

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

SUMMARY OF PROCEEDINGS

Teleconference Meeting – Board of Retirement Meeting

September 14, 2022

8:32 a.m.

Board Members: Adams, Contreras (Alternate), Couch, Franey, Chair Gonzalez, Hughes, Kaufman, Kratt, Matthews, Nunneley (Alternate), Seibly (Alternate), Vice-Chair Whitezell

ROLL CALL

Present: Adams, Contreras, Franey, Gonzalez, Hughes, Kaufman, Kratt, Matthews, Nunneley, Seibly, Whitezell

Absent: Couch

SALUTE TO FLAG – CHAIR JUAN GONZALEZ

MOMENT OF SILENCE

CONSENT MATTERS

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

- *1. Findings and new Initial Resolution needed to utilize alternative teleconferencing requirements during a state of emergency pursuant to California Government Code section 54953 of the Ralph M. Brown Act, as amended by Assembly Bill 361 – **ADOPTED FINDINGS FOR THE BOARD AND ALL KCERA STANDING COMMITTEES; APPROVED 30-DAY RESOLUTION**

Hughes-Franey – 8 Ayes

- *2. Application for service-connected disability pension benefits for Colleen Boren, Risk Management (General) – ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY PENSION

Hughes-Franey – 8 Ayes

- *3. Application for service-connected disability pension benefits for Sue Hsu, Behavioral Health & Recovery Services (General) – ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY PENSION

Hughes-Franey – 8 Ayes

- *4. Application for service-connected disability pension benefits for Kalae Paxson, Sheriff (Safety) – ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY PENSION

Hughes-Franey – 8 Ayes

- *5. Application for non-service-connected disability pension benefits for Robyn Tennison, Behavioral Health & Recovery Services (General) – ADOPTED RECOMMENDATION OF SDAG TO GRANT NON-SERVICE-CONNECTED DISABILITY PENSION

Hughes-Franey – 8 Ayes

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

- August 3, 2022 Investment Committee
- August 4, 2022 Finance Committee
- August 10, 2022 Board of Retirement

RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *7. Report from the KCERA office on members retired from service for the month of August 2022 – RATIFIED

Hughes-Franey – 8 Ayes

- *8. Report from the KCERA office on deceased retirees for the month of August 2022 – RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *9. Report of current disability retirement applications and appeals of KCERA Board decisions for the period ending August 31, 2022 – RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *10. Securities Lending Earnings Summary Report for the period July 1-31, 2022 from Deutsche Bank – RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *11. KCERA asset allocation, cash flow position, investment fees, and budget status report for the month of July 2022 – RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *12. Letter from Chief Executive Officer Dominic Brown, dated August 22, 2022, to the Kern County Auditor-Controller-County Clerk regarding Board of Retirement Election for Third, Eighth and Alternate Eighth Members –

ITEM WAS REMOVED FROM CONSENT AGENDA

- *13. Memo from Chief Investment Officer Daryn Miller, CFA, dated September 14, 2022, regarding Environmental, Social, and Corporate Governance (ESG) –

ITEM WAS REMOVED FROM CONSENT AGENDA

- *14. Biennial Review of Conflict of Interest Code – RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *15. Certificate of Achievement for Excellence in Financial Reporting for Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021 presented by the Government Finance Officers Association (GFOA) – RECEIVED AND FILED

Hughes-Franey – 8 Ayes

- *16. Invitation to staff to attend the Public Pension Financial Forum (P2F2) 2022 Conference, October 22-26, 2022 in Philadelphia, Pennsylvania – APPROVED ATTENDANCE OF CHIEF FINANCIAL OFFICER ANGELA KRUGER AND SENIOR ACCOUNTANT CORY PRUETT

Hughes-Franey – 8 Ayes

- *17. Invitation from Nossaman to staff to attend the Public Pensions & Investments Fiduciaries' Forum, October 17-18 in Los Angeles, California – APPROVED ATTENDANCE OF CHIEF LEGAL OFFICER JENNIFER ZAHRY

Hughes-Franey – 8 Ayes

- *18. Invitation from State Association of County Retirement Systems (SACRS) to Board of Directors to attend the SACRS Board of Directors Meeting September 26, 2022, in Santa Barbara, California – APPROVE ATTENDANCE OF TRUSTEE JORDAN KAUFMAN

Hughes-Franey – 8 Ayes

12. Letter from Chief Executive Officer Dominic Brown, dated August 22, 2022, to the Kern County Auditor-Controller-County Clerk regarding Board of Retirement Election for Third, Eighth and Alternate Eighth Members – CHAIR JUAN GONZALEZ HEARD; TRUSTEE JEANINE ADAMS HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

REFERRED TO STAFF TO CONSIDER MOVING THE DATE OF THE BOARD OF RETIREMENT ELECTION

Franey-Adams – 8 Ayes

13. Memo from Chief Investment Officer Daryn Miller, CFA, dated September 14, 2022, regarding Environmental, Social, and Corporate Governance (ESG) – CHAIR JUAN GONZALEZ HEARD; TRUSTEES JEANINE ADAMS, PHIL FRANNEY AND RICK KRATT HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

RECEIVED AND FILED; REFERRED TO STAFF TO PRESENT EDUCATION REGARDING ESG TO BOARD OF RETIREMENT NEXT YEAR

Kratt-Whitezell – 8 Ayes

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 – NONE

FINANCIAL MATTERS

20. Discussion and appropriate action regarding revisions to the Supplemental Retiree Benefit Reserve (SRBR) Policy to reflect the Committee's approval of SRBR restructure plan, Alternative B, presented by Chief Executive Officer Dominic Brown, Chief Legal Officer Jennifer Zahry, KCERA Actuaries, Paul Angelo and Molly Calcagno, Segal, and the Finance Committee – PAUL ANGELO AND MOLLY CALCAGNO, SEGAL, HEARD; CHAIR JUAN GONZALEZ HEARD; TRUSTEE JEANINE ADAMS, PHIL FRANEY, JORDAN KAUFMAN AND RICK KRATT HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHIEF LEGAL OFFICER JENNIFER ZAHRY HEARD

APPROVED SRBR POLICY REVISIONS IMPLEMENTING SRBR RESTRUCTURE PLAN, ALTERNATIVE B

Franey-Whitezell – 8 Ayes

ADMINISTRATIVE MATTERS

21. Presentation and status update of disability files and process presented by Doug Minke, Managed Medical Review Organization, Inc. (MMRO) – DOUG MINKE, MMRO, HEARD; CHAIR JUAN GONZALEZ HEARD; TRUSTEES JEANINE ADAMS, DUSTIN CONTRERAS AND RICK KRATT HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

HEARD PRESENTATION

STAFF REPORTS

22. Report from Chief Executive Officer

CHIEF EXECUTIVE OFFICER DOMINIC BROWN REPORTED THE FOLLOWING:

- UPDATES ON BOARD OF RETIREMENT REFERRALS
- NEW MEMBER PORTAL UPDATE LAUNCHED
- *ALAMEDA/PEPRA* IMPLEMENTATION
- MMRO UPDATE
- STAFFING UPDATE
- SOLAR PROJECT UPDATE
- RFP FOR PLAN SPONSOR AUDITS
- NORTHERN TRUST CONTRACT UPDATE
- CERTIFICATION PAYS FOR STAFF
- KERN COUNTY CAREER EXPO
- SERVICE PURCHASES UPDATE
- SACRS FALL CONFERENCE
- ANNUAL AUDIT BEGINNING
- ANNUAL STATEMENTS
- OPERATIONS ACTIVITY
- END-OF-CAREER RETIREMENT SEMINAR CONDUCTED
- OPERATIONS ACTIVITY
- UPCOMING MEETINGS AND EVENTS

VICE-CHAIR TYLER WHITEZELL HEARD; TRUSTEES PHIL FRANNEY, JORDAN KAUFMAN AND RICK KRATT HEARD

23. Report from Chief Investment Officer

CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, REPORTED THE FOLLOWING:

- AUGUST REBALANCING ACTIVITY
- PORTFOLIO POSITIONING & MARKET UPDATE
- KEY INITIATIVES & UPDATES

24. Report from Chief Legal Officer

CHIEF LEGAL OFFICER JENNIFER ZAHRY REPORTED THE FOLLOWING:

- ELECTIONS PROCEDURE POLICY
- POWERS OF ATTORNEY
- SACRS LEGISLATIVE UPDATE
- SEPTEMBER CALENDAR
- PUBLIC FUNDS FORUM

CHAIR JUAN GONZALEZ HEARD; TRUSTEES JEANINE ADAMS, PHIL FRANEY AND RICK KRATT HEARD; DEPUTY CHIEF LEGAL OFFICER PHILLIP JENKINS HEARD

COMMITTEE REPORTS

25. Report from Committee Chairs:

- a. Administrative Committee: HUGHES – MEETING SCHEDULED SEPTEMBER 19, 2022
- b. Finance Committee: FRANEY – NONE
- c. Investment Committee: KAUFMAN – NONE
- d. KCERA Property, Inc.: SEIBLY – NONE

REFERRALS TO STAFF, ANNOUNCEMENTS OR REPORTS

26. 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 –

TRUSTEE JEANINE ADAMS HEARD

NEW BUSINESS

27. Consider, discuss, and take possible action to agendaize one or more items for future meetings of the Board of Retirement – NONE
28. ADJOURNED – 11:03 A.M.



Secretary, Board of Retirement



Chair, Board of Retirement