13.0%	-0.9%
Credit	9.7%	10.0%	-0.3%
Commodities	5.6%	5.0%	0.6%
Hedge Funds	12.0%	12.0%	0.0%
Alpha Pool	2.3%	2.5%	-0.2%
Core Real Estate	8.3%	7.0%	1.3%
Private Real Assets	4.3%	5.0%	-0.7%
Private Equity	5.5%	6.0%	-0.5%
Private Credit	6.5%	8.0%	-1.5%
Opportunistic	0.9%	0.0%	0.9%
Cash	-1.9%	-2.5%	0.6%
Total	100.0%	100.0%	0.0%

Positioning

ACTUAL VS POLICY TARGET

Public Equity: modest overweight due to recent market volatility.

Core Fixed Income: exposure to Core Fixed Income was increased by 0.3% as bonds sold-off (higher yields) and as we reduced risk in relative positioning. We maintain an underweight vs. policy target on our view that positive economic growth, stickier inflation, and the fiscal backdrop, create an environment for higher yields.

Core Real Estate: efforts to diversify and enhance the Core Real Estate portfolio are working well, so we have increased exposure and are maintaining an overweight vs policy target.

Commodities: given current geopolitical uncertainty, the commodity portfolio continues to provide a diversification benefit. We maintain a moderate overweight vs policy.

Cash: we continue to move the cash allocation closer to target as Capital Efficiency moves closer to program design.

Rebalancing

SEPTEMBER ACTIVITY

- Public Equity
 - Buy 15M Parametric S&P 500
- Core Fixed Income
 - Buy 35M Parametric Rates
- Commodities
 - Sell 10M Wellington Commodities



Public Equity: Staff increased exposure to Equity following market weakness which resulted in an underweight to the asset class; the additional exposure brought the Plan in-line with the Policy target



Core Fixed Income: Staff increased exposure to Core Fixed Income following the large selloff in interest rates; the additional exposure reduced the size of the Plan's underweight to the asset class

The Plan remains underweight on the view that interest rates can move higher in an environment with more inflationary pressure, sustained economic growth, and the fiscal backdrop.



Commodities: Staff trimmed the overweight to Commodities following a rise in energy prices and strong asset class performance; the Plan maintains an overweight given the diversification benefits of the asset class

Delegation

The following investment falls within the parameters of the Delegation Policy and were approved by the CIO

\$10M



Beach Point Real Estate Debt Co-Investment - \$10M

Beach Point will provide refinancing to a Class A mixed-use building in New York City. The co-investment will hold a mezzanine loan, which Staff believes to be an attractive risk-adjusted return opportunity. This investment represents the Plan's third co-investment with the manager and will be a part of the Opportunistic allocation.

\$70M



Man Numeric Global Core ex-US Strategy - \$70M

Man is an active systematic equity strategy based on a quantitative alpha model rooted in fundamentals and informed by bottom-up research. The strategy incorporates both traditional factor-based alpha signals, in addition to an increasing number of idiosyncratic signals derived from alternative data. The investment will be structured in a separately managed account to customize risk parameters and will be a part of the Plan's Public Equity allocation.

\$70M



Quantum Capital Solutions (QCS) III - \$70M

Quantum Capital Solutions will pursue a strategy focused on onshore oil and gas, and midstream assets in North America. QCS partners with large, stable energy companies in need of capital to fund upstream and midstream operations. This investment is a re-up as the Plan is invested in Quantum Capital Solutions II. This investment will be a part of the Plan's Private Credit allocation.

Closed Investments

Contracting completed (all)

- Quantum Energy Partners IX (Private Real Assets) - \$50MM

Reporting Period covers 09/01/2026 to 09/30/2026

1

FUND

\$50M
COMMITTED

Investment Committee Meetings

Next meeting TBD

The last IC meeting was held on August 5th





Legal Report

October 2026

Topics

- Legislative Update
- CERL Modernization Act

Legislative Update

Approved by Governor

- AB 1439: Proposed restriction on investment in CA development projects unless certain labor standards used. Heavily amended, now requires PERS and STRS to contract for a study of effect of that initial proposal instead. Report would be due by 01/01/2028.
 - Approved 09/20/2026. Chaptered by Secretary of State - Chapter 365, Statutes of 2026.
- AB 1619: Increase Board of Retirement Trustee per diem from \$100 to \$320, subject to Board of Supervisors adoption.
 - Approved by Governor 09/27/2026. Chaptered by Secretary of State - Chapter 533, Statutes of 2026.

Legislative Update

Approved by Governor

- AB 2780: SACRS-sponsored omnibus bill
 - Only active members can run for and vote for 2nd, 3rd, 7th seats
 - Create 10-year statute of limitations period for overpayment collections
 - Change “earnable compensation” to “compensation earnable”
 - Lump sum burial allowance across reciprocal systems – last in time
 - Reciprocity “concurrent retirement” = within 30 calendar days
 - **Approved by Governor 09/15/2026. Chaptered by Secretary of State - Chapter 221, Statutes of 2026.**

Legislative Update

Vetoed by Governor

- AB 1054: Establish DROP (Deferred Retirement Option Program) Legislation within PERS for Highway Patrol and Firefighters.
 - Vetoed by Governor 9/27/2026.
 - Veto Message: “There may be merit to the creation of a voluntary DROP initiative to help address staffing challenges. However, a DROP could create significant long-term fiscal and administrative pressures on departments by altering employee tenures and retirement costs. Both the design and establishment of a DROP are more appropriately handled through the collective bargaining process.”

Legislative Update

Vetoed by Governor

- AB 1383: New PEPRA safety tiers; if using PEPRA tier formulas for safety, would be using same PEPRA tier 430(b) compensation limits for staff as current, not previously-proposed higher 415 limit instead.
 - Vetoed by Governor 9/20/2026.
 - Veto Message: “This measure would partially reverse some of PEPRA’s reforms and significantly increase state and local government costs. Moreover, by widening the retirement benefit gap between safety members and non-safety members, this measure invites future changes that would expose our retirement system to additional risk.

PEPRA was a necessary reform born of a crisis exacerbated by past policy decisions ... I fear that undoing PEPRA’s reforms, even partially, risks us doing exactly that.”

CERL Modernization Act

- What?
 - A legislative packet proposing statutory changes to the CERL.
- Who?
 - Proposed by the SACRS Legislative Committee.
- When?
 - For consideration in the upcoming 2027 legislative session.
- Why?
 - Clarify governance roles, modernize administrative authority, and promote administrative efficiency.

CERL Modernization Act

Amendments that align with long-standing practice and legal authorities:

- **Withholding Orders** – Section 31452 generally prohibits a member's pension from being subject to withholding orders (except orders for child support and spousal support).
- Proposed Amendment removes the phrase “or any process of court” to clarify that a member's pension is not subject to a Franchise Tax Board withholding order.
- This change aligns the statutory language with current practice and other retirement systems like PERS and STRS.

CERL Modernization Act

Amendments that align with long-standing practice and legal authorities:

- **Contribution Rates** – Rates are calculated and recommended by KCERA's actuary, approved by Board of Retirement, and delivered to the Board of Supervisors.
- The proposed amendments remove language in California Government Code sections 31453, 31611, and 31612 that is inconsistent with Prop. 162 (Art. XVI, Section 17 of the Cal. Constitution) to clarify that the Retirement Board “adopts” (rather than “recommends”) and then delivers these rates to the Board of Supervisors.
- The current language pre-dates Prop. 162.

CERL Modernization Act

California Government Code section 31611:

“An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an enrolled actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 60 days prior to the beginning of the succeeding fiscal year, **transmit recommend to** the board of supervisors **of*** such changes in the rates of interest, in the rates of contributions of members, in county and district appropriations as are necessary, and appropriate mortality tables. ~~In making recommendations to the board of supervisors, the board shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.~~ No adjustment shall be included in the new rates for time prior to the effective date of the revision. The cost of actuarial valuations and investigations may, in the sound discretion of the board, be charged against the earnings of the retirement fund.”

* This is likely a typo. Staff believes it should read “transmit **to** the board of supervisors such changes”

CERL Modernization Act

Amendments that align with long-standing practice and legal authorities:

- **Mortality Tables** – Recommended by actuary, approved by Board of Retirement and delivered to the Board of Supervisors.
- Proposed amendments delete “of Supervisors” from the following statutes to clarify that the Retirement Board adopts the mortality tables.
 - California Government Code sections 31456, 31591, and 31615.

CERL Modernization Act

Amendments that align with changes in operations:

- **Appointments in lieu of election** – CERL sections 31523(c) and 31523.1(b) require the Board of Supervisors to order no election be held.
 - Many CERL systems no longer use the Registrar of Voters.
 - Amendments allows the Retirement Board to assume this role.

“If an election has been called on the expiration of the term of office of any member or alternate member, or to fill a vacancy for the second, third, seventh, eighth, or alternate seventh member of a board of retirement, and only one candidate has been duly nominated in accordance with the rules established for the holding of that election, the board ~~of supervisors~~ shall order that no election be held and shall **direct the clerk to** cast a unanimous ballot in favor of the candidate.”

CERL Modernization Act

Reimbursement of Trustee time – Section 31522:

“(1) The official duties of elected board members who are employees of the county or a district shall be included as part of their county or district employment and their board duties shall normally take precedence over any other duties, **except as provided in (2).*** The elected board members who are county or district employees shall not receive any additional compensation by virtue of their election to the board.

(2) Upon approval of the governing entity, each county or district that employs an elected member of the board shall be reimbursed by the retirement fund in an amount equal to the salary and benefits paid to the elected board member by the county or district for the percentage of the elected board member’s regular work schedule during which the elected board member is on leave from the county or district to attend meetings or activities of the board, or meetings of committees or subcommittees of the board, or to otherwise fulfill his or her responsibilities to the system. The system shall establish procedures for the reimbursement process, and the reimbursement shall not exceed 25% of the board member’s regular work schedule.” (Underlining added).

* This is likely a typo. Staff is assuming there should be a period after “duties” with the following sentence starting, “Except as provided in (2), the elected board members”

CERL Modernization Act

SACRS Legislative Committee – position in favor of offering reimbursement:

- Requires approval of the governing entity
- Intended to encourage support of elected trustees who need to fulfill their statutorily required education
- CalPERS added a similar provision in 1985

CERL Modernization Act

Approval of KCERA Regulations – Section 31525:

“The board may make regulations not inconsistent with this chapter, the Public Employees’ Pension Reform Act of 2013, and any other provisions of law applicable to county retirement systems. ~~The regulations become effective when approved by the board of supervisors.~~”

SACRS Legislative Committee – position in favor of amendment:

- BOS approval was relevant when plan was managed as an internal county department.
- Language was prior to Prop. 162 before plenary authority over administration of the system was vested in the Retirement Board.
- Plans have adopted “policies” in lieu of “regulations” that are not approved by the Board of Supervisors.
- Board of Supervisors retains ability to adopt or not adopt elective sections in the CERL.

CERL Modernization Act

Regulations Under CERL Section 31525:

Required Regulations

- Provisions for
 - Election of officers, their terms, meetings and administrative procedures of the Board
 - Filing of information about new members (DOB, type of employment, compensation amount or other info required by KCERA)
 - Forms required by KCERA

Permissible Regulations

- Provisions for
 - The warrants member contribution deductions shall be made from;
 - Redeposits (> 1 year);
 - Service purchases (> 1 year);
 - Withdrawal charge;
 - Exclusions from membership;
 - Periodic examination of safety officers;
 - Additional statutory deductions;
 - Determining membership date; and
 - Use of recorded audio conversations for processing member account transactions

CERL Modernization Act

Removing Cap on Administrative Expenses – Section 31580.2:

~~(a) In counties in which the board of retirement, or the board of retirement and the board of investment, have appointed personnel pursuant to Section 31522.1, 31522.5, 31522.7, 31522.9, 31522.10, or 31522.11, the respective board or boards shall annually adopt a budget covering the entire expense of administration of the retirement system, which expense shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed the greater of either of the following:~~

~~(1) Twenty-one hundredths of 1 percent of the accrued actuarial liability of the retirement system.~~

~~(2) Two million dollars (\$2,000,000), as adjusted annually by the amount of the annual cost of living adjustment computed in accordance with Article 16.5 (commencing with Section 31870).~~

~~(b) Expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.~~

CERL Modernization Act

SACRS Legislative Committee – position in favor of removing the cap:

- Statute enacted in 1973 (prior to Prop. 162) to transfer costs of operating retirement fund from the County general fund to investment earnings;
- The cap is more arbitrary because prior amendments removed investment, technology, and legal costs from the calculation of the cap and base the cap on liabilities rather than assets;
- Systems have budgetary control over expenses and only smaller systems that lack economies of scale are near the cap; and
- CalPERS removed a similar cap in 1975.

CERL Modernization Act

Art. 5.5 – 3% Cap on the Contingency Reserve – Section 31616:

“After the semiannual application of Section 31615, earnings of the retirement fund in excess of the total interest credited to contributions and reserves shall remain in the fund as a reserve against deficiencies in interest earnings, losses on investments, or payments made pursuant to Section 31588.1 or 31589.1, if applicable.

These funds shall be placed in an account known hereafter as the Contingency Reserve Account. The size of this account shall be determined semiannually by the board ~~but shall not exceed 3 percent of the total assets of the retirement fund.”~~

SACRS Legislative Committee – position in favor of amendment:

- Allows the Board to set a reserve level it deems appropriate.



TO: State Association of County Retirement Systems
FROM: Cara Martinson, Capitol Advocacy
Laurie Johnson, LJ Consulting & Advocacy
DATE: October 6, 2026

RE: Legislative Update – October

The 2026 California legislative session has officially wrapped, with the Legislature sending 1,160 bills to Governor Gavin Newsom for final action. The Governor ultimately signed 1,040 bills and vetoed 120, meaning approximately 90% of measures reaching his desk were signed and 10% were vetoed.

Among the most significant actions for SACRS was the veto of AB 1383, which would have lowered the full-retirement age for public safety employees from 57 to 55 and permitted increased pension formulas. The bill passed the Legislature with strong bipartisan support, receiving votes of 33 - 0 in the Senate and 69 - 2 in the Assembly. In his veto message, the Governor noted the bill's impact on PEPRA reforms and its significant implications for state and local finances. Newsom also vetoed AB 1054, which addressed a deferred retirement option program and public employee health benefits. On infrastructure and disaster recovery, the Governor vetoed SB 872, which would have provided additional funding for Delta levee improvements, citing funding already included in the budget. He also vetoed two wildfire insurance claims measures while signing other reforms intended to strengthen protections for policyholders following disasters.

The Governor's broader actions included signing legislation prohibiting marriage for anyone under 18; measures addressing immigration enforcement; new laws governing artificial intelligence in the workplace and health care; and measures intended to strengthen competition and streamline business permitting. He also signed AB 2222, establishing refundable tax credits for local news organizations, and SB 895, placing a \$7.5 billion state research bond on the March 2028 ballot.

With final bill actions complete, attention shifts to implementation and preparation for the 2027–28 legislative cycle. Focus is also turning to the November election and the upcoming transition to a new Governor and administration, whose priorities will help shape the state's approach to pension policy, local government funding and other issues important to SACRS members.



Legislative Update:

- **AB 1054 (Gipson)** - Creates the Deferred Retirement Option Program (DROP) – a voluntary program – for California Public Employee’s Retirement System (CalPERS) safety plan members of State Bargaining Units 5 (Highway Patrol) and 8 (CAL FIRE). The bill also states that the DROP becomes effective and applicable only after: 1) the applicable Bargaining Unit has entered into a MOU with the employer to implement the program; 2) The program has been certified via an actuarial analysis that it is cost neutral by the CalPERS Board of Administration; and 2) CalPERS has adopted regulations to implement and administer the program.
 - Status: The bill passed out of the Legislature and was vetoed by the Governor. In his veto message the Governor noted that the design and establishment of a DROP is more appropriately handled through the collective bargaining process.
 - Position: No Position/Watch
- **AB 1383 (McKinnor)** – The bill includes the following provisions:
 - Increases, on and after January 1, 2027, the PEPRA pensionable compensation limit to the Social Security compensation limit for members covered by Social Security and 120% of that amount for members not covered by Social Security;
 - Freezes existing 2013 PEPRA safety formulas to apply only to service from January 1, 2013, to December 31, 2026 and lowers the retirement age on a prospective basis from age 57 to 55 for three existing safety DB retirement formulas;
 - Authorize a public employer to create a fourth PEPRA safety formula of three percent (3%) at age 55, to be applied prospectively.
 - Amendments earlier this year removed a provision that would have permitted collective bargaining over the 50-50 normal cost sharing requirement.
 - Status: This bill was vetoed by the Governor
 - Position: Neutral
- **AB 1439 (Garcia)** - The bill would have required labor protection standards on pension system investments in development projections. The bill was amended coming out of the Assembly to require CalPERS and CalSTRS to contract with the University of California Labor Centers to conduct an



- independent study to determine the impacts on public employee retirement funds of prohibiting the boards from investing in California development projects that do not provide labor standards protections for workers. The bill no longer applies to the CERL systems and removes SACRS' opposition.
- Status: The bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
- **AB 1601 (Rogers)** – This bill would permit the Sonoma County Board of Supervisors to authorize a cost-of-living adjustment to the retirement allowances, optional death allowances, or annual death allowances payable by the retirement system.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: Neutral
 - **AB 1619 (Valencia)** – This bill allows county Boards of Supervisors to authorize an increase in the Board of Retirement trustee per diem from \$100 to \$320. The bill would then require action by the Board of Retirement to establish the increased compensation rate. This bill was amended to apply the same increase in compensation to CalPERS and CalSTRs Board Members.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: Neutral
 - **AB 1660 (Schiavo)** – This bill was amended to permit, as opposed to require, a court to award sanctions of no less than \$1,000 per violation if a financial institution, private agency, retirement fund administrator, insurance company, or other person fails to comply with existing requirements to provide information or surrender property of a decedent, minor, or conservatee to a public administrator or public guardian that is authorized to take possession and control of such property. Recent amendments require that the financial institution or other person or entity must receive notice of a violation.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
 - **AB 1844 (Pacheco)** – This bill modifies the Judges' Retirement System II, to give judges more flexibility in designating beneficiaries for their retirement benefits. This bill would authorize a judge who elects one of the optional



- retirement payment plans in lieu of receiving the maximum retirement allowance to designate a beneficiary other than their spouse to receive the payment or allowance after the judge's death, subject to the community property rights of the judge's spouse. Additionally, the bill extends existing survivor benefits to non-spouse beneficiaries, removing the stipulation that the judge must have served a minimum of 20 years if they die in office.
- Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
- **AB 2519 (McKinnor)** – The bill expands who must be included in the State Teachers' Retirement System (STRS) membership. Under current law STRS administers a defined-benefit retirement program funded by employer and employee contributions and applies to positions that generally require a valid credential or license; charter school positions were excluded. This bill adds permitholders and comparable positions at charter schools that receive state apportionment and perform specified directing, coordinating, supervising, or administrative functions to the definition of "position subject to membership." It also removes a board-triggered timing requirement and makes the new definition operative on July 1, 2027.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - Position: No position/watch
 - **AB 2780 (Assembly Committee on Public Employment and Retirement) – Public Retirement Systems: Omnibus Bill** - This bill includes the SACRS-sponsored legislative package in the Legislature's annual omnibus bill for technical changes to laws affecting CalSTRS, CalPERS, and the CERL systems. The proposed changes in the CERL include the following:
 - Clarifying that deferred members cannot run for or vote in active member Miscellaneous and Safety trustee elections.
 - Establishing a 10-year statute of limitations for recovery of overpayments due to fraudulent reports of overpaid death benefits.
 - Formalizing the practice of the majority of CERL systems that only the last system pays a lump-sum burial allowance for reciprocal members.
 - Defining "concurrent retirement" to allow reciprocal members to retire on different dates with 30 days of each retirement date, as long as there is not overlapping service.
 - Status: This bill passed out of the Legislature and was signed by the Governor.



- Position: Support
- **SB 1187 (Durazo)** – This bill was amended to remove the language access requirements established in SB 707 (Chapters 327, 2025). Specifically, the bill would repeal several public participation and language access requirements, including requirements related to translation of meeting materials, interpretation services, multilingual website content, public outreach to underrepresented communities, and opportunities for the public to provide additional agenda translations. It would reduce the administrative obligations placed on eligible legislative bodies related to multilingual access and public engagement.
 - Status: This bill passed out of the Legislature and was signed by the Governor.
 - No position/watch
- **SB 1207 (Laird)** – This bill authorizes CalPERS members to buy back not more than three years of service credit for their prior service in the California Conservation Corps (CCC). The bill also makes changes to CCC's statutes to clarify the scope of authorized projects and to specifically permit CCC to contract with corps established by California Native American tribes
 - Status: This bill was passed by the Legislature and signed by the Governor.
 - No position/watch

Contact:

If you have any questions, contact Cara Martinson at cmartinson@capitoladvocacy.com, or Laurie Johnson at lauriejconsult@gmail.com.



August 25, 2026

RE: SACRS Legislative Proposals 2027

Dear SACRS Board of Directors,

The SACRS Legislative Committee has developed a legislative package for consideration in the upcoming 2027 legislative session. This proposal, called the CERL Modernization Act, reflects the input of SACRS member systems and is intended to provide administrative clarity and consistency for county retirement systems.

The CERL Modernization Act updates outdated provisions in the County Employees Retirement Law of 1937 to reflect modern governance practices, constitutional authority, and longstanding case law. Many of the proposed updates address statutory language that predates Proposition 162 (1992), which granted retirement boards plenary authority over the administration and investment of retirement system assets under Article XVI, Section 17 of the California Constitution. As a consortium of 20 independent county retirement systems, the 1937 Act systems have historically lacked the large legislative staffing resources available to statewide systems such as CalPERS and CalSTRS. As a result, portions of CERL still contain outdated references that no longer align with current constitutional governance standards or operational practice.

The proposed legislation clarifies the retirement boards' authority over administrative and procedural matters, consistent with the recent California Supreme Court ruling *LACERA v LA County*. It does not address retirement system staffing or personnel matters.

Clarifies Governance Roles

- Clarifies the respective roles of Boards of Retirement and Boards of Supervisors.
- Aligns CERL governance authority with constitutional standards established by Proposition 162.
- Aligns Board of Retirement authority more closely with governance standards applicable to CalPERS and CalSTRS.

Modernizes Administrative Authority

- Removes outdated statutory provisions requiring Board of Supervisors approval over actuarial and administrative functions now constitutionally vested in Boards of Retirement.



- Clarifies Board of Retirement authority over actuarial assumptions, contribution rates, administrative regulations, and reserve policies.
- Modernizes election administration and technical statutory provisions.

Promotes Administrative Efficiency

- Streamlines outdated procedural requirements.
- Eliminates obsolete administrative restrictions inconsistent with modern retirement system operations.
- Supports efficient, transparent, and accountable retirement system governance.

Preserves County Authority

- Does not change the authority of Boards of Supervisors to adopt retirement benefit formulas and other benefit provisions.
- Does not alter employer contribution obligations or collective bargaining responsibilities.
- Maintains existing county appointment authority for retirement board trustees.
- Does not alter retirement system staffing or personnel matters.

We thank the Legislative Committee for reviewing these proposals and engaging in a collaborative, deliberative process to achieve consensus on issues. These amendments represent governance and process improvements that will provide administrative efficiencies to retirement systems and members.

A summary table and proposed bill language is attached. Please note that draft language is subject to change during the legislative process.

Respectfully,

/s/

Eric Stern
Chair, SACRS Legislative Committee, and
Chief Executive Officer, Sacramento County Employees' Retirement System

ATTACHMENTS

- SACRS 2027 Legislative Proposal – Summary Table
- Chart: Administrative Rate by System Assets
- SACRS 2027 Legislative Proposal – Draft Language

CERL Modernization Act
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Issue	Gov Code	Topic	Issue/Justification
1	31452	Garnishments	This amendment corrects an irregularity in state law to clarify that a member's pension is not subject to an Order to Withhold (OTW) from the California Franchise Tax Board, consistent with other retirement systems. Under current law, the following retirement systems are generally restricted from garnishing pension payments by "any other process whatsoever," which include FTB orders: •US Government (5 USC 8346) •CalPERS (GC 21255) •CalSTRS (EDC 22005) •Legislators' Retirement Fund (GC 9359.3) •Municipal Utility District Retirement Systems •Transit District Retirement Systems However, for CERL systems, the Government Code restrictions on garnishments are tied to "any other process of court," which has created confusion over FTB orders because "process of court" refers to orders from the judicial branch of government. The FTB is an executive branch agency and thus not be covered under "process of court. However, it is the common practice of CERL systems to not recognize FTB orders to garnish pension payments.
2	31453	Actuarial valuation	This amendment clarifies that the Board of Retirement need only communicate actuarial information to the Board of Supervisors, updating outdated references that the Board of Supervisors must approve actuarial assumptions. The plenary authority to establish actuarial assumptions and contribution rates rests with the Board of Retirement, under Proposition 162. However, it is still necessary to provide this information to the Board of Supervisors (and plan sponsors) for budgeting purposes and transparency.
3	31456	"Actuarial Equivalent" defined	This amendment updates outdated phrasing from 1947 that refers to the adoption of mortality tables by the Board of Supervisors. The Board of Retirement has plenary authority under Article XVI of the California Constitution to adopt actuarial assumptions.
4	31459 31459.1	Board of Investments cross references	This amendment updates cross references to the LACERA Board of Investments

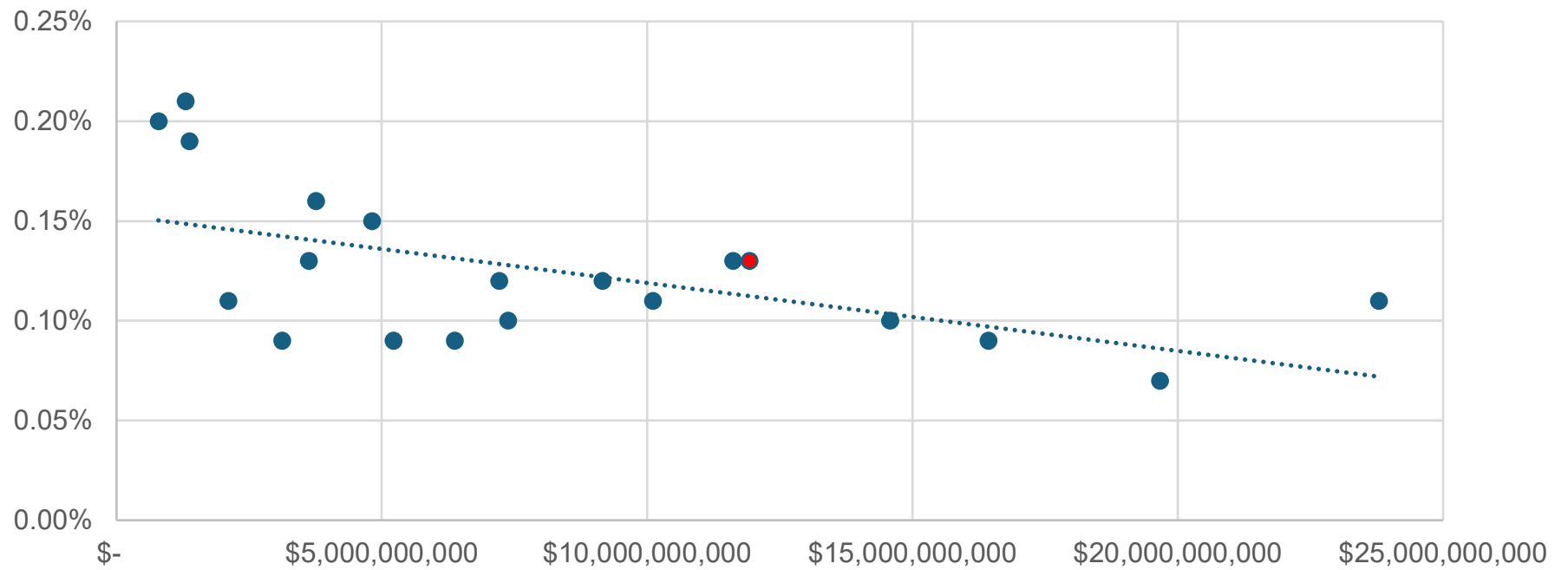
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5	31522	Employer Reimbursement for Trustees	This amendment provides a mechanism for the retirement system, upon adoption by the Board of Supervisors, to reimburse an employing agency of an elected Board of Retirement trustee when the trustee is fulfilling Board duties while on leave from work. This provision creates a pathway to encourage employer support for elected Board Members to attend training sessions to fulfill statutory education requirements. This language is similar to section 20092 for CalPERS elected members, adopted in 1985.
6	31523 31523.1	Trustee Elections	This amendment directs the Board of Retirement, and not the Board of Supervisors, to declare an unopposed board of retirement candidate the winner of the election. More and more CERL systems are not using the Registrar of Voters to conduct elections and are self-administering their board elections.
7	31525	Regulations; approval	This amendment deletes the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed as an internal county department, and was adopted prior to the passage of Prop. 162 in 1992, which provided plenary authority to the Board of Retirement. Many county retirement systems have already evolved its practices to adopt "policies" instead of "regulations," which is a distinction in name only. It is not inappropriate for the Board of Supervisors to make decisions on practical and procedural administrative retirement matters, when the Board of Retirement is a bona fide administrative rule-making body. The Board of Supervisors still maintains appointment authority for four Board of Retirement trustees and maintains authority to adopt or discontinue numerous benefit options in the CERL.

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8	31580.2	Annual budget; expenses of administration	This amendment removes an outdated and unforceable provision that established an administrative cap on county retirement system expenses. The Board of Retirement has plenary authority under Article XVI of the California Constitution and is charged under this section to adopt its own budget using trust fund earnings. The purpose in enacting 31580.2 was to transfer costs of operating the retirement system from the county's General Fund to investment earnings, placing fiscal responsibility in the Retirement Board. Removing the administrative cap provides conformity with CalPERS statutes; the Legislature repealed a similar administrative cap for CalPERS under section 20202.5 (renumbered to 20173) in 1975. The CERL provision has been amended over the years to exclude investment, technology, and legal costs (as well as moving to a threshold based on total liabilities instead of assets) which has made the cap more arbitrary. The Board of Retirement has the appropriate budgetary control to ensure fiscal restraint, and almost all CERL systems adopt administration budgets far below the cap, the exceptions being the smallest systems that lack of economies of scale.
9	31591	Interest credits	This amendment updates outdated phrasing from 1947 that refers to the adoption of mortality tables by the Board of Supervisors. The Board of Retirement has plenary authority under Article XVI of the California Constitution to adopt actuarial assumptions.
10	31611	Actuarial valuation	This amendment removes references regarding Board of Supervisor approval of contribution rates and actuarial assumptions. This is an outdated practice that conflicts with the Board of Retirement authority under Article XVI, Section 17, of the California Constitution. This language should have been updated after voters approved Prop 162 in 1992.
11	31612	"Actuarial rate" defined	This amendment updates phrasing to indicate that interest rate assumptions fall under the jurisdiction of and are adopted by the Board of Retirement, not the Board of Supervisors.
12	31615	Interest	This amendment updates phrasing to indicate that mortality tables fall under the jurisdiction of and are adopted by the Board of Retirement, not the Board of Supervisors.
13	31616	Reserve Policy	This amendment removes the 3% cap on reserves and authorizes the Board of Retirement to establish a reserve level it deems appropriate.

Admin Rate by Plan Assets, as of 6/30/25



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1. 31452 – Garnishments

Section 31452 of the Government Code is amended to read:

The right of a person to a pension, annuity, retirement allowance, return of contributions, the pension, annuity, or retirement allowance, any optional benefit, any other right accrued or accruing to any person under this chapter, the money in the fund created or continued under this chapter or the California Public Employees' Pension Reform Act of 2013, and any property purchased for investment purposes pursuant to this chapter, are exempt from taxation, including any inheritance tax, whether state, county, municipal, or district. They are not subject to execution or any ~~other process of court~~ **process** whatsoever except to the extent permitted by Section 31603 of this code and Section 704.110 of the Code of Civil Procedure, and are unassignable except as specifically provided in this chapter.

2. 31453 – Actuarial Valuation reporting

Section 31453 of the Government Code is amended to read:

(a) An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, ~~recommend~~**transmit** to the board of supervisors the changes in the rates of interest, in the rates of contributions of members, and in county and district appropriations as are necessary. With respect to the rates of interest to be credited to members and to the county or district, the board may, in its sound discretion, ~~recommend~~**provide** a rate that is higher or lower than the interest assumption rate established by the actuarial survey. No adjustment shall be included in the new rates for time prior to the effective date of the revision.

(b) (1) Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 45 days prior to the beginning of the succeeding fiscal year, ~~recommend~~**transmit** to the governing body of a district within the county system that is not governed by the board of supervisors the changes in the rates of contributions of district members and in district appropriations as are necessary.

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(2) This subdivision shall not be operative in any county until the board of supervisors, by resolution adopted by majority vote, makes the provision applicable in that county.

3. 31456 – “Actuarial Equivalent” defined

Section 31456 of the Government Code is amended to read:

“Actuarial equivalent” means a benefit of equal value when computed upon the basis of the mortality tables adopted by the board of supervisors and regular interest thereon.

4. 31459, 31459.1 – Board of Investments cross-references

Section 31459 of the Government Code is amended to read:

(a) In a county in which a board of investments has been established pursuant to Section 31520.2:

(1) As used in Sections 31453, 31453.5, 31454, 31454.1, 31454.5, **31456**, 31472, 31588.1, 31589.1, 31591, 31592.3, 31594, 31595.1, 31595.9, 31596, 31596.1, 31601.1, 31607, 31611, **31612, 31615**, 31616, 31625, 31784, and 31872, “board” means a board of investments.

(2) As used in the first paragraph of Section 31592.2, “board” means a board of investments.

(3) Sections 31510.4, 31522, 31523, 31524, 31525, 31528, 31529, 31529.5, 31595, 31618, 31680, and 31680.1 apply to both the board of retirement and board of investments, and “board” means both “board of retirement” and “board of investments.”

(b) In Article 17 (commencing with Section 31880), “board” means the Board of Administration of the Public Employees’ Retirement System.

(c) In all other cases, “board” means the board of retirement.

Section 31459.1 is amended to read:

(a) In a county in which a board of investments has been established pursuant to Section 31520.2:

(1) As used in Sections 31453, 31453.5, 31454, 31454.1, 31454.5, **31456**, 31472, 31588.1, 31589.1, 31591, 31592.3, 31594, 31595.1, 31595.9, 31596, 31596.1, 31601.1, 31607, 31610, 31611, 31612, 31613, **31615**, 31616, 31618, 31621.11, 31625, 31639.26, 31784, and 31872, “board” means board of investments.

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(2) As used in the first paragraph of Section 31592.2 and the first paragraph and subdivision (c) of the second paragraph of Section 31595, “board” means a board of investments.

(3) Sections 31521, 31522, 31522.1, 31522.2, 31523, 31524, 31525, 31528, 31529, 31529.5, 31535.1, 31580.2, 31614, 31680, and 31680.1, apply to both the board of retirement and board of investments, and “board” means either or both the board of retirement and board of investments.

(4) Subdivision (a) of Section 31526 and subdivisions (a) and (b) of the second paragraph of Section 31595 apply to both the board of retirement and board of investments, and “board” means either or both the board of retirement and board of investments.

(b) In Article 17 (commencing with Section 31880) of this chapter, “board” means the Board of Administration of the Public Employees’ Retirement System.

(c) In all other cases, “board” means the board of retirement.

(d) This section shall apply only in a county of the first class, as defined in Section 28020, as amended by Chapter 1204 of the Statutes of 1971, and Section 28022, as amended by Chapter 43 of the Statutes of 1961.

5. 31522 – Duties of board members; additional compensation

Section 31522 is amended to read:

(1) The official duties of elected board members who are employees of the county or a district shall be included as part of their county or district employment and their board duties shall normally take precedence over any other duties, **except as provided in (2).** The elected board members who are county or district employees shall not receive any additional compensation by virtue of their election to the board.

(2) **Upon approval of the governing entity, each county or district that employs an elected member of the board shall be reimbursed by the retirement fund in an amount equal to the salary and benefits paid to the elected board member by the county or district for the percentage of the elected board member’s regular work schedule during which the elected board member is on leave from the county or district to attend meetings or activities of the board, or meetings of committees or subcommittees of the board, or to otherwise fulfill his or her responsibilities to the system. The system shall establish procedures for the reimbursement process, and the reimbursement shall not exceed 25% of the board member’s regular work schedule.**

*CERL Modernization Act
Draft Language
August 2026*

6. 31523, 31523.1 – Retirement Board Elections

Section 31523 of the Government Code is amended to read:

(a) In the event of a vacancy in the second, third, seventh, eighth, or alternate seventh member position on the board of retirement, the board shall cause an election to fill the vacancy to be held at the earliest possible date, except as provided in Sections 31520.3 and 31520.5. The vacancy in the second, third, or eighth member position on the board of retirement shall be filled for the duration of the current term except that, if the remaining portion of the current term is six months or less on the date of the election, a single election may be held to fill the vacancy for the remainder of the current term and to fill the position for the succeeding term. With respect to a vacancy in the seventh member position, candidates shall be a safety member from a group which is not represented by an incumbent alternate seventh member. With respect to the alternate seventh member position, the candidates shall be limited to the group under Section 31470.2 or 31470.4, or any other eligible safety member in a county if there is no eligible candidate from the groups under Sections 31470.2 and 31470.4 that is not represented by an incumbent seventh board member. The successful candidate shall serve for the duration of the current term.

(b) If there is a vacancy with respect to the alternate retired member, the board of retirement shall, by majority vote, appoint a replacement alternate member in the same manner as prescribed in Sections 31520.3 and 31520.5 for the initial appointment of an alternate retired member, who shall serve until the expiration of the current term of the current eighth member.

(c) If an election has been called on the expiration of the term of office of any member or alternate member, or to fill a vacancy for the second, third, seventh, eighth, or alternate seventh member of a board of retirement, and only one candidate has been duly nominated in accordance with the rules established for the holding of that election, the board supervisors shall order that no election be held and shall ~~direct the clerk to~~ cast a unanimous ballot in favor of the candidate.

Section 31523.1 of the Government Code is amended to read:

(a) In the event of a vacancy in the second, third, fourth, or eighth member position on a board of investments established pursuant to Section 31520.2, the board of investments shall cause an election to be held at the earliest possible date to fill the vacancy. The vacancy in the second, third, fourth, or eighth member position shall be filled for the duration of the current term except that, if the remaining portion of the current term on the date of the election is six months or less, a single election may be held to fill the vacancy for the remainder of the current term and to fill the position for the succeeding term.

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(b) If an election has been called on the expiration of the term of office of any member, or to fill a vacancy for the second, third, fourth, or eighth member position of a board of investments, and only one candidate has been duly nominated in accordance with the rules established for the holding of that election, the board ~~supervisors~~ shall order that no election be held and shall ~~direct the clerk to~~ cast a unanimous ballot in favor of the candidate.

7. 31525 – Regulations; approval

Section 31525 of the Government Code is amended to read:

The board may make regulations not inconsistent with this chapter, **the Public Employees' Pension Reform Act of 2013, and any other provisions of law applicable to county retirement systems.** ~~The regulations become effective when approved by the board of supervisors.~~

8. 31580.2 – Annual Budget Limit

Section 31580.2 of the Government Code is amended to read:

~~(a) In counties in which the board of retirement, or the board of retirement and the board of investment, have appointed personnel pursuant to Section 31522.1, 31522.5, 31522.7, 31522.9, 31522.10, or 31522.11, the respective board or boards shall annually adopt a budget covering the entire expense of administration of the retirement system, which expense shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed the greater of either of the following:~~

~~(1) Twenty-one hundredths of 1 percent of the accrued actuarial liability of the retirement system.~~

~~(2) Two million dollars (\$2,000,000), as adjusted annually by the amount of the annual cost-of-living adjustment computed in accordance with Article 16.5 (commencing with Section 31870).~~

~~(b) Expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.~~

9. 31591 – Interest Credits

Section 31591 of the Government Code is amended to read:

(a) Regular interest shall be credited semiannually on June 30th and December 31st to all contributions in the retirement fund which have been on deposit for six months

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immediately prior to that date. Interest at the rate of $2\frac{1}{2}$ percent per annum, until otherwise determined by the board, compounded semiannually, shall be used in the calculation of benefits under any mortality table adopted by the board of supervisors.

(b) No interest shall be credited to a member's account after the membership of the member in the retirement association has ceased, except under any of the following circumstances:

(1) The former member has left his or her accumulated contributions in the retirement fund and has either elected, in writing, a deferred retirement allowance, or is eligible to so elect under Section 31700 but has failed to do so.

(2) The surviving spouse of a deceased member or the legally appointed guardian of the member's unmarried children under age 18 has elected to leave a death benefit on deposit as provided for in Section 31781.2.

(3) The former member, regardless of service, has left his or her accumulated contributions in the retirement fund and has not terminated employment.

10. 31611 – Actuarial Valuation

Section 31611 is amended to read:

An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an enrolled actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 60 days prior to the beginning of the succeeding fiscal year, transmit ~~recommend~~ to the board of supervisors of such changes in the rates of interest, in the rates of contributions of members, in county and district appropriations as are necessary, and appropriate mortality tables. ~~In making recommendations to the board of supervisors, the board shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.~~ No adjustment shall be included in the new rates for time prior to the effective date of the revision. The cost of actuarial valuations and investigations may, in the sound discretion of the board, be charged against the earnings of the retirement fund.

11. 31612 – “Actuarial rate” defined

Section 31612 is amended to read:

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“Actuarial rate” means the interest assumption rate established by the most recent actuarial survey adopted ~~recommended by the board of retirement and adopted by the board of supervisors.~~

12. 31615: Interest

Section 31615 is amended to read:

Regular interest at the actuarial rate, or at the highest rate possible if net earnings, as defined in Section 31613 are not sufficient to credit the full actuarial rate, shall be credited semiannually on June 30 and December 31 to all contributions, reserves, and accounts in the retirement fund, except the Contingency Reserve Account, which have been on deposit for six months immediately prior to those dates.

Interest at the actuarial rate, compounded semiannually, shall be used in the calculation of benefits under any mortality table adopted by the board of supervisors. No interest shall be credited to a member’s account after the termination of the member’s county service, unless the member has elected, in writing, to leave his or her accumulated contributions in the retirement fund and be granted a deferred retirement allowance, or the surviving spouse of a deceased member or the legally appointed guardian of the member’s unmarried children under age 18 has elected to leave a death benefit on deposit as provided for in Section 31781.2.

13. 31616: Reserves

Section 31616 is amended to read:

After the semiannual application of Section 31615, earnings of the retirement fund in excess of the total interest credited to contributions and reserves shall remain in the fund as a reserve against deficiencies in interest earnings, losses on investments, or payments made pursuant to Section 31588.1 or 31589.1, if applicable.

These funds shall be placed in an account known hereafter as the Contingency Reserve Account. The size of this account shall be determined semiannually by the board ~~but shall not exceed 3 percent of the total assets of the retirement fund.~~

If, at the end of any semiannual period, the balance of the Contingency Reserve Account falls below 1 percent of system assets, the board shall, by the end of the subsequent semiannual period, provide funds from earnings of fund assets from the subsequent semiannual period, to bring the level of the Contingency Reserve Account to at least 1 percent of system assets.

No funds in the Contingency Reserve Account shall be available for the payment of benefits.

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Net earnings remaining after the application of this section shall be applied as provided in Sections 31617, 31618, and 31619.