



SUMMARY OF PROCEEDINGS

Board of Retirement Meeting

August 12, 2026

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

CALLED TO ORDER: 8:31 A.M.

ROLL CALL (IN PERSON)

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

Absent: Couch

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)

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).
 - **TRUSTEE DAVID COUCH NOTIFIED THE BOARD OF HIS NEED TO ATTEND VIA TELECONFERENCE FOR "JUST CAUSE" CIRCUMSTANCES AS DEFINED BY SB 707; CHAIR JOSEPH D. HUGHES STATED THIS ITEM WOULD BE CONTINUED UPON TRUSTEE COUCH'S ARRIVAL**

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 Richard Griffie, Sheriff (Safety) – ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT

Kratt-Frapwell – 8 Ayes

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

Kratt-Frapwell – 8 Ayes

- *4. Application for service-connected disability retirement for Rudy Rangel, Human Services (General) – ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT

Kratt-Frapwell – 8 Ayes

- *5. Application for non-service-connected disability retirement for Nicole England, Human Services (General) – ADOPTED RECOMMENDATION OF SDAG TO GRANT NON-SERVICE-CONNECTED DISABILITY RETIREMENT; MEMBER REQUIRED TO UNDERGO MEDICAL EXAMINATION IN 1 YEAR PER CAL. GOV. CODE 31729 ET SEQ. AND MEDICAL ADVISOR RECOMMENDATION

Kratt-Frapwell – 8 Ayes

- *6. Proposed Decision and Findings of Fact submitted by Richard Terzian for Veronica Mariscal, Risk Management (General) – ADOPTED PROPOSED FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATION OF HEARING OFFICER TO DENY APPLICATION FOR SERVICE-CONNECTED DISABILITY RETIREMENT AND GRANT NON-SERVICE-CONNECTED DISABILITY RETIREMENT

Kratt-Frapwell – 8 Ayes

- *7. Proposed Decision and Findings of Fact submitted by Richard Terzian for Ranna Lock, Sheriff (Safety) –

ITEM REMOVED FROM CONSENT AGENDA

- *8. Proposed Decision and Findings of Fact submitted by Duane Bennett for David Norris, Sheriff (Safety) –

ITEM REMOVED FROM CONSENT AGENDA

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

- June 2, 2026 Finance Committee
- June 2, 2026 Special Board of Retirement
- June 10, 2026 Board of Retirement
- June 23, 2026 Finance Committee

APPROVED

Kratt-Frapwell – 8 Ayes

- *10. Report from the KCERA office on new retirees processed during the months of June and July 2026 – RATIFIED

Kratt-Frapwell – 8 Ayes

- *11. Securities Lending Earnings Summary Report from Deutsche Bank for the periods ending May 31 and June 30, 2026 – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *12. KCERA asset allocation, cash flow position, investment fees cash flow, and operating expense budget status reports for the months of May and June 2026 – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *13. KCERA Class Action Proceeds Report from April 1 through June 30, 2026 from the Northern Trust Company – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *14. Semiannual Report on Overpayment/Underpayment of Member Benefits for the period January through June 2026 – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *15. Semiannual Report on Overpayment/Underpayment of Member Contributions for the period January through June 2026 – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *16. KCERA Audited Schedules of Employer Allocations and Pension Amounts by Employer and Segal GASB 68 Actuarial Valuation Report based on June 30, 2025 Measurement Date for Employer Reporting as of June 30, 2026 – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *17. Semiannual Report on Board of Retirement Trustee Education for the period ending June 30, 2026 – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

- *18. 2026 KCERA Retirement Benefit Statement and Cover Letter Sample – RECEIVED AND FILED; APPROVED

Kratt-Frapwell – 8 Ayes

- *19. Invitation from NCPERS to trustees to attend the NCPERS Public Pension Funding Forum 2026, August 17-19, 2026, in Chicago, Illinois – APPROVED ATTENDANCE OF TRUSTEE AJAIB GILL

Kratt-Frapwell – 8 Ayes

- *20. Invitation from CALAPRS to trustees to attend the CALAPRS Principles of Pension Governance for Trustees Program, August 24-27, 2026, in Santa Barbara, California – APPROVED ATTENDANCE OF TRUSTEE JEFF FRAPWELL

Kratt-Frapwell – 8 Ayes

- *21. Invitation from State Association of County Retirement Systems (SACRS) to Board of Directors to attend the SACRS Board of Directors Meeting, September 17-18, 2026, in Sacramento, California – APPROVED ATTENDANCE OF TRUSTEE JORDAN KAUFMAN

Kratt-Frapwell – 8 Ayes

- *22. Invitation from NCPERS for Administrative Services Officer Aimee Morton to attend the NCPERS 2026 Public Pension HR Summit, September 23-25, 2026, in Phoenix, Arizona – RECEIVED AND FILED

Kratt-Frapwell – 8 Ayes

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

Kratt-Frapwell – 8 Ayes

PUBLIC COMMENTS

24. 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.

INVESTMENT MATTERS

25. Presentation and trustee education regarding Capital Efficiency Deep Dive, including discussion and appropriate action on proposed updates to KCERA's Investment Policy Statement, by Chief Investment Officer Daryn Miller, Investment Consultant Brian Kwan, Cerity Partners, and the Investment Committee – HEARD PRESENTATION; RECEIVED EDUCATIONAL TRAINING (21 MINUTES TRUSTEE EDUCATION CREDIT); APPROVED PROPOSED CHANGES TO KCERA'S INVESTMENT POLICY STATEMENT

Frapwell-Whitezell – 8 Ayes

THE FOLLOWING ITEM HEARD OUT OF ORDER

SB 707 REMOTE APPEARANCE(S) CONTINUED

1. TRUSTEE DAVID COUCH ARRIVED VIA TELECONFERENCE, MADE REQUIRED DISCLOSURES, AND ADDED TO THE ROLL AT 9:00 A.M.

FINANCIAL MATTERS

26. Discussion and appropriate action on KCERA's Regular Interest and Excess Interest Crediting Policy presented by Chief Executive Officer Dominic Brown, Chief Legal Officer Jennifer Zahry, and the Finance Committee – ADOPTED PROPOSED EDITS TO KCERA'S REGULAR INTEREST AND EXCESS INTEREST CREDITING POLICY, RATIFIED INTEREST CREDITED FROM DECEMBER 31, 2010 THROUGH JUNE 30, 2026

Kratt-Frapwell – 9 Ayes

ADMINISTRATIVE MATTERS

THE FOLLOWING ITEM HEARD OUT OF ORDER

28. Discussion and appropriate action regarding designation of Board of Retirement Vice-Chair for remainder of calendar year 2026 due to the resignation of Chair Dustin Contreras – APPOINTED TRUSTEE JORDAN KAUFMAN AS VICE-CHAIR

Kratt-Whitezell – 9 Ayes

27. Discussion and appropriate action regarding a special Board of Retirement election to fill the vacancy of the Alternate Seventh Member (Safety) seat due to the resignation of Trustee Dustin Contreras – DIRECTED STAFF TO CONDUCT A SPECIAL ELECTION FOR ALTERNATE SEVENTH MEMBER (SAFETY) SEAT

Kratt-Gill – 9 Ayes

EXECUTIVE STAFF REPORTS

29. Report from Chief Executive Officer

CHIEF OPERATIONS OFFICER MATT HENRY REPORTED THE FOLLOWING:

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

HEARD PRESENTATION

30. Report from Chief Investment Officer

CHIEF INVESTMENT OFFICER DARYN MILLER REPORTED THE FOLLOWING:

- MARKET COLOR
- POSITIONING
- REBALANCING
- DELEGATION
- CLOSED INVESTMENTS
- INVESTMENT COMMITTEE MEETINGS

HEARD PRESENTATION

31. Report from Chief Legal Officer

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

- LEGISLATIVE UPDATE
- LITIGATION UPDATE

HEARD PRESENTATION

COMMITTEE REPORTS

32. Report from Committee Chairs:

- Administrative Committee: HUGHES – MEETING TO BE SCHEDULED IN SEPTEMBER
- Finance Committee: SANDERS – NONE
- Investment Committee: WHITEZELL – NONE

CALL FOR PUBLIC COMMENT ON EXECUTIVE SESSION ITEM(S)

TRUSTEE DAVID COUCH LEFT AT 9:59 A.M.

EXECUTIVE SESSION

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

Ranna Lock Sheriff (Safety)

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

David Norris Sheriff (Safety)

33. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9. (Number of potential cases: unknown).

34. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Determination of whether to initiate litigation pursuant to paragraph (4) of subdivision (c) and (d) of California Government Code Section 54956.9. (Number of potential cases: one).

35. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (pursuant to Government Code Section 54957) – Title: Chief Executive Officer

RETURN TO PUBLIC SESSION

BOARD OF RETIREMENT RECONVENED IN PUBLIC SESSION AT 10:54 A.M.

ROLL CALL

To establish quorum present upon resuming public session

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

Absent: Couch

REPORT OF EXECUTIVE SESSION ACTIONS, IF APPLICABLE

ITEM 7 – REFERRED MATTER BACK WITH INSTRUCTIONS TO HEARING OFFICER FOR FURTHER PROCEEDINGS

Kratt-Frapwell – 8 Ayes

ITEM 8 – REFERRED MATTER BACK WITH INSTRUCTIONS TO HEARING OFFICER FOR FURTHER PROCEEDINGS

Kratt-Frapwell – 8 Ayes

ITEM 33 – NO REPORTABLE ACTION

ITEM 34 – NO REPORTABLE ACTION

ITEM 35 – NO REPORTABLE ACTION

REFERRALS TO STAFF, ANNOUNCEMENTS, OR REPORTS

36. 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

37. Consider, discuss, and take possible action to agendize one or more items for future meetings of the Board of Retirement – DIRECTED STAFF TO PLACE A REFERRAL OF KCERA'S COMPENSATION POLICY REVIEW TO THE ADMINISTRATIVE COMMITTEE ON FUTURE BOARD AGENDA

Kaufman-Frapwell – 8 Ayes

38. ADJOURNED: 10:58 A.M.

Dominic D. Brown
Secretary, Board of Retirement

Joseph D. Hughes
Chair, Board of Retirement