

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

**SUMMARY OF PROCEEDINGS**

**Teleconference Meeting – Board of Retirement Meeting**

**November 2, 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, Couch, Hughes, Kaufman, Kratt, Seibly, Whitezell

Absent: Franey, Gonzalez, Matthews, Nunneley

**SALUTE TO FLAG – TRUSTEE JORDAN KAUFMAN**

**MOMENT OF SILENCE**

*Due to the absence of Chair Juan Gonzalez, Vice-Chair Tyler Whitezell served as Chair for this meeting*

**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**

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

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

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*3. Summary of proceedings of the following meetings:

- October 12, 2022 Board of Retirement

RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*4. Report from the KCERA office on members retired from service for the month of October 2022 – RATIFIED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*5. Report from the KCERA office on deceased retirees for the month of October 2022 – RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*6. Report of current disability retirement applications and appeals of KCERA Board decisions for the period ending October 31, 2022 – RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*7. Securities Lending Earnings Summary Report for the period September 1-30, 2022 from Deutsche Bank – RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*8. KCERA asset allocation, cash flow position, investment fees, and budget status report for the month of September 2022 – RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

\*9. The KCERA Class Action Proceeds Report from July 1 through September 30, 2022 for the Northern Trust Company – RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

- \*10. Public Pension Standards Award for Funding and Administration 2022 received from the Public Pension Coordinating Council (PPCC) – RECEIVED AND FILED

**Kaufman-Hughes – 7 Ayes**

*Trustee Robb Seibly voted in place of Trustee Phil Franey*

**PUBLIC COMMENTS**

11. 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

TRUSTEE CHASE NUNNELEY ARRIVED AT 8:34 A.M.

**INVESTMENT MATTERS**

12. Presentation on the 3<sup>rd</sup> Quarter Investment Performance Review period ending September 30, 2022 presented by Scott Whalen, CFA, Verus – SCOTT WHALEN, CFA, VERUS, HEARD; TRUSTEE JEANINE ADAMS HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, HEARD

TRUSTEE PHIL FRANNEY ARRIVED AT 8:40 A.M.

RECEIVED AND FILED

**Kaufman-Franey – 7 Ayes**

13. Presentation on the 3<sup>rd</sup> Quarter 2022 Portfolio Review presented by Spencer Edge, Albourne America<sup>1</sup> – SARAH GRIST, ALBOURNE AMERICA, HEARD; CHAIR TYLER WHITEZELL HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, HEARD

RECEIVED AND FILED

**Kaufman-Franey – 6 Ayes; 1 Absent (Couch)**

---

<sup>1</sup> Written materials and investment recommendations from the consultants, fund managers and KCERA investment staff relating to alternative investments are exempt from public disclosure pursuant to California Government Code §6254.26, §6255, and §54957.5.

### **ADMINISTRATIVE MATTERS**

14. Trustee education regarding AB 2449 presented by Chief Legal Officer Jennifer Zahry – CHAIR TYLER WHITEZELL HEARD; TRUSTEES PHIL FRANEY, JORDAN KAUFMAN, AND RICK KRATT HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHIEF LEGAL OFFICER JENNIFER ZAHRY HEARD

RECEIVED EDUCATIONAL TRAINING (28 MINUTES TRUSTEE EDUCATION CREDIT)

15. Report on Newly Created Special Pay Code – CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHIEF LEGAL OFFICER JENNIFER ZAHRY HEARD

APPROVED DESIGNATION OF SPECIAL PAY CODE AS NON-PENSIONABLE

**Franey-Kaufman – 6 Ayes; 1 Absent (Couch)**

### **STAFF REPORTS**

16. Report from Chief Executive Officer

CHIEF OPERATIONS OFFICER MATTHEW HENRY REPORTED THE FOLLOWING:

- BOARD REFERRAL UPDATES
- ANNUAL STATEMENT DISTRIBUTION
- PUBLIC PENSION STANDARDS AWARD
- DECEMBER 6 BOARD OF RETIREMENT ELECTION
- STAFFING UPDATE
- AED INSTALLED IN KCERA BUILDING
- SOLAR PROJECT UPDATE
- RFI ISSUED FOR PORTFOLIO RISK ANALYTICS
- EXTENDED RFP FOR OTHER AUDIT SERVICES
- OPERATIONS ACTIVITY
- UPCOMING MEETINGS AND EVENTS

CHAIR TYLER WHITEZELL HEARD

17. Report from Chief Investment Officer

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

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

18. Report from Chief Legal Officer

CHIEF LEGAL OFFICER JENNIFER ZAHRY REPORTED THE FOLLOWING:

- FEDERAL SERVICES PURCHASE UPDATE
- NOVEMBER CALENDAR ITEMS

**COMMITTEE REPORTS**

19. Report from Committee Chairs:

- a. Administrative Committee: HUGHES – MEETING SCHEDULED FOR NOVEMBER 16, 2022
- b. Finance Committee: FRANEY – NONE
- c. Investment Committee: KAUFMAN – MEETING TO BE SCHEDULED
- d. KCERA Property, Inc.: SEIBLY – MEETING TO FOLLOW

**CALL FOR PUBLIC COMMENT ON EXECUTIVE SESSION ITEM(S) – NONE**

**EXECUTIVE SESSION**

20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9. (Number of potential cases: one).

21. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Significant exposure to litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9. (Number of potential cases: one).

22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION/  
INITIATION OF LITIGATION

Significant exposure to litigation pursuant to paragraph (2), (3), or (4) of subdivision (d) of Section 54956.9. (Number of potential cases: one).

**RETURN TO PUBLIC SESSION**

BOARD OF RETIREMENT RECONVENED AT 11:12 A.M.

**ROLL CALL**

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

Absent: Couch, Gonzalez, Matthews

**REPORT OF EXECUTIVE SESSION ACTIONS, IF APPLICABLE**

ITEM 20 – NO REPORTABLE ACTION

ITEM 21 – NO REPORTABLE ACTION

ITEM 22 – NO REPORTABLE ACTION

**REFERRALS TO STAFF, ANNOUNCEMENTS OR REPORTS**

23. 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 ROBB SEIBLY HEARD

**NEW BUSINESS**

24. Consider, discuss, and take possible action to agendaize one or more items for future meetings of the Board of Retirement – NONE
25. ADJOURNED – 11:14 A.M.

  
\_\_\_\_\_  
Secretary, Board of Retirement

  
\_\_\_\_\_  
Chair, Board of Retirement