

**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:**

Dustin Contreras, Chair  
Joseph D. Hughes, Vice-Chair  
Jordan Kaufman  
Ajaib Gill  
Rocio Mosqueda  
David Couch  
John Sanders  
Rick Kratt  
Jeff Frapwell  
Tyler Whitezell  
Chase Nunneley, Alternate  
Robb Seibly, Alternate

April 30, 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, May 6, 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# 875 4131 6206:

- (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/87541316206?pwd=3N5jZK5wVVRdEqzzNjuleRROfSGsKo.1>
- Passcode: 397885

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](mailto:Administration@kcera.org).

Sincerely,

A handwritten signature in blue ink that reads '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](http://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](mailto: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 Mitchell Adams, Sheriff (Safety) – ADOPT RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT
- \*3. Application for service-connected disability retirement for Richard Mierta, Sheriff (Safety) – ADOPT RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT

- \*4. [Summary of proceedings of the following meeting:](#)
- April 8, 2026 Board of Retirement
- RECEIVE AND FILE
- \*5. [Report from the KCERA office on new retirees process during the month of April 2026 – RATIFY](#)
- \*6. [Securities Lending Earnings Summary Report from Deutsche Bank for the period ending March 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 March 2026 – RECEIVE AND FILE](#)
- \*8. [KCERA Class Action Proceeds Report for the period from January 1 – March 31, 2026 from the Northern Trust Company – RECEIVE AND FILE](#)
- \*9. [Updates to KCERA’s Placement Agent Policy – APPROVE PROPOSED CHANGES](#)
- \*10. [Invitation from Sculptor for Investment Officer Jack Bowman to attend the Sculptor Annual General Meeting, May 12-15, 2026 in New York, New York – RECEIVE AND FILE](#)
- \*11. [Invitation from State Association of County Retirement Systems \(SACRS\) to Board of Directors to attend the SACRS Board of Directors Meeting, June 22-23, 2026, in Oakland, California – APPROVE THE ATTENDANCE OF TRUSTEE JORDAN KAUFMAN](#)
- \*12. [SACRS Spring 2026 Business Meeting Packet for the SACRS business meeting on May 15, 2026 in Olympic Valley, California – RECEIVE AND FILE](#)
- \*13. [Service provider evaluation period initiated pursuant to the KCERA Evaluation Period Policy – RATIFY](#)
- \*14. [Proclamation of May 3-9, 2026 as Public Service Recognition Week – ADOPT PROCLAMATION](#)

## **PUBLIC COMMENTS**

15. 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.

## **FINANCIAL MATTERS**

16. [Trustee education regarding the triennial Actuarial Experience Study presented by Actuaries Todd Tauzer and Molly Calcagno, Segal](#) – RECEIVE EDUCATIONAL TRAINING (30 MINUTES TRUSTEE EDUCATION CREDIT)

## **INVESTMENT MATTERS**

17. [Discussion and appropriate action on the annual asset allocation review presented by Chief Investment Officer Daryn Miller, Investment Consultants Scott Whalen and Brian Kwan, Cerity Partners, and the Investment Committee](#) – APPROVE ASSET ALLOCATION

## **EXECUTIVE STAFF REPORTS**

18. [Report from Chief Executive Officer](#) – HEAR PRESENTATION
19. [Report from Chief Investment Officer](#) – HEAR PRESENTATION
20. [Report from Chief Legal Officer](#) – HEAR PRESENTATION

## **COMMITTEE REPORTS**

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

## **ADMINISTRATIVE MATTERS**

22. [Trustee education regarding KCERA's Compensation Policy and Fiduciary Considerations presented by Governance Consultants Julie Becker and Benita Falls Harper, Aon](#) – RECEIVE EDUCATIONAL TRAINING (20 MINUTES TRUSTEE EDUCATION CREDIT)

## **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:

Mitchell Adams Sheriff (Safety)

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

Richard Mierta Sheriff (Safety)

23. CONFERENCE WITH LABOR NEGOTIATORS REGARDING  
UNREPRESENTED EMPLOYEE (pursuant to Government Code Section  
54957.6(a))

Agency Designated Representatives: Joseph D. Hughes, Rocio Mosqueda, and  
Tyler Whitezell, or Trustee(s) participating in the absence of any of the listed  
agency designees (to be announced in open session prior to closed session)

Unrepresented Employee: KCERA Chief Executive Officer

### **RETURN TO PUBLIC SESSION**

### **ROLL CALL TO CONFIRM QUORUM**

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

### **REFERRALS TO STAFF, ANNOUNCEMENTS, OR REPORTS**

24. 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**

25. 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
26. Adjournment

**KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (KCERA)  
BOARD OF RETIREMENT**

**11125 River Run Boulevard, Bakersfield, California**

**SUMMARY OF PROCEEDINGS**

**Board of Retirement Meeting  
April 8, 2026**

**8:31 a.m.**

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

**ROLL CALL (IN PERSON)**

Present: Contreras, Couch, Frapwell, Gill, Kaufman, Kratt, Mosqueda, Nunneley, Sanders, Whitezell

Absent: Hughes, Seibly

**FLAG SALUTE: TRUSTEE TYLER WHITEZELL**

**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 Aaron Carrillo, Sheriff (Safety) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT**

**Frapwell-Kratt – 8 Ayes**

- \*3. Application for service-connected disability retirement for Lavita Dunn-Coleman, Behavioral Health & Recovery (General) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT SERVICE-CONNECTED DISABILITY RETIREMENT**

**Frapwell-Kratt – 8 Ayes**

\*4. Summary of proceedings of the following meeting:

- March 11, 2026 Board of Retirement

RECEIVED AND FILED

**Frapwell-Kratt – 8 Ayes**

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

**Frapwell-Kratt – 8 Ayes**

\*6. Securities Lending Earnings Summary Report from Deutsche Bank for the period ending February 28, 2026 – RECEIVED AND FILED

**Frapwell-Kratt – 8 Ayes**

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

**Frapwell-Kratt – 8 Ayes**

\*8. Invitation from State Association of County Retirement Systems (SACRS) to trustees to attend the SACRS Spring Conference, May 12-15, 2026, in Olympic Valley, California – APPROVED ATTENDANCE OF TRUSTEES DUSTIN CONTRERAS, DAVID COUCH, JEFF FRAPWELL, AJAIB GILL, JOSEPH D. HUGHES, JORDAN KAUFMAN, RICK KRATT, ROCIO MOSQUEDA, CHASE NUNNELEY, AND JOHN SANDERS

**Frapwell-Kratt – 8 Ayes**

\*9. Invitation from Post Oak for Investment Officer Jack Bowman to attend Post Oak Energy Capital's 2026 Annual Meeting, March 4-5, 2026, in Houston, Texas – RECEIVED AND FILED

**Frapwell-Kratt – 8 Ayes**

\*10. Invitation from ABS for Investment Officer Rafael Jimenez to attend the ABS 2026 Annual Conference, April 27-30, 2026, in Boston, Massachusetts – RECEIVED AND FILED

**Frapwell-Kratt – 8 Ayes**

- \*11. Invitation from Covenant Capital Group for Chief Investment Officer Daryn Miller to attend the Covenant Capital 2026 Annual Meeting and LPAC, April 29-May 1, 2026, in Phoenix, Arizona – RECEIVED AND FILED

**Frapwell-Kratt – 8 Ayes**

- \*12. Elections Notice and recommended slate of candidates for the State Association of County Retirement Systems (SACRS) Board of Directors Elections 2026-2027 – DIRECTED VOTING DELEGATE TO VOTE FOR SLATE OF CANDIDATES AS RECOMMENDED BY THE SACRS NOMINATING COMMITTEE

SACRS Nominating Committee recommended slate:

- SACRS President – Adele Lopez Tagaloa, Orange CERS
- SACRS Vice President – Jordan Kaufman, Kern CERA
- SACRS Treasurer – Zandra Cholmondeley, Santa Barbara CERS
- SACRS Secretary – Rhonda Biesemeier, Stanislaus CERA
- SACRS Regular Board Member – Riley Talford, Fresno CERA
- SACRS Regular Board Member – Chris Giboney, Sacramento CERS

**Frapwell-Kratt – 8 Ayes**

- \*13. Report on Special Pay Codes classified by the Chief Executive Officer – RECEIVED AND FILED

**Frapwell-Kratt – 8 Ayes**

- \*14. Service provider evaluation period initiated pursuant to the KCERA Evaluation Period Policy – RATIFIED

**Frapwell-Kratt – 8 Ayes**

**PUBLIC COMMENTS**

15. 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

### **ADMINISTRATIVE MATTERS**

16. Trustee education regarding the KCERA Functional Organizational Chart presented by Chief Executive Officer Dominic Brown – CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHAIR DUSTIN CONTRERAS HEARD; TRUSTEE RICK KRATT HEARD

TRUSTEE ROBB SEIBLY ARRIVED AT 8:37 AM

TRUSTEE JOSEPH D. HUGHES ARRIVED AT 8:38 AM

RECEIVED EDUCATIONAL TRAINING (24 MINUTES TRUSTEE EDUCATION CREDIT)

17. Annual Business Plan presented by Chief Executive Officer Dominic Brown – CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

HEARD PRESENTATION

18. Discussion and appropriate action on KCERA's voting delegation for the State Association of County Retirement Systems (SACRS) Spring 2026 Conference, presented by Chief Executive Officer Dominic Brown – CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHAIR DUSTIN CONTRERAS HEARD; TRUSTEE JORAN KAUFMAN HEARD

APPOINTED VOTING DELEGATION

**Couch-Kratt – 9 Ayes**

### **EXECUTIVE STAFF REPORTS**

19. Report from Chief Executive Officer

CHIEF OPERATIONS OFFICER MATT HENRY REPORTED THE FOLLOWING:

- OFFICE UPDATE
- OPERATIONS ACTIVITY
- MEMBER OUTREACH AND EDUCATION
- UPCOMING EVENTS
- AON TRUSTEE INTERVIEWS
- NEW REQUIRED TRUSTEE TRAINING – SB 827

20. Report from Chief Investment Officer

CHIEF INVESTMENT OFFICER DARYN MILLER REPORTED THE FOLLOWING:

- MARKET COLOR
- POSITIONING – ACTUAL VS. POLICY TARGET
- REBALANCING – MARCH ACTIVITY
- DELEGATION
- CLOSED INVESTMENTS
- INVESTMENT COMMITTEE MEETINGS

TRUSTEE JORDAN KAUFMAN HEARD

21. Report from Chief Legal Officer

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

- LEGAL TEAM PROJECTS
- LEGISLATIVE UPDATE

**COMMITTEE REPORTS**

22. Report from Committee Chairs:

- a. Administrative Committee: HUGHES – MEETING TO BE SCHEDULED
- b. Finance Committee: SANDERS – MEETING TO BE SCHEDULED
- c. Investment Committee: WHITEZELL – MEETING ON APRIL 28

**EXECUTIVE SESSION**

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

*ITEM 23 WITHDRAWN FROM AGENDA*

**REFERRALS TO STAFF, ANNOUNCEMENTS, OR REPORTS**

24. 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**

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

26. ADJOURNED AT 9:31 A.M.

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Secretary, Board of Retirement

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Chair, Board of Retirement



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

**Employer Name: County Of Kern**

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Boado	Brent	03/21/2026	Safety Tier I	Probation
Burks	Rebecca	03/21/2026	General Tier I	Recorder
Cabral	Jesus	03/21/2026	Safety Tier I	Sheriff
Castillo	Jose	03/21/2026	Safety Tier I	Probation
Drolen	Garret	03/21/2026	Safety Tier I	Fire
Fox	Ronald	03/21/2026	General Tier I	Fire
French	Amy	03/21/2026	General Tier I	District Attorney
Garcia	Katrina	03/21/2026	Safety Tier I	Probation
Gomez	Elisa	03/21/2026	General Tier I	Department of Human Services
Hankins	Brandon	02/07/2026	General Tier I	Information Technology Services
Heisey	Jay	02/28/2026	Safety Tier I	Sheriff
Khuu	Christine	03/21/2026	General Tier I	Department of Human Services
Lara	Sandra	03/21/2026	General Tier I	Department of Human Services
Lowder	Sharon	03/07/2026	General Tier I	Employers' Training Resource
Martinez	Elvia	03/21/2026	General Tier II PEPRA	Sheriff
Mckim	Patricia	03/21/2026	General Tier II	District Attorney
Megowan	Darren	03/21/2026	Safety Tier I	Fire
Nisser	Joseph	03/21/2026	General Tier I	Department of Human Services



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

**Employer Name: County Of Kern**

Last Name	First Name	Retirement Date	Membership Tier	Department Name
Nunes	Jeffrey	03/21/2026	General Tier I	Fire
Pareja De Alcaide	Leticia	03/21/2026	General Tier II	Fire
Pattison	Shawn	03/21/2026	Safety Tier I	Fire
Ralston-Svaleng	Beverly	03/07/2026	General Tier I	Department of Public Health
Redstone	Matthew	03/21/2026	Safety Tier I	Fire
Rojas	Alfredo	03/21/2026	General Tier I	Public Works-Public Ways
Ruozi	Lisa	03/21/2026	General Tier I	General Services Division
Salazar	Andrew	03/07/2026	General Tier I	Public Works-Public Ways
Stahl	Darrin	03/21/2026	General Tier I	Assessor
Teng	Hui-Hua	03/21/2026	General Tier II	Behavioral Health & Recovery
Tibbs	Betty	03/07/2026	General Tier II	Department of Human Services
Torczon	Melanie	03/21/2026	General Tier I	Sheriff
Trammell	Jonathan	03/21/2026	Safety Tier I	Fire
Tran	Grace	03/21/2026	General Tier II	Employers' Training Resource
Udy	Thomas	03/21/2026	Safety Tier I	Sheriff
Walton	Joel	03/21/2026	Safety Tier I	Probation
Zacarias	Gloria	03/07/2026	General Tier I	Employers' Training Resource



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

**Employer Name: Kern County Hospital Authority**

<b>Last Name</b>	<b>First Name</b>	<b>Retirement Date</b>	<b>Membership Tier</b>	<b>Department Name</b>
Anthony	Marie	03/21/2026	General Tier I	Kern County Hospital Authority
Chehal	Ravinder	03/21/2026	General Tier I	Kern County Hospital Authority
Merryman	Robert	03/07/2026	General Tier I	Kern County Hospital Authority
Meyer	Karen	03/21/2026	General Tier I	Kern County Hospital Authority
Montemayor	Martha	03/07/2026	General Tier I	Kern County Hospital Authority
Smith	Ronald	03/07/2026	General Tier I	Kern County Hospital Authority



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

**Employer Name: Kern County Superior Court**

<b>Last Name</b>	<b>First Name</b>	<b>Retirement Date</b>	<b>Membership Tier</b>	<b>Department Name</b>
McPhetridge	Dyana	03/21/2026	General Tier I	Superior Court



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

**Employer Name: San Joaquin Valley Air Pollution Control District**

<b>Last Name</b>	<b>First Name</b>	<b>Retirement Date</b>	<b>Membership Tier</b>	<b>Department Name</b>
Wong	Bryan	02/21/2026	General Tier I	San Joaquin Valley Air Pollution Control District

# SECURITIES LENDING

## Summary Earnings Report

**Run Time:** 09-Apr-2026 17:17 EDT  
**Date Range:** 01-MAR-2026 To 31-MAR-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
KNCTY PIMCO EMD	CAKE08	5,411,411.55	1,728.84	155.60	1,573.24	KNC12
KNCTY - Aristotle Short Duration	CAKE20	45,724,521.19	14,012.63	1,261.14	12,751.50	KNC21
KNCTY - CONGRESS SMALL CAP VALUE	CAKE21	6,437,735.98	2,043.33	183.90	1,859.43	4437610
KNCTY - FIDELITY BROADMARKET DURATION	CAKE22	23,410,271.61	5,469.99	492.30	4,977.69	KNC24
KNCTY - Geneva	CAKE16	27,779,807.53	7,501.50	675.13	6,826.36	2667336
	<b>CCY Total</b>	<b>108,763,747.86</b>	<b>30,756.28</b>	<b>2,768.07</b>	<b>27,988.22</b>	
	<b>Grand Total USD:</b>		<b>30,756.28</b>	<b>2,768.07</b>	<b>27,988.22</b>	

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**KCERA ASSET ALLOCATION\***  
3/31/2026

Manager Name	Type	\$(000)	Current Allocation	Target Percentage	Variance Over Target (Under Target)	Variance Over Target (Under Target) \$(000)			
Chilton Capital	Large Cap Core	203,357	2.9%	Domestic Equity Range 12.0% - 29.0%					
Congress Small Cap Value	Small Cap	82,030	1.2%						
Geneva Capital	Small Cap Growth	81,147	1.2%						
Mellon Capital Management Stock Index Fund	Large Cap Passive	753,573	10.8%						
PIMCO StockPlus	Large Cap Enhanced	178,797	2.6%						
<b>Total Domestic Equity</b>		<b>\$1,298,904</b>	<b>18.5%</b>				<b>12 - 29%</b>		
American Century	International Small	56,516	0.8%	International Developed Equity Range 5.0% - 19.0%					
Cevian Capital II LP	International Large	58,451	0.8%						
Dalton Japan Long Only	International Small	84,755	1.2%						
Lazard Japanese Equity	International Large	171,386	2.4%						
Mellon DB SL Developed Markets EX U.S. Stock Index	International Large Passive	385,684	5.5%						
<b>Total International Developed Equity</b>		<b>\$756,792</b>	<b>10.8%</b>				<b>5 - 19%</b>		
ABS Direct Equity	Emerging Markets	105,793	1.5%	Emerging Markets 0.0% - 10.0%					
Carrhae Long Only	Emerging Markets	96,622	1.4%						
DFA Emerging Markets Value Portfolio	Emerging Markets	72,883	1.0%						
Mellon Emerging Markets	Emerging Markets Passive	12,332	0.2%						
<b>Total Emerging Market Equity</b>		<b>\$287,630</b>	<b>4.1%</b>				<b>0 - 10%</b>		
<b>TOTAL EQUITY</b>		<b>\$2,343,326</b>	<b>33.5%</b>				<b>34.0%</b>	<b>(0.5%)</b>	<b>(\$37,787)</b>
Aristotle Pacific Capital, LLC	Core	274,827	3.9%	Core Range 10.0% - 25.0%					
Fidelity Broad Market Duration	Core	217,797	3.1%						
Mellon Capital Management Agg Bond	Core Passive	224,020	3.2%						
PIMCO CP	Core Plus	33	0.0%						
<b>Total Core</b>		<b>\$716,677</b>	<b>10.2%</b>				<b>15.0%</b>	<b>(4.8%)</b>	<b>(\$333,814)</b>
Guggenheim Securitized Products	Credit	192,267	2.7%				Credit Range 5.0% - 15.0%		
KKR US Broadly Syndicated Loan Fund	Credit	171,660	2.5%						
PIMCO EM Beta	Credit	176,297	2.5%						
Schroders Securitized Products	Credit	191,742	2.7%						
Western Asset Management - HY	Credit	711	0.0%						
<b>Total Credit</b>		<b>\$732,677</b>	<b>10.5%</b>	<b>10.0%</b>	<b>0.5%</b>	<b>\$32,350</b>			
<b>TOTAL FIXED INCOME</b>		<b>\$1,449,354</b>	<b>20.7%</b>	<b>25.0%</b>	<b>(4.3%)</b>	<b>(\$301,464)</b>			
Wellington Trust Company (WTC)	Commodities	416,091	5.9%	Commodities Range 0.0% - 9.0%					
<b>TOTAL COMMODITIES</b>		<b>\$416,091</b>	<b>5.9%</b>	<b>5.0%</b>	<b>0.9%</b>	<b>\$65,927</b>			
Aristeia International	Hedge Fund - Direct	82,507	1.2%	Hedge Fund Range 5.0% - 15.0%					
Brevan Howard Fund Limited	Hedge Fund - Direct	63,938	0.9%						
D.E. Shaw Composite Fund	Hedge Fund - Direct	79,743	1.1%						
Elliott Associates	Hedge Fund - Direct	67,241	1.0%						
Hawk Ridge Partners II	Hedge Fund - Direct	52,912	0.8%						
HBK Multi-Strategy Fund	Hedge Fund - Direct	57,252	0.8%						
Hudson Bay Enhanced Fund	Hedge Fund - Direct	90,114	1.3%						
Indus Pacific Opportunities Fund	Hedge Fund - Direct	57,205	0.8%						
PIMCO Commodity Alpha Fund	Hedge Fund - Direct	68,866	1.0%						
Pharo Macro Fund	Hedge Fund - Direct	99,820	1.4%						
Sculptor Enhanced Domestic Partners	Hedge Fund - Direct	643	0.0%						
<b>TOTAL HEDGE FUND</b>		<b>\$720,241</b>	<b>10.3%</b>				<b>10.0%</b>	<b>0.3%</b>	<b>\$19,914</b>
Davidson Kempner	Hedge Fund - Direct	59,906	0.9%				CE Alpha Pool Range 0.0% - 5.0%		
Garda Fixed Income	Hedge Fund - Direct	46,797	0.7%						
HBK Alpha Pool	Hedge Fund - Direct	21,526	0.3%						
Hudson Bay Enhanced Fund	Hedge Fund - Direct	41,030	0.6%						
<b>TOTAL CE ALPHA POOL</b>		<b>\$169,259</b>	<b>2.4%</b>	<b>2.5%</b>	<b>(0.1%)</b>	<b>(\$5,823)</b>			
ASB Capital Management	Core	104,230	1.5%	Core Real Estate Range 2.0% - 10.0%					
Beach Point Capital Real Estate Debt - Acquino	Core	1,467	0.0%						
Blue Owl Real Estate Fund VI	Core	53,083	0.8%						
BPC Real Estate Debt Fund	Core	15,710	0.2%						
Hudson Bay Real Estate Opportunities Fund	Core	37,358	0.5%						
JPMCB Strategic Property Fund	Core	82,674	1.2%						
Sculptor DREIT Inc-Issuance of Founders Class	Core	75,291	1.1%						
TPG AG Essential Housing Fund III	Core	28,236	0.4%						
<b>TOTAL CORE REAL ESTATE</b>		<b>\$398,049</b>	<b>5.7%</b>				<b>7.0%</b>	<b>(1.3%)</b>	<b>(\$92,180)</b>
Aristeia Select Opportunities II	Opportunistic	63,712	0.9%	Opportunistic Range 0.0% - 10.0%					
Pharo Opportunities Fund SPC	Opportunistic	14,567	0.2%						
Hudson Bay Special Opportunities Fund	Opportunistic	9,974	0.1%						
Sixth Street TAO Partners (D)	Opportunistic	60,282	0.9%						
<b>TOTAL OPPORTUNISTIC</b>		<b>\$148,535</b>	<b>2.1%</b>				<b>0.0%</b>	<b>2.1%</b>	<b>\$148,535</b>
Northern Trust STIF	Short Term	64,340	0.9%	Cash Range -5.0% - 4.0%					
BlackRock Short Duration	Short Term	74,750	1.1%						
Parametric	Overlay	64,219	0.9%						
Treasurers Pooled Cash	Short Term	1,039	0.0%						
Wells Fargo Bank	Short Term	13,893	0.2%						
<b>TOTAL CASH AND OVERLAY</b>		<b>\$218,241</b>	<b>3.1%</b>				<b>-2.5%</b>	<b>5.6%</b>	<b>\$393,323</b>
Transition Accounts	Liquidation	287	0.0%						
<b>Other</b>		<b>\$287</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$287</b>			
<b>TOTAL PRIVATE EQUITY ***</b>		<b>\$387,322</b>	<b>5.5%</b>	<b>6.0%</b>	<b>(0.5%)</b>	<b>(\$32,874)</b>			
<b>TOTAL PRIVATE CREDIT ***</b>		<b>\$464,680</b>	<b>6.6%</b>	<b>8.0%</b>	<b>(1.4%)</b>	<b>(\$95,581)</b>			
<b>TOTAL PRIVATE REAL ASSETS ***</b>		<b>\$287,889</b>	<b>4.1%</b>	<b>5.0%</b>	<b>(0.9%)</b>	<b>(\$62,275)</b>			
<b>As Allocated to Managers **</b>		<b>\$7,003,272</b>	<b>100.0%</b>	<b>100.0%</b>	<b>(0.0%)</b>	<b>(\$0)</b>			

\*This report reflects the strategic asset allocation policy adopted by the Board of Retirement January 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 ASSET ALLOCATION\***  
3/31/2026

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	1,095	0.0%	Private Equity Range 0.0% - 11.0%	(0.5%)	(\$32,874)			
Accel-KKR Capital Partners VII	Private Equity	3,148	0.0%						
Blue Owl Strategic Equity Partners	Private Equity	4,517	0.1%						
Brighton Park Capital Fund I & II	Private Equity	62,085	0.9%						
Level Equity Growth Partners V, VI & 2021	Private Equity	37,421	0.5%						
LGT Crown Global V & VI	Private Equity	53,626	0.8%						
Linden Capital Partners V & Co-Investment	Private Equity	32,681	0.5%						
Longreach CAP Partners IV-JPY	Private Equity	4,507	0.1%						
OrbiMed Private Investments IX & X	Private Equity	7,890	0.1%						
Pantheon Funds	Private Equity Fund of Funds	3,033	0.0%						
Parthenon Investors VII	Private Equity	9,873	0.1%						
Peak Rock Capital Fund III	Private Equity	29,397	0.4%						
Rubicon Technology Partners IV	Private Equity	17,931	0.3%						
Vista Foundation Fund IV	Private Equity	25,270	0.4%						
Warren Equity Partners Fund III, IV, Co-Investment & WEP TreeCo	Private Equity	94,848	1.4%						
<b>TOTAL PRIVATE EQUITY</b>		<b>\$387,322</b>	<b>5.5%</b>				<b>6.0%</b>	<b>(0.5%)</b>	<b>(\$32,874)</b>
Ares Pathfinder Fund II	Private Credit	17,856	0.3%				Private Credit Range 0.0% - 13.0%	(1.4%)	(\$95,582)
Ares Senior Direct Lending III	Private Credit	13,610	0.2%						
Blue Torch Credit Opportunites II, III & IV	Private Credit	55,924	0.8%						
Brookfield Real Estate Finance Fund V	Private Credit	5,665	0.1%						
Castlelake Aviation V Stable Yield	Private Credit	7,835	0.1%						
Cerberus Levered Loan Opportunities Fund V	Private Credit	22,064	0.3%						
DC Value Recovery Fund IV	Private Credit	9,372	0.1%						
Fortress Credit Opportunities Fund V Exp & VI	Private Credit	40,887	0.6%						
Fortress Legal Assets Fund II	Private Credit	10,400	0.1%						
Fortress Lending Fund II & III	Private Credit	31,067	0.4%						
H.I.G Bayside Loan Opportunity Fund V	Private Credit	34,371	0.5%						
HPS Special Situations Opportunity Fund II	Private Credit	14,454	0.2%						
ITE Rail Fund	Private Credit	41,088	0.6%						
Magnetar Constellation Fund V	Private Credit	9,479	0.1%						
Oak Hill Advisors Structured Products Fund III	Private Credit	20,253	0.3%						
OrbiMed Royalty & Credit Opportunities IV & V	Private Credit	14,523	0.2%						
Quantum Capital Solutions II & Co-Investment	Private Credit	26,294	0.4%						
Silver Point Specialty Credit Fund III	Private Credit	14,649	0.2%						
Sixth Street TAO Partners (B)	Private Credit	48,026	0.7%						
TPG AG Asset Based Credit Evergreen Fund	Private Credit	26,863	0.4%						
<b>TOTAL PRIVATE CREDIT</b>		<b>\$464,680</b>	<b>6.6%</b>	<b>8.0%</b>	<b>(1.4%)</b>	<b>(\$95,582)</b>			
Covenant Apartment Fund X, XI & XII	Private Real Assets	64,725	0.9%	Private Real Estate Range 0.0% - 10.0%	(0.9%)	(\$62,276)			
Juniper Capital IV LP & Co-Investment	Private Real Assets	15,142	0.2%						
KSL Capital Partners VI	Private Real Assets	8,437	0.1%						
Landmark Real Estate Partners VIII, IX & Project Yeti II	Private Real Assets	61,473	0.9%						
LBA Logistics Value Fund IX	Private Real Assets	24,216	0.3%						
Long Wharf Real Estate Partners VI	Private Real Assets	26,110	0.4%						
Merit Hill Self-Storage V	Private Real Assets	22,831	0.3%						
Post Oak Energy Partners V	Private Real Assets	36,927	0.5%						
Sculptor Real Estate Fund V	Private Real Assets	4,097	0.1%						
Singerman Real Estate Opportunity Fund IV & V	Private Real Assets	23,929	0.3%						
<b>TOTAL PRIVATE REAL ASSETS</b>		<b>\$287,887</b>	<b>4.1%</b>				<b>5.0%</b>	<b>(0.9%)</b>	<b>(\$62,276)</b>
<b>TOTAL PRIVATE MARKETS</b>		<b>\$1,139,889</b>	<b>16.3%</b>	<b>19.0%</b>	<b>(2.7%)</b>	<b>(\$190,732)</b>			

**KCERA  
CASH FLOW POSITION  
March, 2026**

**TREASURERS POOLED CASH**

<b>Beginning Cash Balance:</b>		<b>\$</b>	<b>1,605,648</b>
Contributions	44,024,469		
<b>Total Receipts:</b>			<b>44,024,469</b>
Salaries	(915,508)		
Transfers-out	(30,000,000)		
<b>Total Disbursements:</b>			<b><u>(30,915,508)</u></b>
<b>Ending Cash Balance</b>			<b><u><u>14,714,609</u></u></b>

**WELLS FARGO BANK**

<b>Beginning Balances</b>			
Cash Balance		<b>\$</b>	<b>222,610</b>
STIF Balance		<b>\$</b>	<b>15,520,087</b>
<b>Total</b>		<b>\$</b>	<b><u><u>15,742,697</u></u></b>

		<u>5109</u>	<u>5447</u>		
Contributions			7,478,789		
Transfer In	5109/5447	38,840,171	5,911		
Transfer In	Northern Trust				
Transfer In	TPC - County		30,000,000		
ACH Returns / Deletes		51,441			
Interest Earned			83,187		
Misc			1,899		
<b>Total Receipts:</b>					<b>76,461,398</b>
Operating Expenses			(94,884)		
Investment Expenses			(451,030)		
ACH Benefit Payments		(33,964,567)			
Total Checks Paid		(205,991)	(33,748)		
Taxes Withholding Deposits		(4,713,299)			
Bank Services		(1,844)			
Transfers Out	5109/5447	(5,911)	(38,840,171)		
Transfers Out	Northern Trust				
<b>Total Disbursements:</b>					<b>(78,311,444)</b>
<b>Net Sweep Activity</b>					<b><u>1,627,436</u></b>
<b>Ending Balances</b>					
Cash Balance					(0)
STIF Balance					<b>13,892,651</b>
<b>Total</b>					<b><u><u>\$ 13,892,651</u></u></b>

**KCERA  
CASH FLOW POSITION  
March, 2026**

**NORTHERN TRUST**

<b>Beginning Cash Balance:</b>		<b>\$</b>	<b>53,686,336</b>
Private Markets - Distributions	24,239,904		
Commingled Funds - Distributions	3,534,352		
Redemption                      Mellon Developed Markets	-		
Redemption                      Lazard Japanese Equity	-		
Redemption/ Liquidation      PIMCO CP	-		
Dividend and Interest Income	1,176,176		
Securities Lending Earnings (NET)	22,910		
<b>Total Receipts:</b>			<b>28,973,343</b>
Capital Calls                      Private Markets	(18,237,616)		
Capital Calls                      Commingled Funds	(1,660,859)		
Contribution                      Longreach Capital Partners	-		
Contribution                      Congress Small Cap Value	-		
Contribution                      Parametric	-		
Other Expenses	(8,234)		
<b>Total Disbursements:</b>			<b><u>(19,906,710)</u></b>
<b>Ending Cash Balance</b>		<b>\$</b>	<b><u>62,752,969</u></b>

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

Description	July	August	September	October	November	December	January	February	March	Total
<b>Investment Base Fees:</b>										
Domestic Equity:										
AllianceBernstein	57,598.30	0.00	25,862.51	0.00	0.00	0.00	0.00	0.00	0.00	83,460.81
Henderson Geneva Capital	189,429.00	0.00	0.00	189,805.00	0.00	0.00	169,458.00	0.00	0.00	548,692.00
Mellon Capital	42,127.47	56,524.79	0.00	22,423.27	0.00	0.00	53,593.70	0.00	0.00	174,669.23
International Equity:										
Lazard	120,362.24	0.00	0.00	131,714.49	0.00	0.00	134,952.79	0.00	0.00	387,029.52
Mellon Capital (Developed Markets)	0.00	0.00	0.00	22,855.66	0.00	0.00	0.00	0.00	0.00	22,855.66
Fixed Income:										
Aristotle Pacific Capital, LLC	38,798.00	46,897.00	0.00	0.00	59,785.00	0.00	0.00	61,382.00	0.00	206,862.00
Mellon Capital (Agg Bond)	16,602.26	0.00	0.00	7,913.30	0.00	0.00	0.00	0.00	0.00	24,515.56
Pacific Investment Management Company	359,485.30	0.00	0.00	45,741.11	265,957.15	0.00	0.00	1,038,324.83	60,595.50	1,770,103.89
Western Asset Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guggenheim Securitized Products	0.00	17,538.74	0.00	118,189.22	0.00	0.00	128,192.78	0.00	0.00	263,920.74
Schroders Securitized Products	0.00	0.00	0.00	128,086.33	0.00	0.00	0.00	120,290.14	0.00	248,376.47
Commodities:										
Wellington Trust Company	0.00	249,707.22	0.00	0.00	260,038.96	0.00	0.00	305,652.53	0.00	815,398.71
Real Estate:										
ASB Capital Management	0.00	227,965.71	0.00	228,888.34	0.00	0.00	0.00	222,590.93	0.00	679,444.98
Midstream Energy:										
Harvest Midstream	336,364.88	0.00	0.00	347,532.43	0.00	0.00	277,004.53	45,879.53	0.00	1,006,781.37
Cash & Overlay										
BlackRock	70,177.41	0.00	0.00	55,632.33	0.00	0.00	42,731.47	0.00	0.00	168,541.21
Parametric	0.00	37,500.00	0.00	0.00	20,106.00	0.00	29,082.00	0.00	0.00	86,688.00
<b>Subtotal</b>	<b>1,230,944.86</b>	<b>636,133.46</b>	<b>25,862.51</b>	<b>1,298,781.48</b>	<b>605,887.11</b>	<b>0.00</b>	<b>835,015.27</b>	<b>1,794,119.96</b>	<b>60,595.50</b>	<b>6,487,340.15</b>
<b>Investment Professional Fees:</b>										
Consulting:										
Abel Noser	0.00	0.00	8,190.00	0.00	8,190.00	0.00	0.00	8,190.00	0.00	24,570.00
Albourne America LLC	33,333.33	33,333.33	33,333.33	33,333.33	33,333.33	33,333.33	33,333.33	50,683.33	33,333.33	317,349.97
Cambridge Associates	187,500.00	0.00	187,500.00	0.00	0.00	62,500.00	125,000.00	0.00	187,500.00	750,000.00
Glass, Lewis & Co.	7,950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,950.00
Verus	68,333.34	34,166.67	0.00	35,416.67	35,416.67	35,416.67	35,416.67	0.00	35,416.67	279,583.36
Consulting - Other Expenses	0.00	0.00	0.00	14,375.00	0.00	0.00	0.00	0.00	0.00	14,375.00
Custodial:										
The Northern Trust Co.	131,633.33	0.00	152,647.22	0.00	0.00	120,319.44	0.00	0.00	132,300.00	536,899.99
Legal:										
Foley & Lardner LLP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hanson Bridgett LLP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nossaman LLP	40,000.00	21,858.20	0.00	68,308.00	68,480.50	0.00	2,689.00	0.00	1,884.00	203,219.70
Due Diligence / Investment-Related Travel:	9,587.45	2,971.52	412.18	8,314.78	0.00	0.00	0.00	0.00	0.00	21,285.93
<b>Subtotal</b>	<b>478,337.45</b>	<b>92,329.72</b>	<b>382,082.73</b>	<b>159,747.78</b>	<b>145,420.50</b>	<b>251,569.44</b>	<b>196,439.00</b>	<b>58,873.33</b>	<b>390,434.00</b>	<b>2,155,233.95</b>
<b>Total Investment Fees</b>	<b>1,709,282.31</b>	<b>728,463.18</b>	<b>407,945.24</b>	<b>1,458,529.26</b>	<b>751,307.61</b>	<b>251,569.44</b>	<b>1,031,454.27</b>	<b>1,852,993.29</b>	<b>451,029.50</b>	<b>8,642,574.10</b>

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

Expense Type	Budget FY 2025/26	Expenses	Over (Under)
<b>Personnel Costs</b>			
Salaries	5,184,129	3,647,019	(1,537,110)
Benefits	2,918,170	1,907,399	(1,010,771)
<b>Total Personnel Costs</b>	<b>8,102,299</b>	<b>5,554,418</b>	<b>(2,547,881)</b>
<b>Staff Development</b>			
Education & professional development	147,000	93,288	(53,712)
Staff recognition	5,200	3,902	(1,298)
<b>Total Staff Development</b>	<b>152,200</b>	<b>97,190</b>	<b>(55,010)</b>
<b>Professional Services</b>			
Actuarial fees	157,250	54,600	(102,650)
Audit fees	53,300	48,000	(5,300)
Consultant fees	90,000	57,890	(32,110)
Custodial fees	562,000	405,267	(156,733)
Disability services	250,000	104,099	(145,901)
Investment consultants	1,602,950	1,374,737	(228,213)
Legal fees	465,000	171,960	(293,040)
<b>Total Professional Services *</b>	<b>3,180,500</b>	<b>2,216,553</b>	<b>(963,948)</b>
<b>Office Expenses</b>			
Building expenses	232,000	143,102	(88,898)
Communication platforms	60,939	39,014	(21,925)
Equipment lease & maintenance	25,100	13,059	(12,041)
Member engagement	50,000	5,116	(44,884)
Subscriptions & memberships	36,200	22,850	(13,350)
Office supplies & misc. admin.	83,700	50,846	(32,854)
Payroll & accounts payable fees	25,000	-	(25,000)
Postage	30,000	15,907	(14,093)
Other services - Kern County	40,000	-	(40,000)
Utilities	37,980	25,690	(12,290)
<b>Total Office Expenses</b>	<b>620,919</b>	<b>315,584</b>	<b>(305,335)</b>
<b>Insurance</b>	<b>199,594</b>	<b>171,347</b>	<b>(28,248)</b>
<b>Information Technology Systems</b>			
Audit-security & vulnerability scan	4,000	3,960	(40)
Business continuity expenses	10,000	10,352	352
Hardware	51,114	37,373	(13,741)
Licensing & support	288,158	159,010	(129,148)
Software	356,243	302,849	(53,394)
Website design & hosting	19,200	13,085	(6,115)
<b>Total Information Technology Systems</b>	<b>728,715</b>	<b>526,629</b>	<b>(202,086)</b>
<b>Board of Retirement</b>			
Board compensation	16,000	6,400	(9,600)
Board conferences & training	50,000	24,648	(25,352)
Board elections	112,500	68,791	(43,709)
Board meetings	8,500	4,519	(3,981)
<b>Total Board of Retirement</b>	<b>187,000</b>	<b>104,358</b>	<b>(82,643)</b>
<b>Depreciation</b>	<b>245,954</b>	<b>183,381</b>	<b>(62,573)</b>
<b>Total Operating Expenses</b>	<b>13,417,181</b>	<b>9,169,460</b>	<b>(4,247,723)</b>

## ◆ Class Action Activity Detail by Event Name

Class Action Name	Event Status	Event Status As Of	Class Start Class End	Filing Deadline	Objection/ Exclusion Deadline	Claims Admin Name	Web Address
QUALCOMM INCORPORATED (2017)	DISBURSING	14 Apr 26	31 Jan 12 20 Apr 17	08 Nov 24	06 Sep 24 29 Jan 24	AB Data	www.qualcommsecuritieslitigation.com/

Account Notified/Filed	Account Notified/Filed Name	Claim Status as of Date/ Claim Status	Account Paid	Account Paid Name	Amount Currency	Distribution/ Type	Date Distributed
2671873	ZZKNCTY-T. ROWE PRICE -SL	14 Apr 26 PAID	2608468	KNCTY-CASH ACCOUNT	110.48 USD	1 CASH	14 Apr 26
2671874	ZZKNCTY-PANAGORA -SL	14 Apr 26 PAID	2608468	KNCTY-CASH ACCOUNT	110.38 USD	1 CASH	14 Apr 26

Although this report has been prepared using information believed to be reliable, it may contain information provided by third parties or derived from third party information, and/or information that may have been obtained from, categorized or otherwise reported based upon client direction. The Northern Trust Company does not guarantee the accuracy, timeliness or completeness of any such information. The information included in this report is intended to assist clients with their financial reporting needs, but you must consult with your accountants, auditors and/or legal counsel to ensure your accounting and financial reporting complies with applicable laws, regulations and accounting guidance. The Northern Trust Company and its affiliates shall have no responsibility for the consequences of investment decisions made in reliance on information contained in this report.



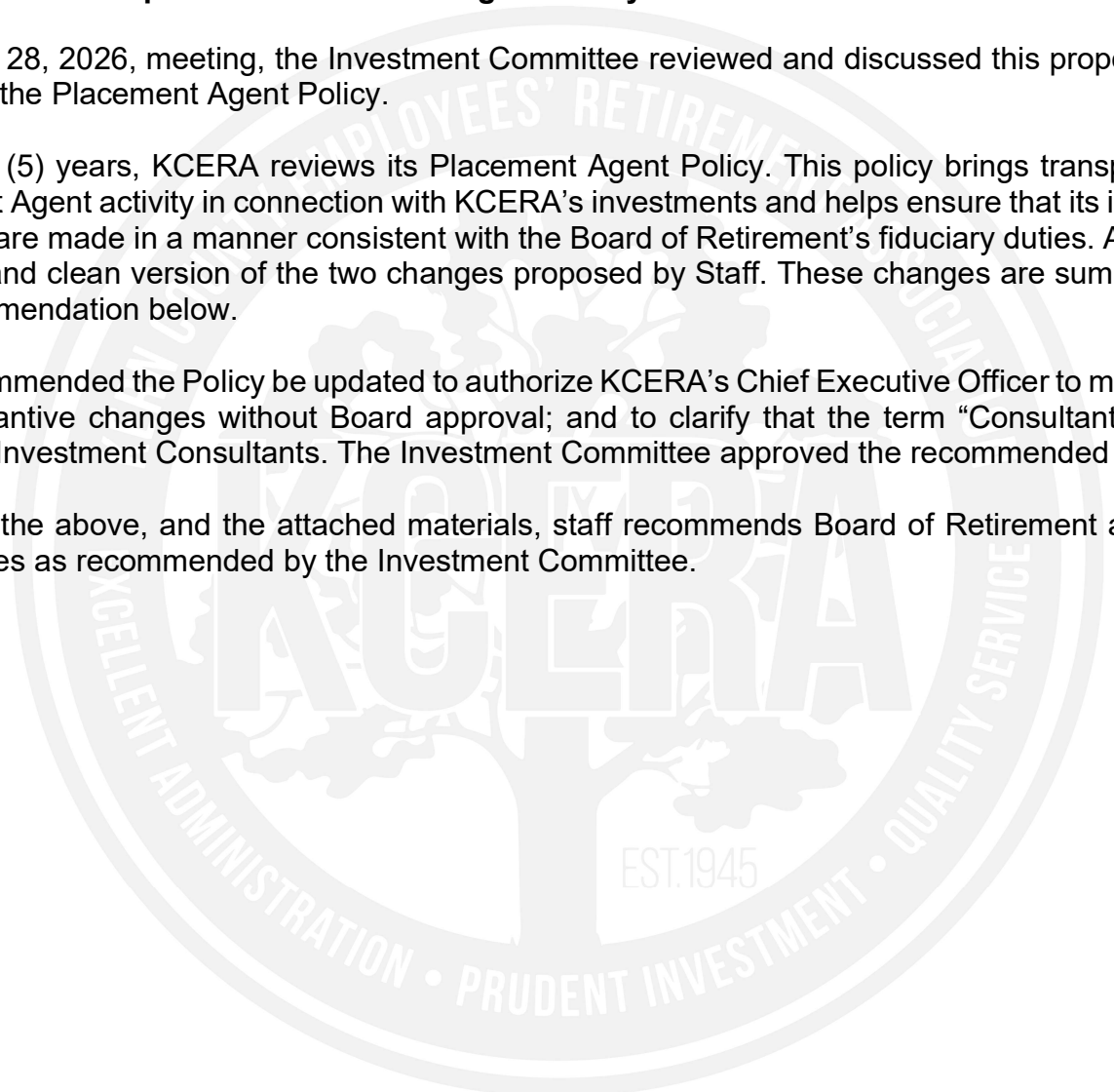
**Date:** May 6, 2026  
**To:** Trustees, Board of Retirement  
**From:** Jennifer Esquivel Zahry, Chief Legal Officer  
**Subject:** **2026 Updates to Placement Agent Policy**

At its April 28, 2026, meeting, the Investment Committee reviewed and discussed this proposed 2026 Update to the Placement Agent Policy.

Every five (5) years, KCERA reviews its Placement Agent Policy. This policy brings transparency to Placement Agent activity in connection with KCERA's investments and helps ensure that its investment decisions are made in a manner consistent with the Board of Retirement's fiduciary duties. Attached is a redline and clean version of the two changes proposed by Staff. These changes are summarized in the recommendation below.

Staff recommended the Policy be updated to authorize KCERA's Chief Executive Officer to make minor, non-substantive changes without Board approval; and to clarify that the term "Consultant" refers to KCERA's Investment Consultants. The Investment Committee approved the recommended changes.

Based on the above, and the attached materials, staff recommends Board of Retirement approve of the changes as recommended by the Investment Committee.





11125 River Run Blvd  
Bakersfield, CA 93311  
661.381.7700  
[www.kcera.org](http://www.kcera.org)

## **PLACEMENT AGENT POLICY**

### **PURPOSE**

This Policy sets for the circumstances under which the Kern County Employees' Retirement Association ("KCERA") shall require the disclosure of payments to Placement Agents in connection with KCERA investments in and through its Investment Managers. KCERA adopts this Policy to require broad, timely, and updated disclosure of all Placement Agent relationships, compensation, and fees. The goal of this Policy is to bring transparency to Placement Agent activity in connection with KCERA's investments and to help ensure that all investment decisions are made solely on the merits and in a manner consistent with the Board of Retirement's fiduciary duties.

This policy is intended to supplement any applicable provisions of state or federal law, which shall govern in the event of any inconsistency.

This Policy may be amended at any regular or specially noticed meeting of the KCERA Board of Retirement ("Board"). To facilitate the orderly and efficient administration of KCERA's investments, the Board hereby delegates to KCERA's Chief Executive Officer the authority to approve process changes of a minor, non-substantive nature that do not alter the applicable law or fundamental responsibilities of KCERA or any Investment Manager. The scope of this delegation of authority includes typographical errors, format revisions, conforming terminology, revision of forms, changes to facilitate information exchange and other similar amendments.

### **DEFINITIONS**

As used in this Policy, the following terms are defined as follows:

1. "Placement Agent" as used in this policy is defined in Government Code section 7513.8. (See attached Exhibit A.)
2. "External Manager" as used in this policy is defined in Government Code section 7513.8. (See attached Exhibit A.)
3. "Board" means the Board of Retirement of the Kern County Employees' Retirement Association, including elected alternates.
4. "Consultant" as used in this policy refers to any KCERA Investment consultant.

### **APPLICATION**

This Policy applies to all agreements with External Managers that are entered into after the date this Policy is adopted. This Policy also applies to existing agreements with External Managers if, after the

date this Policy is adopted, the agreement is amended in any way. In the case of an amendment, the disclosure provisions of this Policy shall apply to the amendment and not to the original agreement.

### **DISCLOSURE REGARDING PLACEMENT AGENT RELATIONSHIP**

Each External Manager is responsible for providing, in a form acceptable to the KCERA's Chief Executive Officer and its legal counsel, a statement that the External Manager has not used a Placement Agent in connection with KCERA's investment, or if the External Manager has used a Placement Agent, a statement disclosing the following:

1. Whether the External Manager, or any of its principals, employees, agents or affiliates has compensated or agreed to compensate, directly or indirectly, any person (whether or not employed by the External Manager) or entity to act as a Placement Agent in connection with any investment by KCERA;
2. A resume for each partner, officer, or principal of the Placement Agent (and any employee providing similar services) detailing the person's education, professional designations, regulatory licenses, and investment and work experience. If any such person is a current or former KCERA Board member, KCERA employee or KCERA Consultant or a member of the immediate family of any such person, this fact shall be specifically noted;
3. A description of any and all compensation of any kind provided, or agreed to be provided, to the Placement Agent including the nature, timing and value thereof;
4. A description of the services to be performed by the Placement Agent and a statement as to whether the Placement Agent is utilized by the External Manager with all prospective clients or only with a subset of the External Manager's prospective clients;
5. A representation that the fee is the sole obligation of the External Manager and not of KCERA, the investment vehicle, or any investor(s) in the investment vehicle;
6. The name(s) of current or former KCERA Board member(s), KCERA employee(s), or KCERA Consultants or member(s) of the immediate family of any such person that are employed or receiving compensation of any kind provided, or agreed to be provided, directly or indirectly, from the Placement Agent;
7. The name(s) of any current or former KCERA Board member(s), KCERA employee(s) or KCERA Consultant(s) who suggested the retention of the Placement Agent;
8. A statement whether the Placement Agent, or any of its affiliates, are registered with the Securities and Exchange Commission or the Financial Industry Regulatory Association or any similar state regulatory agency, or any similar regulatory agency in a country other than the United States, and the details of that registration or explanation as to why no registration is required;

9. A statement whether the Placement Agent, or any of its affiliates, is registered (or is required to be registered as of a date certain) as a lobbyist with any state or national government; and
10. A copy of any and all agreements between the External Manager and the Placement Agent that relate to any activities affecting KCERA.

The External Manager shall represent and warrant the accuracy of the information disclosed to KCERA and has an on-going obligation to update any such information within ten (10) business days of the change in information.

### **DISCLOSURE OF CAMPAIGN CONTRIBUTIONS AND GIFTS**

Each Placement Agent shall, prior to acting as a Placement Agent, disclose to KCERA (1) all campaign contributions made by the Placement Agent to any elected KCERA Board member during the prior 24-month period and the date on which such contribution was made and (2) all gifts, as defined in Government Code section 82028, given by the Placement Agent to any KCERA Board member, KCERA employee(s) or KCERA Consultant(s) or immediate family members of any such person during the prior 24-month period and the date on which such gift was given. Additionally, any subsequent campaign contribution or gift made by the Placement Agent to any KCERA Board member, KCERA employee(s) or KCERA Consultant(s) during the time the Placement Agent is receiving compensation in connection with a KCERA investment shall also be disclosed. The External Manager shall be responsible for communicating this disclosure requirement to its Placement Agent.

### **ENFORCEMENT OF POLICY**

Any External Manager or Placement Agent that violates this Policy shall not solicit new investments from KCERA for five (5) years after the violation was committed. However, this prohibition may be reduced by a majority vote of the KCERA Board of Retirement at a public session upon a showing of good cause.

KCERA shall not enter into any agreement with an External Manager that does not agree in writing to comply with this Policy.

In the event a Placement Agent is expected to receive compensation in connection with KCERA's investment with an External Manager, the Chief Executive Officer, or his/her designee, will so notify the Board in a written memorandum prior to execution of an agreement with the External Manager. If an External Manager breaches this Policy, the Chief Executive Officer, or his/her designee, will notify the Board in a timely manner.

## EXHIBIT A

### Government Code section 7513.8. Definitions

As used in this section and Sections 7513.85, 7513.86, 7513.87, 7513.9, and 7513.95:

- (a) "Board" means the retirement board of a public pension or retirement system, as defined in subdivision (h) of Section 17 of Article XVI of the California Constitution.
- (b) "External manager" means either of the following:
  - (1) A person who is seeking to be, or is, retained by a board or an investment vehicle to manage a portfolio of securities or other assets for compensation.
  - (2) A person who manages an investment fund and who offers or sells, or has offered or sold, an ownership interest in the investment fund to a board or an investment vehicle.
- (c)(1) "Investment fund" means a private equity fund, public equity fund, venture capital fund, hedge fund, fixed income fund, real estate fund, infrastructure fund, or similar pooled investment entity that is, or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, owning, holding, or trading securities or other assets.
  - (2) Notwithstanding paragraph (1), an investment company that is registered with the Securities Exchange Commission pursuant to the Investment Company Act of 1940 (15 U.S.C Sec. 80a-1 et seq.) and that makes a public offering of its securities is not an investment fund.
- (d) "Investment vehicle" means a corporation, partnership, limited partnership, limited liability company, association, or other entity, either domestic or foreign, managed by an external manager in which a board is the majority investor and that is organized in order to invest with, or retain the investment management services of, other external managers.
- (e) "Person" means an individual, corporation, partnership, limited partnership, limited liability company, or association, either domestic or foreign.
- (f)(1) "Placement agent" means any person directly or indirectly hired, engaged, or retained by, or serving for the benefit of or on behalf of, an external manager, or an investment fund managed by an external manager, and who acts or has acted for compensation as a finder, solicitor, marketer, consultant, broker, or other intermediary in connection with the offer or sale to a board or an investment vehicle, either of the following:
  - (A) In the case of an external manager within the meaning of paragraph (1) of subdivision (b), the investment management services of the external manager.

- (B) In the case of an external manager within the meaning of paragraph (2) of subdivision (b), an ownership interest in an investment fund managed by the external manager.
- (2) Notwithstanding paragraph (1), an individual who is an employee, officer, director, equity holder, partner, member, or trustee of an external manager and who spends one-third or more of his or her time, during a calendar year, managing the securities or assets owned, controlled, invested, or held by the external manager is not a placement agent.

PROPOSED

#### **POLICY REVIEW AND HISTORY**

- 1) This policy shall be reviewed at least every five (5) years.
- 2) This policy was:
  - a) Adopted by the Board on March 9, 2016.
  - b) Reviewed and amended by the Board on March 13, 2019; June 8, 2022; and May 6, 2026.

## **KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION DISCLOSURE STATEMENT REGARDING USE OF PLACEMENT AGENTS**

The undersigned is a current or proposed "External Manager" for the Kern County Employees' Retirement Association ("KCERA"), as defined under KCERA's Placement Agent Policy, adopted March 9, 2016 ("Policy"). We have received a copy of the Policy from KCERA. We hereby disclose to KCERA the following information, which we represent and warrant to be true and correct as of the date hereof:

1. Neither we nor any of our principals, employees, agents or affiliates has compensated or agreed to compensate, directly or indirectly, any person (whether or not employed by us) or entity to act as a Placement Agent (as defined in the Policy) in connection with any investment by KCERA, **except as disclosed on Attachment 1 to this Disclosure Statement.**

**[IF THERE IS NOTHING TO DISCLOSE IN ATTACHMENT 1, ITEMS 2-7 DO NOT APPLY.]**

2. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 2 to this Disclosure Statement a resume for each officer, partner or principal of the Placement Agent (and any employee providing similar services) detailing the person's education, professional designations, regulatory licenses and investment and work experience, and whether any such person is a current or former KCERA Board member(s), KCERA employee(s) or KCERA Consultant(s) or a member of the immediate family of any such person.
3. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 3 to this Disclosure Statement a description of any and all compensation of any kind we have provided or have agreed to provide to a Placement Agent, including the nature, timing and value thereof.
4. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 4 to this Disclosure Statement a description of the services to be performed by the Placement Agent.
5. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 5 to this Disclosure Statement a copy of any and all agreements between us and the Placement Agent.
6. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 6 to this Disclosure Statement the names of any current or former KCERA Board member(s), KCERA employee(s), or KCERA Consultant(s) who suggested the retention of the Placement Agent.
7. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 7 to this Disclosure Statement a statement whether the Placement Agent or any of its affiliates are registered with the Securities and Exchange Commission or the Financial Industry Regulatory Association or any similar regulatory agent in a country other than the United States and the details of such registration or explanation of why no registration is required.

We further represent and warrant as follows:

- A. We shall provide an update of any changes to any of the information included in this Disclosure Statement within ten (10) business days of the occurrence of the change in information.
- B. We shall use our best efforts to cause our engaged Placement Agent, if any, prior to acting as a Placement Agent with regard to KCERA, to disclose to KCERA in writing any campaign contribution, gift or other item of value made or given to any member of the KCERA Board or Staff, or Consultant (as defined in the Policy), during the prior twenty-four month period.
- C. We shall use our best efforts to cause our engaged Placement Agent, during the time it is receiving compensation in connection with a KCERA investment, to disclose to KCERA any campaign contribution, gift or other item of value made or given to any member of the KCERA Board or Staff, or Consultant, during such period.

Dated: \_\_\_\_\_

EXTERNAL MANAGER

[Name of Entity]

By: \_\_\_\_\_  
Authorized Signatory

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



## PLACEMENT AGENT POLICY

### PURPOSE

This Policy sets for the circumstances under which the Kern County Employees' Retirement Association ("KCERA") shall require the disclosure of payments to Placement Agents in connection with KCERA investments in and through its Investment Managers. KCERA adopts this Policy to require broad, timely, and updated disclosure of all Placement Agent relationships, compensation, and fees. The goal of this Policy is to bring transparency to Placement Agent activity in connection with KCERA's investments and to help ensure that all investment decisions are made solely on the merits and in a manner consistent with the Board of Retirement's fiduciary duties.

This policy is intended to supplement any applicable provisions of state or federal law, which shall govern in the event of any inconsistency.

This Policy may be amended at any regular or specially noticed meeting of the KCERA Board of Retirement ("Board"). To facilitate the orderly and efficient administration of KCERA's investments, the Board hereby delegates to KCERA's Chief Executive Officer the authority to approve process changes of a minor, non-substantive nature that do not alter the applicable law or fundamental responsibilities of KCERA or any Investment Manager.any affected member or KCERA Employer. The scope of this delegation of authority includes typographical errors, format revisions, conforming terminology, revision of forms, changes to facilitate information exchange and other similar amendments.

### DEFINITIONS

As used in this Policy, the following terms are defined as follows:

1. "Placement Agent" as used in this policy is defined in Government Code section 7513.8. (See attached Exhibit A.)
2. "External Manager" as used in this policy is defined in Government Code section 7513.8. (See attached Exhibit A.)
3. "Board" means the Board of Retirement of the Kern County Employees' Retirement Association, including elected alternates.
4. "Consultant" as used in this policy refers to any KCERA Investment consultant.

## APPLICATION

This Policy applies to all agreements with External Managers that are entered into after the date this Policy is adopted. This Policy also applies to existing agreements with External Managers if, after the date this Policy is adopted, the agreement is amended in any way. In the case of an amendment, the disclosure provisions of this Policy shall apply to the amendment and not to the original agreement.

### DISCLOSURE REGARDING PLACEMENT AGENT RELATIONSHIP

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1. Whether the External Manager, or any of its principals, employees, agents or affiliates has compensated or agreed to compensate, directly or indirectly, any person (whether or not employed by the External Manager) or entity to act as a Placement Agent in connection with any investment by KCERA;
2. A resume for each partner, officer, or principal of the Placement Agent (and any employee providing similar services) detailing the person's education, professional designations, regulatory licenses, and investment and work experience. If any such person is a current or former KCERA Board member, [KCERA](#) employee or [KCERA](#) Consultant or a member of the immediate family of any such person, this fact shall be specifically noted;
3. A description of any and all compensation of any kind provided, or agreed to be provided, to the Placement Agent including the nature, timing and value thereof;
4. A description of the services to be performed by the Placement Agent and a statement as to whether the Placement Agent is utilized by the External Manager with all prospective clients or only with a subset of the External Manager's prospective clients;
5. A representation that the fee is the sole obligation of the External Manager and not of KCERA, the investment vehicle, or any investor(s) in the investment vehicle;
6. The name(s) of current or former KCERA Board member(s), [KCERA](#) employee(s), or [KCERA](#) eConsultants or member(s) of the immediate family of any such person that are employed or receiving compensation of any kind provided, or agreed to be provided, directly or indirectly, from the Placement Agent;

7. The name(s) of any current or former KCERA Board member(s), [KCERA employee\(s\)](#) or [KCERA eConsultant\(s\)](#) who suggested the retention of the Placement Agent;
8. A statement whether the Placement Agent, or any of its affiliates, are registered with the Securities and Exchange Commission or the Financial Industry Regulatory Association or any similar state regulatory agency, or any similar regulatory agency in a country other than the United States, and the details of that registration or explanation as to why no registration is required;
9. A statement whether the Placement Agent, or any of its affiliates, is registered (or is required to be registered as of a date certain) as a lobbyist with any state or national government; and
10. A copy of any and all agreements between the External Manager and the Placement Agent that relate to any activities affecting KCERA.

The External Manager shall represent and warrant the accuracy of the information disclosed to KCERA and has an on-going obligation to update any such information within ten (10) business days of the change in information.

#### **DISCLOSURE OF CAMPAIGN CONTRIBUTIONS AND GIFTS**

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#### **ENFORCEMENT OF POLICY**

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KCERA shall not enter into any agreement with an External Manager that does not agree in writing to comply with this Policy.

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In the event a Placement Agent is expected to receive compensation in connection with KCERA's investment with an External Manager, the Chief Executive Officer, or his/her designee, will so notify the Board in a written memorandum prior to execution of an agreement with the External Manager. If an External Manager breaches this Policy, the Chief Executive Officer, or his/her designee, will notify the Board in a timely manner.

DRAFT

## EXHIBIT A

### Government Code section 7513.8. Definitions

As used in this section and Sections 7513.85, 7513.86, 7513.87, 7513.9, and 7513.95:

- (a) "Board" means the retirement board of a public pension or retirement system, as defined in subdivision (h) of Section 17 of Article XVI of the California Constitution.
- (b) "External manager" means either of the following:
  - (1) A person who is seeking to be, or is, retained by a board or an investment vehicle to manage a portfolio of securities or other assets for compensation.
  - (2) A person who manages an investment fund and who offers or sells, or has offered or sold, an ownership interest in the investment fund to a board or an investment vehicle.
- (c)(1) "Investment fund" means a private equity fund, public equity fund, venture capital fund, hedge fund, fixed income fund, real estate fund, infrastructure fund, or similar pooled investment entity that is, or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, owning, holding, or trading securities or other assets.
- (2) Notwithstanding paragraph (1), an investment company that is registered with the Securities Exchange Commission pursuant to the Investment Company Act of 1940 (15 U.S.C Sec. 80a-1 et seq.) and that makes a public offering of its securities is not an investment fund.
- (d) "Investment vehicle" means a corporation, partnership, limited partnership, limited liability company, association, or other entity, either domestic or foreign, managed by an external manager in which a board is the majority investor and that is organized in order to invest with, or retain the investment management services of, other external managers.
- (e) "Person" means an individual, corporation, partnership, limited partnership, limited liability company, or association, either domestic or foreign.
- (f)(1) "Placement agent" means any person directly or indirectly hired, engaged, or retained by, or serving for the benefit of or on behalf of, an external manager, or an investment fund managed by an external manager, and who acts or has acted for compensation as a finder, solicitor, marketer, consultant, broker, or other intermediary in connection with the offer or sale to a board or an investment vehicle, either of the following:

- |
- (A) In the case of an external manager within the meaning of paragraph (1) of subdivision (b), the investment management services of the external manager.
  - (B) In the case of an external manager within the meaning of paragraph (2) of subdivision (b), an ownership interest in an investment fund managed by the external manager.
- (2) Notwithstanding paragraph (1), an individual who is an employee, officer, director, equity holder, partner, member, or trustee of an external manager and who spends one-third or more of his or her time, during a calendar year, managing the securities or assets owned, controlled, invested, or held by the external manager is not a placement agent.

DRAFT

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#### **POLICY REVIEW AND HISTORY**

- 1) This policy shall be reviewed at least every five (5) years.
- 2) This policy was:
  - a) Adopted by the Board on March 9, 2016.

- b) Reviewed and amended by the Board on March 13, 2019; ~~and June 8, 2022;~~ and May 6, 2026.

DRAFT

## **KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION DISCLOSURE STATEMENT REGARDING USE OF PLACEMENT AGENTS**

The undersigned is a current or proposed "External Manager" for the Kern County Employees' Retirement Association ("KCERA"), as defined under KCERA's Placement Agent Policy, adopted March 9, 2016 ("Policy"). We have received a copy of the Policy from KCERA. We hereby disclose to KCERA the following information, which we represent and warrant to be true and correct as of the date hereof:

1. Neither we nor any of our principals, employees, agents or affiliates has compensated or agreed to compensate, directly or indirectly, any person (whether or not employed by us) or entity to act as a Placement Agent (as defined in the Policy) in connection with any investment by KCERA, **except as disclosed on Attachment 1 to this Disclosure Statement.**

**[IF THERE IS NOTHING TO DISCLOSE IN ATTACHMENT 1, ITEMS 2-7 DO NOT APPLY.]**

2. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 2 to this Disclosure Statement a resume for each officer, partner or principal of the Placement Agent (and any employee providing similar services) detailing the person's education, professional designations, regulatory licenses and investment and work experience, and whether any such person is a current or former KCERA Board member(s), KCERA employee(s) or KCERA Consultant(s) or a member of the immediate family of any such person.
3. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 3 to this Disclosure Statement a description of any and all compensation of any kind we have provided or have agreed to provide to a Placement Agent, including the nature, timing and value thereof.
4. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 4 to this Disclosure Statement a description of the services to be performed by the Placement Agent.
5. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 5 to this Disclosure Statement a copy of any and all agreements between us and the Placement Agent.
6. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 6 to this Disclosure Statement the names of any current or former KCERA Board member(s), KCERA employee(s), or KCERA Consultant(s) who suggested the retention of the Placement Agent.
7. To the extent of any disclosure set forth on Attachment 1, we attach as Attachment 7 to this Disclosure Statement a statement whether the Placement Agent or any of

its affiliates are registered with the Securities and Exchange Commission or the Financial Industry Regulatory Association or any similar regulatory agent in a country other than the United States and the details of such registration or explanation of why no registration is required.

We further represent and warrant as follows:

- A. We shall provide an update of any changes to any of the information included in this Disclosure Statement within ten (10) business days of the occurrence of the change in information.
- B. We shall use our best efforts to cause our engaged Placement Agent, if any, prior to acting as a Placement Agent with regard to KCERA, to disclose to KCERA in writing any campaign contribution, gift or other item of value made or given to any member of the KCERA Board or Staff, or Consultant (as defined in the Policy), during the prior twenty-four month period.
- C. We shall use our best efforts to cause our engaged Placement Agent, during the time it is receiving compensation in connection with a KCERA investment, to disclose to KCERA any campaign contribution, gift or other item of value made or given to any member of the KCERA Board or Staff, or Consultant, during such period.

Dated: \_\_\_\_\_

EXTERNAL MANAGER

Name of Entity

By: \_\_\_\_\_  
Authorized Signatory

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Date:** May 6, 2026  
**To:** Trustees, Board of Retirement  
**From:** Dominic D. Brown, Chief Executive Officer  
**Subject:** **Sculptor Annual General Meeting**  
**New York, New York**  
**May 12-15, 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 – 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

<b>Travel Subject</b>	_____	Sculptor Annual General Meeting
<b>Date(s)</b>	_____	May 12-15, 2026
<b>Location</b>	_____	New York, New York
<b>Proposed Attendee(s)</b>	_____	Jack Bowman

**Estimated Total Travel Cost** \_\_\_\_\_ **\$3,033.00** \_\_\_\_\_

Description	Computation	Bowman	Totals	Borne By	
				KCERA	Sponsor
Registration fees	\$0.00	= \$0.00	-	-	
Lodging expense	3 nights @ \$ 610.00 /night	= 1,830.00	<b>1,830.00</b>	1,830.00	
Per diem meals reimbursement:	3 days @ \$ 92.00 /day	= 276.00			
Less meals provided by sponsor	1 Breakfast, 1 Lunch, 0 Dinner = \$46.00	= (\$46.00)			\$46.00
Total meals expense		=	<b>276.00</b>	230.00	
Shuttle/taxicab expense	\$200	= 200.00	<b>200.00</b>	200.00	
Airfare	\$773.00	= \$773.00	<b>\$773.00</b>	773.00	
Vehicle-related expenses:		= -	-	-	
Parking		= -	-	-	
Mileage	_____ miles @ _____ 0.425 /mile (Department Head)	= -	-	-	
	- miles @ _____ 0.725 /mile (Staff, Trustee)	= -	-	-	
Rental car		= -	-	-	
Rental car gasoline		= -	-	-	
<b>Totals</b>		= 3,033.00	<b>\$ 3,079.00</b>	<b>\$ 3,033.00</b>	<b>\$ 46.00</b>

# 2026 Annual Limited Partner Meeting

## Conference Agenda

New York, NY  
Thursday, May 14, 2026

### MORNING

8:00 AM *Breakfast*

9:00 AM **Funds Overview and Investment Environment**

10:00 AM **Themes and Investments**

10:45 AM *Coffee Break*

11:00 AM **Themes and Investments**

### AFTERNOON

12:15 PM *Lunch*

1:00 PM **Speaker Presentation**

2:05 PM *Coffee Break*

2:15 PM **Themes and Investments**

3:15 PM *Cocktail Reception*

**Date:** May 6, 2026  
**To:** Trustees, Board of Retirement  
**From:** Dominic D. Brown, Chief Executive Officer



**Subject:** **SACRS Board of Directors Meeting**  
**Oakland, California**  
**June 22-23, 2026**

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

- 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 meeting sponsor.

The meeting topics are relevant to the administration of the retirement system. Accordingly, I recommend that the Board approve the attendance of Trustee Jordan Kaufman.

Attachment

<b>Travel Subject</b>	SACRS Board of Directors Meeting
<b>Sponsor</b>	SACRS
<b>Date(s)</b>	June 22-23, 2026
<b>Location</b>	Oakland, CA
<b>Proposed Attendee(s)</b>	Jordan Kaufman

**Estimated Total Travel Cost** **\$622.81**

Description	Computation		Kaufman	Totals	Borne By	
					KCERA	Sponsor
Registration fees		=	-	-	-	
Lodging expense	1 nights @ \$ 300.00 /night	=	300.00	<b>300.00</b>	300.00	
Per diem meals reimbursement:	1 days @ \$ 92.00 /day	=	92.00			
Less meals provided by sponsor	0 Breakfast, 1 Lunch, 1 Dinner = \$67.94	=	(\$67.94)			\$67.94
Total meals expense		=		<b>92.00</b>	24.06	
Shuttle/taxicab expense	Taxi Estimate	=		-	-	
Airfare	\$0.00	=	\$0.00	<b>\$0.00</b>	-	
Vehicle-related expenses:		=	-	-	-	
Parking	1 days @ 45.00 /day	=	45.00	<b>45.00</b>	45.00	
Mileage	miles @ /mile (Department Head)	=	-	-	-	
	350 miles @ 0.725 /mile (Staff, Trustee)	=	253.75	<b>253.75</b>	253.75	
Rental car		=	-	-	-	
Rental car gasoline		=	-	-	-	
<b>Totals</b>		=	622.81	<b>\$ 690.75</b>	<b>\$ 622.81</b>	<b>\$ 67.94</b>



**SACRS**  
**Spring Conference**  
**Annual Business Meeting 2026**

Friday, May 15, 2026  
10:15 am – 11:30 am

Everline Resort & Spa, Lake Tahoe  
Olympic Valley, CA



## **Vision, Mission, Core Values**

The members and staff of the State Association of County Retirement Systems (SACRS) share a common purpose, mission and core values.

## **Statement of Purpose**

The specific and primary purposes of SACRS are to provide forums for disseminating knowledge of and developing expertise in the operation of 20 county retirement systems existing under the County Employees Retirement Law of 1937 (CERL) sets forth in California Government Code section 31450 et. seq., and to foster and take an active role in the legislative process as it affects county retirement systems.

## **Mission Statement**

The mission of this organization shall be to serve the 1937 Act Retirement Systems by exchanging information, providing education and analyzing legislation.

## **Core Values**

Teamwork

Integrity

Education

Service and Support



SACRS Business Meeting Agenda  
Friday, May 15, 2026  
10:15 AM – 11:30 AM  
Everline Resort & Spa, Lake Tahoe  
Olympic Valley, CA

**SACRS Parliamentarian** – David Lantzer, Olson Remcho, LLP

**SACRS Sergeant at Arms** – Gabe Rodrigues, SACRS Safety Team

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**Meeting Call to Order** – Adele Lopez Tagaloa, Orange CERS, SACRS President

**1. SACRS Retirement Systems Roll Call**

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

**2. SACRS Secretary's Report - Receive and File**

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

- A. SACRS Business Meeting Minutes November 2025

**3. SACRS Treasurer's Report - Receive and File**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Treasurer

- A. July 2025 – February 2026 Financials

**4. SACRS President Report - No Action**

Adele Lopez Tagaloa, Orange CERS, SACRS President

- A. SACRS President Update

**5. SACRS Legislative Committee Report – No Action**

Eric Stern, Sacramento CERS, SACRS Legislative Committee Chair

- A. Legislative Committee Report

**6. SACRS Nomination Committee Report – Action Item**

David MacDonald, Contra Costa CERA, SACRS Nomination Committee Chair & Immediate Past President

- A. SACRS Board of Directors Elections 2026-2027

**7. SACRS Audit Committee Report – Receive and File**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS Audit 2024-2025



## **8. SACRS Education Committee Report – No Action**

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. Education Committee Report

## **9. SACRS Program Committee Report – No Action**

Jordan Kaufman, Kern CERA, SACRS Program Committee Chair & Vice President

- A. Program Committee Report

## **10. SACRS Affiliate Committee Report – No Action**

Sean Gannon, Manulife Investments, SACRS Affiliate Committee Chair

- A. Affiliate Committee Report

## **11. SACRS Bylaws Committee Report – No Action**

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Report

## **12. SACRS Fall Conference Breakout Reports – No Action**

A representative from each breakout will give a verbal report on their meetings.

- A. Administrators
- B. Affiliates
- C. Attorneys
- D. Disability
- E. Operations/Benefits
- F. Internal Auditors
- G. Investment Officers
- H. Safety Trustees
- I. General Trustees

## **13. Adjournment**

Next scheduled SACRS Business Meeting will be held on Friday, November 13, 2026. The meeting will be held at the Omni Rancho Las Palmas, in Rancho Mirage, CA, during SACRS Annual Fall Conference November 10-13, 2026.



## **1. SACRS Retirement Systems Roll Call**

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

Roll Call of the 20 Retirement Systems

Please state your Retirement System, your name, and if you are the voting delegate or alternate delegate.



### 1. SACRS Retirement Systems Roll Call

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

<b>System</b>	<b>Delegate Name</b>	<b>Alternate Delegate Name</b>	<b>Absent</b>
Alameda			
Contra Costa			
Fresno			
Imperial			
Kern			
Los Angeles			
Marin			
Mendocino			
Merced			
Orange			
Sacramento			
San Bernardino			
San Diego			
San Joaquin			
San Mateo			
Santa Barbara			
Sonoma			
Stanislaus			
Tulare			
Ventura			
<b>Total</b>			



## **2. SACRS Secretary's Report - Receive and File**

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

- A. SACRS Business Meeting Minutes November 2025



SACRS Business Meeting Minutes  
Friday, November 14, 2025  
10:15 AM – 11:30 AM  
Hyatt Regency Huntington Beach Resort & Spa  
Huntington Beach, CA

**SACRS Parliamentarian** – David Lantzer, Olson Remcho, LLP

**SACRS Sergeant at Arms** – Gabe Rodrigues, SACRS Safety Team

**Meeting Call to Order** – Adele Lopez Tagaloa, Orange CERS, SACRS President

10:20 am

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**SACRS Board of Directors Present:** Adele Lopez Tagaloa, Jordan Kaufman, Zandra Cholmondeley, Rhonda Bieseimer, Riley Talford, Chris Giboney, David MacDonald, Sean Gannon

### 1. SACRS Retirement Systems Roll Call

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

Retirement Systems Present – 20

Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

### 2. SACRS Secretary's Report - Receive and File

Rhonda Beiseimer, Stanislaus CERA, SACRS Secretary

#### A. SACRS Business Meeting Minutes May 2025

**Discussion:** Rhonda Beiseimer, SACRS Secretary, presented the May 2025 business meeting minutes to the membership. Secretary Beiseimer asked the membership if they had any opposition or request for edits to the May 2025 business meeting minutes. Hearing no opposition or requests for edits the minutes were approved as presented and received and filed by SACRS Secretary.

### 3. SACRS Treasurer's Report - Receive and File

Zandra Cholmondeley, Santa Barbara CERS, SACRS Treasurer

#### A. July 2025 – August 2025 Financials

#### B. 2025-2026 SACRS Budget

**Discussion:** Zandra Cholmondeley, SACRS Treasurer, presented the current financial report and proposed 2025-2026 budget to the membership. Treasurer Cholmondeley asked the membership if they had any opposition or request for more information or corrections to the



**Item 3 Continued -**

financial report or the proposed 2025-2026 budget. Hearing no opposition or requests for more information or corrections, the financials and 2025-2026 budget were approved as presented and received and filed by SACRS Secretary and SACRS Treasurer.

**4. SACRS President Report - No Action**

Adele Lopez Tagaloa, Orange CERS, SACRS President

A. SACRS President Update

**Discussion:** Adele Lopez Tagaloa thanked the membership for their participation at the conference, highlighted the large participation by the membership, thanked the Board of Directors and the Program Committee for the fantastic roster of speakers, and gave thanks to the volunteers and staff. She also encouraged member to get involved, volunteer to be on a committee or participate in a panel. President Lopez Tagaloa thanked the hotel and Orange CERS for the hospitality of hosting the conference in Orange County.

**5. SACRS Legislative Committee Report – Action Item**

Eric Stern, Sacramento CERS, SACRS Legislative Committee Chairs

A. Legislative Committee Report

B. Proposed 2026 SACRS Legislation

**Discussion:** Eric Stern, Committee Chair, gave a brief overview of the legislative committee report and a full detailed report on the proposed legislation. Mike Sloan, Contra Costa CERA, asked for time to discuss proposal 3 and mentioned that his board instructed him to provide their perspective on the language and potential amendments for the membership to consider.

**Motion:** A motion to approve the proposed 2026 SACRS Legislation was made by San Diego.  
**2<sup>nd</sup>:** Sonoma

**Yes:** Alameda, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

**No:** Contra Costa

Motion Passes 19-1

**6. SACRS Nomination Committee Report – No Action**

David MacDonald, Contra Costa CERA, SACRS Nomination Committee Chair & Immediate Past President

A. SACRS Board of Directors Elections 2026-2027



### **Item 6 Continued –**

**Discussion:** David MacDonald, SACRS Nomination Committee Chair, reminded the membership that the 2026-2027 elections would begin in January 2026. The nomination form and information are included in the business meeting packet.

### **7. SACRS Audit Committee Report – No Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

#### A. SACRS Audit 2024-2025 Update

**Discussion:** Staff provided a brief update on the status of the 2024-2025 Audit. The audit will begin in December 2025 and be presented at the Spring 2026 business meeting.

### **8. SACRS Education Committee Report – No Action**

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

#### A. Education Committee Report

**Discussion:** Staff provided a brief report on the status of the scholarship program the Education committee is working on. More details will be announced in 2026.

### **9. SACRS Program Committee Report – No Action**

Jordan Kaufman, Kern CERA, SACRS Program Committee Chair & Vice President

#### A. Program Committee Report

**Discussion:** Jordan Kaufman, Program Committee Chair, thanked the Program Committee members and the Board of Directors for their continued support and assistance in developing the conference agenda. Great speakers, fun Wednesday night event at the Lua, and the location was exceptional for members to visit and spend the week while earning CEs. Jordan also highlighted the July UC Berkeley Program and encouraged members to attend more than once because the agenda is different each time and has exceptionally relevant content.

### **10. SACRS Affiliate Committee Report – No Action**

Sean Gannon, Manulife Investments, SACRS Affiliate Committee Chair

#### A. Affiliate Committee Report

**Discussion:** Sean Gannon, Affiliate Committee Chair, gave a brief update on the Affiliate Committee breakout session on Wednesday and discussed the upcoming elections for one opening on the committee in Spring 2026.



## 11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Report

**Discussion:** No report

## 12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give a verbal report on their meetings.

- A. Administrators – Renee Ostrander, San Joaquin CERA, gave a brief update on the Administrators breakout, it was well attended, and reported that Doris Rent, Mendocino CERA would be the Spring 2026 moderator for the Administrator’s breakout.
- B. Affiliates – Sean Gannon, Affiliate Committee Chair, deferred to the Affiliate report.
- C. Attorneys - Aaron Zaheen, San Joaquin CERA, gave a brief update on the Attorney’s breakout. Aaron will serve as the Spring 2026 moderator for the Attorney’s breakout.
- D. Disability/ Operations & Benefits Combo - Patty Montoya, Fresno CERA, gave a brief report on the breakout, it was well attended and Carlos Barrios, Alameda CERA, volunteered to serve as the Spring 2026 moderator for the Operations and Benefits breakout.
- E. Internal Auditors - No report. Harsh Jadhav, Alameda CERA, will serve as the moderator for the Spring 2026 Internal Auditors breakout.
- F. Investment Officers – Staff reported that Tim Price, Contra Costa CERA and Steve Davis, Sacramento CERS, volunteered to serve as the moderators for the Spring 2026 Investment Officers breakout. The breakout will be held in the morning to allow the Investment staff to attend the other breakouts on Wednesday afternoon.
- A. Safety Trustees - Skip Murphy, San Diego CERA, gave a brief update on the Safety Members breakout, it was well attended, and reported that he would serve as the moderator for the Spring 2026 Safety Trustees breakout.
- B. General Trustees - Rhonda Biesemeier, Stanislaus CERA, gave a brief update on the General Trustees’ breakout, it was well attended. The session included a presentation by Anya Freedman, Bernstein Litowitz Berger & Grossmann, on governance, building consensus, communication, and strengthening oversight. Rhonda will serve as the moderator for the Spring 2026 General Trustee breakout.

## 13. Adjournment

Adele Lopez Tagaloa reminded the membership that the next business meeting would be held on Friday, May 15, 2026, at the Everline Resort & Spa, Lake Tahoe, in Olympic Valley, CA. The meeting was adjourned at 10:52 am.



### **3. SACRS Treasurer's Report - Receive and File**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Treasurer

A. July 2025 – February 2026 Financials

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet

As of February 28, 2026

28-Feb-26

ASSETS

Current Assets

Checking/Savings

1000 · First Foundation Bank-Checking	213,242.17
1001 · BofA Interest Checking 4389	6,647.98
1002 · First Foundation Bank ICS Acct	152,713.44

Total Checking/Savings 372,603.59

Other Current Assets

1100 · CalTrust - Medium Term	331,020.34
1107 · CalTrust Liquidity Fund	9,737.13
1110 · CAMP-SACRS Liquidity Fund	574,392.87

Total Other Current Assets 915,150.34

Total Current Assets 1,287,753.93

TOTAL ASSETS 1,287,753.93

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2201 · First Foundation Master Card	-6,589.21
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Total Credit Cards -6,589.21

Total Current Liabilities -6,589.21

Total Liabilities -6,589.21

Equity

32000 · Retained Earnings 1,126,660.48

Net Income 167,682.66

Total Equity 1,294,343.14

TOTAL LIABILITIES & EQUITY 1,287,753.93

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**Profit & Loss**

July 2025 through February 2026

Jul '25 - Feb 26

Ordinary Income/Expense

Income

<b>4100 · Membership Dues</b>	
4101 · Affiliates	238,500.00
4102 · Non Profit - Organizations	1,800.00
4103 · Non Profit - Systems	5,400.00
4104 · Systems - Medium	32,000.00
4105 · Systems - Large	36,000.00
<b>Total 4100 · Membership Dues</b>	<b>313,700.00</b>
<b>4250 · Product Income</b>	
4251 · CERL	25.00
4254 · Website Job Board	300.00
4269 · Product Shipping	30.00
<b>Total 4250 · Product Income</b>	<b>355.00</b>
<b>4270 · UC Berkeley Program</b>	
4271 · Registrations	22,000.00
4272 · Sponsorships	25,500.00
<b>Total 4270 · UC Berkeley Program</b>	<b>47,500.00</b>
<b>4300 · Fall Conference Registration</b>	
4301 · Affiliates - Early	160,506.00
4302 · Affiliates - Regular	141,680.00
4303 · Affiliates - Late/Onsite	101,480.00
4304 · Non Profit	1,740.00
4305 · Systems	60,900.00
4306 · Non-Members	260,520.00
4307 · Fun Run	1,230.00
4308 · Yoga	615.00
4309 · Spouse	3,200.00
4310 · Sponsorship	85,500.00
4300 · Fall Conference Registration - Other	-4,385.00
<b>Total 4300 · Fall Conference Registration</b>	<b>812,986.00</b>
<b>4350 · Spring Conference Registration</b>	
4351 · Affiliates - Early	65,280.00
4352 · Affiliates - Regular	8,140.00
4353 · Affiliates - Late/Onsite	6,144.00
4354 · Non Profit	730.00
4355 · Systems	9,280.00
4356 · Non-Members	65,848.00
4357 · Fun Run	210.00
4358 · Yoga	150.00
4359 · Spouse	300.00
4360 · Sponsorship	92,061.77
4361 · Spring Conference - Misc.	120.00
<b>Total 4350 · Spring Conference Registration</b>	<b>248,263.77</b>
<b>4800 · Credit Card Processing Fee</b>	<b>31,829.22</b>

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss

July 2025 through February 2026

	Jul '25 - Feb 26
4900 · Interest Earned	26,169.80
<b>Total Income</b>	<b>1,480,803.79</b>
<b>Gross Profit</b>	<b>1,480,803.79</b>
<b>Expense</b>	
5000 · Administrative Fee	170,437.20
5002 · Awards	2,822.15
5003 · Bank Charges/Credit Card Fees	36,866.01
5010 · Berkeley & Symposium	
5011 · Audio/Visual	7,000.00
5012 · Delivery & Shipping	19.80
5013 · Hotel	8,458.25
5014 · Food & Beverage	20,745.45
5015 · Materials/Printing/Design	712.32
5016 · Travel	2,108.19
5017 · UC Berkeley	258,300.00
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>297,344.01</b>
5040 · Commissions & Fees	4,924.40
5042 · Dues & Subscriptions	4,650.00
5050 · Fall Conference	
5051 · Audio/Visual	128,158.25
5054 · Hotel	
5054.1 · Wednesday Night Event	81,740.88
5054.2 · Conference	105,442.54
5054.3 · Food & Beverage	267,465.28
<b>Total 5054 · Hotel</b>	<b>454,648.70</b>
5055 · Program Material	11,664.77
5056 · Speakers	33,750.22
5057 · Supplies	271.86
5058 · Travel	7,854.98
<b>Total 5050 · Fall Conference</b>	<b>636,348.78</b>
5070 · Insurance	2,157.00
5071 · Legal & Professional Fees	5,015.00
5072 · Legislative Advocacy	48,000.00
5080 · Magazine	
5083 · Magazine - Other	10,400.00
<b>Total 5080 · Magazine</b>	<b>10,400.00</b>
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	1,789.79
6001.3 · Travel - BOD Meetings	3,060.13
6001.4 · Travel - Miscellaneous BOD	2,258.73
6001.5 · Board Of Directors - Other	69.99
6001 · Board of Directors - Other	535.39
<b>Total 6001 · Board of Directors</b>	<b>7,714.03</b>
<b>Total 6000 · Board &amp; Committees</b>	<b>7,714.03</b>

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS  
**Profit & Loss**

July 2025 through February 2026

Jul '25 - Feb 26

6011 · Postage & Delivery	3,641.67
6020 · Spring Conference	
6024 · Hotel	
6024.2 · Conference	40,159.61
Total 6024 · Hotel	40,159.61
6025 · Program Material	5,474.35
Total 6020 · Spring Conference	45,633.96
6053 · Technology/AMS/Website	35,220.76
6054 · Travel	1,946.16
Total Expense	1,313,121.13
Net Ordinary Income	167,682.66
Net Income	<u>167,682.66</u>

## STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

### Profit & Loss Budget vs. Actual

July 2025 through February 2026

Ordinary Income/Expense	Jul '25 - Feb 26	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
<b>4100 · Membership Dues</b>				
4101 · Affiliates	238,500.00	375,000.00	-136,500.00	63.6%
4102 · Non Profit - Organizations	1,800.00	3,000.00	-1,200.00	60.0%
4103 · Non Profit - Systems	5,400.00	6,500.00	-1,100.00	83.08%
4104 · Systems - Medium	32,000.00	28,000.00	4,000.00	114.29%
4105 · Systems - Large	36,000.00	96,000.00	-60,000.00	37.5%
<b>Total 4100 · Membership Dues</b>	<b>313,700.00</b>	<b>508,500.00</b>	<b>-194,800.00</b>	<b>61.69%</b>
<b>4200 · Webinar Symposium Registration</b>				
4202 · Affiliates - Regular	0.00	3,500.00	-3,500.00	0.0%
4204 · Non Profit	0.00	2,500.00	-2,500.00	0.0%
4205 · Systems	0.00	2,500.00	-2,500.00	0.0%
4206 · Non-Members	0.00	4,500.00	-4,500.00	0.0%
<b>Total 4200 · Webinar Symposium Registration</b>	<b>0.00</b>	<b>13,000.00</b>	<b>-13,000.00</b>	<b>0.0%</b>
<b>4250 · Product Income</b>				
4251 · CERL	25.00	200.00	-175.00	12.5%
4254 · Website Job Board	300.00			
4269 · Product Shipping	30.00	50.00	-20.00	60.0%
<b>Total 4250 · Product Income</b>	<b>355.00</b>	<b>250.00</b>	<b>105.00</b>	<b>142.0%</b>
<b>4270 · UC Berkeley Program</b>				
4271 · Registrations	22,000.00	130,000.00	-108,000.00	16.92%
4272 · Sponsorships	25,500.00	85,500.00	-60,000.00	29.83%
4273 · Spouse	0.00	500.00	-500.00	0.0%
<b>Total 4270 · UC Berkeley Program</b>	<b>47,500.00</b>	<b>216,000.00</b>	<b>-168,500.00</b>	<b>21.99%</b>
<b>4300 · Fall Conference Registration</b>				
4301 · Affiliates - Early	160,506.00	164,560.00	-4,054.00	97.54%
4302 · Affiliates - Regular	141,680.00	207,900.00	-66,220.00	68.15%
4303 · Affiliates - Late/Onsite	101,480.00	51,600.00	49,880.00	196.67%
4304 · Non Profit	1,740.00	2,900.00	-1,160.00	60.0%
4305 · Systems	60,900.00	50,750.00	10,150.00	120.0%
4306 · Non-Members	260,520.00	150,300.00	110,220.00	173.33%
4307 · Fun Run	1,230.00	1,500.00	-270.00	82.0%
4308 · Yoga	615.00	500.00	115.00	123.0%
4309 · Spouse	3,200.00	2,500.00	700.00	128.0%
4310 · Sponsorship	85,500.00	70,000.00	15,500.00	122.14%
4300 · Fall Conference Registration - Other	-4,385.00			
<b>Total 4300 · Fall Conference Registration</b>	<b>812,986.00</b>	<b>702,510.00</b>	<b>110,476.00</b>	<b>115.73%</b>
<b>4350 · Spring Conference Registration</b>				
4351 · Affiliates - Early	65,280.00	164,560.00	-99,280.00	39.67%
4352 · Affiliates - Regular	8,140.00	207,900.00	-199,760.00	3.92%
4353 · Affiliates - Late/Onsite	6,144.00	51,600.00	-45,456.00	11.91%
4354 · Non Profit	730.00	2,900.00	-2,170.00	25.17%
4355 · Systems	9,280.00	50,750.00	-41,470.00	18.29%

## STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

### Profit & Loss Budget vs. Actual

July 2025 through February 2026

	Jul '25 - Feb 26	Budget	\$ Over Budget	% of Budget
4356 · Non-Members	65,848.00	150,300.00	-84,452.00	43.81%
4357 · Fun Run	210.00	1,500.00	-1,290.00	14.0%
4358 · Yoga	150.00	500.00	-350.00	30.0%
4359 · Spouse	300.00	2,500.00	-2,200.00	12.0%
4360 · Sponsorship	92,061.77	70,000.00	22,061.77	131.52%
4361 · Spring Conference - Misc.	120.00			
<b>Total 4350 · Spring Conference Registration</b>	<b>248,263.77</b>	<b>702,510.00</b>	<b>-454,246.23</b>	<b>35.34%</b>
4800 · Credit Card Processing Fee	31,829.22			
4900 · Interest Earned	26,169.80	30,000.00	-3,830.20	87.23%
<b>Total Income</b>	<b>1,480,803.79</b>	<b>2,172,770.00</b>	<b>-691,966.21</b>	<b>68.15%</b>
<b>Gross Profit</b>	<b>1,480,803.79</b>	<b>2,172,770.00</b>	<b>-691,966.21</b>	<b>68.15%</b>
<b>Expense</b>				
5000 · Administrative Fee	170,437.20	225,000.00	-54,562.80	75.75%
5001 · Administrative Services	0.00	500.00	-500.00	0.0%
5002 · Awards	2,822.15	500.00	2,322.15	564.43%
5003 · Bank Charges/Credit Card Fees	36,866.01	55,000.00	-18,133.99	67.03%
<b>5010 · Berkeley &amp; Symposium</b>				
5011 · Audio/Visual	7,000.00	7,000.00	0.00	100.0%
5012 · Delivery & Shipping	19.80			
5013 · Hotel	8,458.25	25,000.00	-16,541.75	33.83%
5014 · Food & Beverage	20,745.45			
5015 · Materials/Printing/Design	712.32	2,500.00	-1,787.68	28.49%
5016 · Travel	2,108.19	1,000.00	1,108.19	210.82%
5017 · UC Berkeley	258,300.00	277,200.00	-18,900.00	93.18%
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>297,344.01</b>	<b>312,700.00</b>	<b>-15,355.99</b>	<b>95.09%</b>
<b>5020 · Webinar Symposium</b>				
5022 · Webinar Technology	0.00	25,000.00	-25,000.00	0.0%
<b>Total 5020 · Webinar Symposium</b>	<b>0.00</b>	<b>25,000.00</b>	<b>-25,000.00</b>	<b>0.0%</b>
<b>5030 · CERL</b>				
5031 · Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 · Shipping	0.00	1,300.00	-1,300.00	0.0%
<b>Total 5030 · CERL</b>	<b>0.00</b>	<b>17,800.00</b>	<b>-17,800.00</b>	<b>0.0%</b>
5039 · Charitable Contributions	0.00	4,000.00	-4,000.00	0.0%
5040 · Commissions & Fees	4,924.40	10,000.00	-5,075.60	49.24%
5042 · Dues & Subscriptions	4,650.00	4,500.00	150.00	103.33%
<b>5050 · Fall Conference</b>				
5051 · Audio/Visual	128,158.25	130,000.00	-1,841.75	98.58%
5052 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
5053 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
<b>5054 · Hotel</b>				
5054.1 · Wednesday Night Event	81,740.88	75,000.00	6,740.88	108.99%
5054.2 · Conference	105,442.54	50,000.00	55,442.54	210.89%
5054.3 · Food & Beverage	267,465.28	250,000.00	17,465.28	106.99%
<b>Total 5054 · Hotel</b>	<b>454,648.70</b>	<b>375,000.00</b>	<b>79,648.70</b>	<b>121.24%</b>

## STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

### Profit & Loss Budget vs. Actual

July 2025 through February 2026

	Jul '25 - Feb 26	Budget	\$ Over Budget	% of Budget
5055 · Program Material	11,664.77	15,000.00	-3,335.23	77.77%
5056 · Speakers	33,750.22	50,000.00	-16,249.78	67.5%
5057 · Supplies	271.86	500.00	-228.14	54.37%
5058 · Travel	7,854.98	15,000.00	-7,145.02	52.37%
<b>Total 5050 · Fall Conference</b>	<b>636,348.78</b>	<b>594,500.00</b>	<b>41,848.78</b>	<b>107.04%</b>
5070 · Insurance	2,157.00	6,200.00	-4,043.00	34.79%
5071 · Legal & Professional Fees	5,015.00	25,000.00	-19,985.00	20.06%
5072 · Legislative Advocacy	48,000.00	72,000.00	-24,000.00	66.67%
5080 · Magazine				
5082 · Design/Printing/Etc.	0.00	10,000.00	-10,000.00	0.0%
5083 · Magazine - Other	10,400.00	10,000.00	400.00	104.0%
<b>Total 5080 · Magazine</b>	<b>10,400.00</b>	<b>20,000.00</b>	<b>-9,600.00</b>	<b>52.0%</b>
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	1,789.79	6,000.00	-4,210.21	29.83%
6001.3 · Travel - BOD Meetings	3,060.13	8,000.00	-4,939.87	38.25%
6001.4 · Travel - Miscellaneous BOD	2,258.73	500.00	1,758.73	451.75%
6001.5 · Board Of Directors - Other	69.99	5,000.00	-4,930.01	1.4%
6001 · Board of Directors - Other	535.39			
<b>Total 6001 · Board of Directors</b>	<b>7,714.03</b>	<b>19,500.00</b>	<b>-11,785.97</b>	<b>39.56%</b>
6003 · Program Committee Meetings	0.00	1,500.00	-1,500.00	0.0%
<b>Total 6000 · Board &amp; Committees</b>	<b>7,714.03</b>	<b>21,000.00</b>	<b>-13,285.97</b>	<b>36.73%</b>
6010 · Office Expenses / Supplies	0.00	2,500.00	-2,500.00	0.0%
6011 · Postage & Delivery	3,641.67	6,000.00	-2,358.33	60.7%
6020 · Spring Conference				
6021 · Audio/Visual	0.00	110,000.00	-110,000.00	0.0%
6022 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
6023 · Entertainment	0.00	6,800.00	-6,800.00	0.0%
6024 · Hotel				
6024.1 · Wednesday Night Event	0.00	85,000.00	-85,000.00	0.0%
6024.2 · Conference	40,159.61	85,000.00	-44,840.39	47.25%
6024.3 · Food & Beverage	0.00	150,000.00	-150,000.00	0.0%
6024.4 · Hotel - Other	0.00	45,000.00	-45,000.00	0.0%
<b>Total 6024 · Hotel</b>	<b>40,159.61</b>	<b>365,000.00</b>	<b>-324,840.39</b>	<b>11.0%</b>
6025 · Program Material	5,474.35	15,000.00	-9,525.65	36.5%
6026 · Speakers	0.00	50,000.00	-50,000.00	0.0%
6027 · Supplies	0.00	2,000.00	-2,000.00	0.0%
6028 · Travel	0.00	15,000.00	-15,000.00	0.0%
<b>Total 6020 · Spring Conference</b>	<b>45,633.96</b>	<b>566,300.00</b>	<b>-520,666.04</b>	<b>8.06%</b>
6051 · Taxes & Licenses	0.00	1,200.00	-1,200.00	0.0%
6053 · Technology/AMS/Website	35,220.76	50,000.00	-14,779.24	70.44%
6054 · Travel	1,946.16	5,000.00	-3,053.84	38.92%
<b>Total Expense</b>	<b>1,313,121.13</b>	<b>2,024,700.00</b>	<b>-711,578.87</b>	<b>64.86%</b>
<b>Net Ordinary Income</b>	<b>167,682.66</b>	<b>148,070.00</b>	<b>19,612.66</b>	<b>113.25%</b>

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**Profit & Loss Budget vs. Actual**  
July 2025 through February 2026

Net Income

Jul '25 - Feb 26	Budget	\$ Over Budget	% of Budget
167,682.66	148,070.00	19,612.66	113.25%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July 2025 through February 2026

	PAST YEAR	GENERAL	FUTURE	TOTAL
Ordinary Income/Expense				
Income				
4100 · Membership Dues				
4101 · Affiliates	0.00	238,500.00	0.00	238,500.00
4102 · Non Profit - Organizations	0.00	1,800.00	0.00	1,800.00
4103 · Non Profit - Systems	0.00	5,400.00	0.00	5,400.00
4104 · Systems - Medium	0.00	32,000.00	0.00	32,000.00
4105 · Systems - Large	0.00	36,000.00	0.00	36,000.00
Total 4100 · Membership Dues	0.00	313,700.00	0.00	313,700.00
4250 · Product Income				
4251 · CERL	0.00	25.00	0.00	25.00
4254 · Website Job Board	0.00	300.00	0.00	300.00
4269 · Product Shipping	0.00	30.00	0.00	30.00
Total 4250 · Product Income	0.00	355.00	0.00	355.00
4270 · UC Berkeley Program				
4271 · Registrations	0.00	22,000.00	0.00	22,000.00
4272 · Sponsorships	0.00	25,500.00	0.00	25,500.00
Total 4270 · UC Berkeley Program	0.00	47,500.00	0.00	47,500.00
4300 · Fall Conference Registration				
4301 · Affiliates - Early	0.00	160,506.00	0.00	160,506.00
4302 · Affiliates - Regular	0.00	141,680.00	0.00	141,680.00
4303 · Affiliates - Late/Onsite	0.00	101,480.00	0.00	101,480.00
4304 · Non Profit	0.00	1,740.00	0.00	1,740.00
4305 · Systems	0.00	60,900.00	0.00	60,900.00
4306 · Non-Members	0.00	260,520.00	0.00	260,520.00
4307 · Fun Run	0.00	1,230.00	0.00	1,230.00
4308 · Yoga	0.00	615.00	0.00	615.00
4309 · Spouse	0.00	3,200.00	0.00	3,200.00
4310 · Sponsorship	0.00	85,500.00	0.00	85,500.00
4300 · Fall Conference Registration - Other	0.00	-4,385.00	0.00	-4,385.00
Total 4300 · Fall Conference Registration	0.00	812,986.00	0.00	812,986.00
4350 · Spring Conference Registration				
4351 · Affiliates - Early	0.00	65,280.00	0.00	65,280.00
4352 · Affiliates - Regular	8,140.00	0.00	0.00	8,140.00
4353 · Affiliates - Late/Onsite	6,144.00	0.00	0.00	6,144.00
4354 · Non Profit	440.00	290.00	0.00	730.00
4355 · Systems	1,740.00	7,540.00	0.00	9,280.00
4356 · Non-Members	22,428.00	43,420.00	0.00	65,848.00
4357 · Fun Run	60.00	150.00	0.00	210.00
4358 · Yoga	30.00	120.00	0.00	150.00
4359 · Spouse	0.00	300.00	0.00	300.00
4360 · Sponsorship	84,061.77	8,000.00	0.00	92,061.77
4361 · Spring Conference - Misc.	0.00	120.00	0.00	120.00
Total 4350 · Spring Conference Registration	123,043.77	125,220.00	0.00	248,263.77
4800 · Credit Card Processing Fee	0.00	31,829.22	0.00	31,829.22

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July 2025 through February 2026

	PAST YEAR	GENERAL	FUTURE	TOTAL
4900 · Interest Earned	0.00	26,169.80	0.00	26,169.80
<b>Total Income</b>	<b>123,043.77</b>	<b>1,357,760.02</b>	<b>0.00</b>	<b>1,480,803.79</b>
<b>Gross Profit</b>	<b>123,043.77</b>	<b>1,357,760.02</b>	<b>0.00</b>	<b>1,480,803.79</b>
<b>Expense</b>				
5000 · Administrative Fee	0.00	170,437.20	0.00	170,437.20
5002 · Awards	0.00	2,822.15	0.00	2,822.15
5003 · Bank Charges/Credit Card Fees	0.00	36,866.01	0.00	36,866.01
5010 · Berkeley & Symposium				0.00
5011 · Audio/Visual	0.00	7,000.00	0.00	7,000.00
5012 · Delivery & Shipping	0.00	19.80	0.00	19.80
5013 · Hotel	0.00	8,458.25	0.00	8,458.25
5014 · Food & Beverage	0.00	20,745.45	0.00	20,745.45
5015 · Materials/Printing/Design	0.00	712.32	0.00	712.32
5016 · Travel	0.00	2,108.19	0.00	2,108.19
5017 · UC Berkeley	0.00	258,300.00	0.00	258,300.00
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>0.00</b>	<b>297,344.01</b>	<b>0.00</b>	<b>297,344.01</b>
5040 · Commissions & Fees	0.00	4,924.40	0.00	4,924.40
5042 · Dues & Subscriptions	0.00	4,650.00	0.00	4,650.00
5050 · Fall Conference				0.00
5051 · Audio/Visual	0.00	128,158.25	0.00	128,158.25
5054 · Hotel				0.00
5054.1 · Wednesday Night Event	0.00	81,740.88	0.00	81,740.88
5054.2 · Conference	0.00	88,442.54	17,000.00	105,442.54
5054.3 · Food & Beverage	0.00	267,465.28	0.00	267,465.28
<b>Total 5054 · Hotel</b>	<b>0.00</b>	<b>437,648.70</b>	<b>17,000.00</b>	<b>454,648.70</b>
5055 · Program Material	0.00	11,664.77	0.00	11,664.77
5056 · Speakers	0.00	33,750.22	0.00	33,750.22
5057 · Supplies	0.00	271.86	0.00	271.86
5058 · Travel	0.00	7,854.98	0.00	7,854.98
<b>Total 5050 · Fall Conference</b>	<b>0.00</b>	<b>619,348.78</b>	<b>17,000.00</b>	<b>636,348.78</b>
5070 · Insurance	0.00	2,157.00	0.00	2,157.00
5071 · Legal & Professional Fees	0.00	5,015.00	0.00	5,015.00
5072 · Legislative Advocacy	0.00	48,000.00	0.00	48,000.00
5080 · Magazine				
5083 · Magazine - Other	5,325.00	5,075.00	0.00	10,400.00
<b>Total 5080 · Magazine</b>	<b>5,325.00</b>	<b>5,075.00</b>	<b>0.00</b>	<b>10,400.00</b>
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	610.52	1,179.27	0.00	1,789.79
6001.3 · Travel - BOD Meetings	278.60	2,781.53	0.00	3,060.13
6001.4 · Travel - Miscellaneous BOD	1,110.95	1,147.78	0.00	2,258.73
6001.5 · Board Of Directors - Other	69.99	0.00	0.00	69.99
6001 · Board of Directors - Other	535.39	0.00	0.00	535.39
<b>Total 6001 · Board of Directors</b>	<b>2,605.45</b>	<b>5,108.58</b>	<b>0.00</b>	<b>7,714.03</b>
<b>Total 6000 · Board &amp; Committees</b>	<b>2,605.45</b>	<b>5,108.58</b>	<b>0.00</b>	<b>7,714.03</b>

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**Profit & Loss by Class**

July 2025 through February 2026

	<u>PAST YEAR</u>	<u>GENERAL</u>	<u>FUTURE</u>	<u>TOTAL</u>
6011 · Postage & Delivery	0.00	3,641.67	0.00	3,641.67
6020 · Spring Conference				
6024 · Hotel				
6024.2 · Conference	13,489.26	26,670.35	0.00	40,159.61
<b>Total 6024 · Hotel</b>	<b>13,489.26</b>	<b>26,670.35</b>	<b>0.00</b>	<b>40,159.61</b>
6025 · Program Material	5,474.35	0.00	0.00	5,474.35
<b>Total 6020 · Spring Conference</b>	<b>18,963.61</b>	<b>26,670.35</b>	<b>0.00</b>	<b>45,633.96</b>
6053 · Technology/AMS/Website	0.00	35,220.76	0.00	35,220.76
6054 · Travel	0.00	1,946.16	0.00	1,946.16
<b>Total Expense</b>	<b>26,894.06</b>	<b>1,269,227.07</b>	<b>17,000.00</b>	<b>1,313,121.13</b>
<b>Net Ordinary Income</b>	<b>96,149.71</b>	<b>88,532.95</b>	<b>-17,000.00</b>	<b>167,682.66</b>
<b>Net Income</b>	<b>96,149.71</b>	<b>88,532.95</b>	<b>-17,000.00</b>	<b>167,682.66</b>



#### **4. SACRS President Report - No Action**

Adele Lopez Tagaloa, Orange CERS, SACRS President

A. SACRS President Update



**No printed materials for this item**



## **5. SACRS Legislative Committee Report – No Action**

Eric Stern, Sacramento CERS, SACRS Legislative Committee Chair

### A. Legislative Committee Report



TO: State Association of County Retirement Systems  
FROM: Cara Martinson, Capitol Advocacy  
Laurie Johnson, LJ Consulting & Advocacy  
DATE: April 6, 2026  
  
**RE: Legislative Update – April**

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The Legislature has returned from its spring recess and is entering the busy April policy committee phase of the legislative session, following the introduction of bills and several weeks of initial committee hearings. As is typical at this stage in the legislative calendar, committees are advancing or holding measures in advance of key policy committee and fiscal deadlines in May.

Concurrently, budget subcommittees are actively reviewing the Governor’s January budget proposal and beginning to develop spending priorities ahead of the May Revision, expected in mid-May. This period represents a critical juncture during which policy priorities and fiscal constraints begin to converge, shaping both the advancement of policy measures through the Appropriations Committees and broader negotiations over the final state budget. Affordability, AI, Data Centers, health care and housing affordability continue to dominate policy conversations.

The gubernatorial election is also entering a more active phase as candidates from both parties prepare for the June 2nd primary. The broader political environment is increasingly influenced by this election cycle, with campaign activity accelerating as candidates raise funds, and stake out positions on policy issues with key stakeholder groups. The gubernatorial field is notably crowded this cycle, particularly on the Democratic side, with multiple high-profile candidates entering the open-seat race. This concentration of Democratic contenders is expected to fragment the vote in the primary, creating a highly competitive environment under California’s top- two system. Buckle-up for a busy summer!

The following is an update on bills that SACRS is actively following:

## II. Legislative Update:

- **AB 1054 (Gipson)** - This bill would establish the Deferred Retirement Option Program (DROP) as a voluntary program within PERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill 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: This bill passed out the Assembly and is awaiting action in the Senate.
- Position: No Position/Watch
  
- **AB 1383 (McKinnor)** – The bill was heard in the Assembly PERS Committee and advanced out of the Appropriations Committee in January after taking several amendments. The bill includes the following provisions:
  - Adjust, on and after January 1, 2027, the pensionable compensation limit to the Social Security compensation limit. The prior version of the bill would have increased the pensionable compensation limit to the higher IRC 415(b) threshold.
  - Lower the retirement age on a prospective basis from age 57 to 55 for three existing safety DB retirement formulas, and
  - Authorize a public employer to create a fourth PEPRA safety DB retirement formula of three percent (3%) at age 55, to be applied prospectively.
  - Amendments this year removed a provision that would have permitted collective bargaining over the 50-50 normal cost sharing requirement.
  - Status: This bill advanced out of the Assembly and is now awaiting action in the Senate
  - Position: Neutral (as recommended by SACRS Legislative Committee)
  
- **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 now 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 Assembly and is awaiting action in the Senate.
  - Position: No position/watch



- **AB 1601 (Rogers)** – This bill would permit the county Board of Supervisors for Sonoma County 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 has been set for hearing in the Assembly PERS Committee on 4/8.
  - Position: Neutral (as recommended by SACRS Legislative Committee)
  
- **AB 1619 (Valencia)** – This bill would allow 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.
  - Status: This bill has been referred to the Assembly PERS Committee
  - Position: Neutral (as recommended by SACRS Legislative Committee)
  
- **AB 1660 (Schiavo)** – This bill would 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.
  - Status: This bill passed out of the Assembly Judiciary Committee and is awaiting action in the Assembly Appropriations Committee
  - Position: Pending
  
- **AB 1762 (Gonzalez)** – This bill extends Public Employees’ Medical and Hospital Care Act (PEMHCA) authorization contract for health benefits to the City of Indio for employees hired from January 1, 2025, onward. It sets conditions such as collective bargaining agreements and requires at least five years of service for any benefit eligibility. The bill applies only to retirees after the approval of the memorandum of understanding and mandates that the City of Indio provide necessary notifications and information.
  - Status: This bill has been referred to the Assembly PERS Committee
  - 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 the Assembly and is awaiting action in the Senate.
  - Position: No position/watch
- **AB 2336 (Macedo)** – This bill would, for taxable years beginning on or after January 1, 2026, and before January 1, 2031, exclude from gross income the first \$25,000 of overtime pay received by a taxpayer during the taxable year. The bill would also exclude from gross income the first \$25,000 received by a taxpayer as proceeds from a defined benefit plan.
    - Status: This bill is will be heard in the Assembly PERS Committee on 4/13
    - 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 has been referred to the Assembly PERS Committee
      - Position: Support
  - **SB 1187 (Durazo)** – This bill would define "majority" in the Brown Act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body.



- Status: This bill has been referred to the Senate Local Government Committee
  - No position/watch
- **SB 1207 (Laird)** – This bill makes various changes to the CA Conversation Corps and would allow Cal PERS members to receive service credits for service as a Conservation Corps member, similar to service credits allowed for service in the Peace Corps or AmeriCorps.
  - Status: This bill is awaiting Committee referral
  - No position/watch
- **SB 1319 (Durazo)** – This bill expands requirements for public disclosure of alternative investment information, including a comparison of how the alternative investment performed versus what the public fund would have earned if it had invested the same amount in a comparable public market index, adjusted for factors like risk, liquidity, and expenses. The bill also requires disclosure of the identity of the enterprise or activity in which the investment is made, the geographic locations where the enterprise or activity takes place, and the number and classifications of employees at each such location.
  - Status: This bill is awaiting policy committee referral
  - Position: Pending
- **SB 1407 (Archuletta)** – Current law allows up to \$20,000 of federal military retirement pay and certain Survivor Benefit Plan annuity payments to be excluded from taxable income for qualifying taxpayers between 2025 and 2030. This bill would remove the income limits and the \$20,000 cap, extend the exclusion through 2037, and require reporting on the tax expenditure.
  - Status: This bill will be heard in the Senate Revenue & Taxation Committee on 4/8.
  - Position: No position/watch

Contact:

If you have any questions, contact Cara Martinson at [cmartinson@capitoladvocacy.com](mailto:cmartinson@capitoladvocacy.com), or Laurie Johnson at [lauriejconsult@gmail.com](mailto:lauriejconsult@gmail.com).



**6. SACRS Nomination Committee Report – Action Item**

David MacDonald, Contra Costa CERA, SACRS Nomination Committee Chair & Immediate Past President

- A. SACRS Board of Directors Elections 2026-2027



March 25, 2026

To: SACRS Trustees & SACRS Administrators/CEO's  
 From: David MacDonald, SACRS Immediate Past President, Nominating Committee Chair  
 SACRS Nominating Committee  
 Re: SACRS Board of Director Elections 2026-2027 - Elections Notice

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Please provide this election notice to your Board of Trustees and Voting Delegates for consideration at the upcoming elections being held at the SACRS Spring Conference May 15, 2026

DEADLINE	DESCRIPTION
March 1, 2026	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election shall not be accepted.
March 25, 2026	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 15, 2026	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 15, 2026	Board of Directors takes office for 1 year

**Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:**

**Section 1. Board of Directors.** *The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members*

**A. Immediate Past President.** *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

**B. Two (2) Regular Members.** *Two (2) regular members shall also be members of the Board with full voting rights.*

**Section 2. Elections of Directors.** *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

*The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25.*



*The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee’s suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.*

*Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.*

*Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.*

The elections will be held at the SACRS Spring Conference May 12-15, 2026, during the Annual Business meeting on Friday, May 15, 2026, in Olympic Valley, at the Everline Resort and Spa, Lake Tahoe.

**SACRS Nominating Committee Recommended Slate:**

<b>Name</b>	<b>System</b>	<b>Candidate for Position</b>
Adele Lopez Tagaloa	Orange CERS	SACRS President
Jordan Kaufman	Kern CERA	SACRS Vice President
Zandra Cholmondeley	Santa Barbara CERS	SACRS Treasurer
Rhonda Biesemeier	Stanislaus CERA	SACRS Secretary
Riley Talford	Fresno CERA	SACRS Regular Board Member
Chris Giboney	Sacramento CERS	SACRS Regular Board Member

Please prepare your voting delegate to have the ability to vote by the recommended ballot and by each position separately.

If you have any questions, please contact David MacDonald at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com).

Thank you for your prompt attention to this timely matter.

Sincerely,

*David MacDonald*

David MacDonald, Trustee, Contra Costa CERA, SACRS Nominating Committee Chair

CC: SACRS Board of Directors  
SACRS Nominating Committee Members  
Sulema H. Peterson, SACRS Executive Director

Attached: Nominee Submissions

Submission for SACRS President



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2026-2027**

All interested candidates must complete this form and submit along with a letter of intent. Both the form and the letter of intent must be submitted no later than March 1, 2026. Please submit to the Nominating Committee Chair at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: <b>Adele Lopez Tagaloa</b>
<b>Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)</b>	Mailing Address: <b>2223 East Wellington Ave, Suite 100 Santa Ana, CA 92701</b> Email Address: <b>alopeztagaloa@ocers.org</b> Phone: <b>(714) 853-2953</b>
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: <b>Orange County Employees Retirement System (OCERS)</b>
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> <b>General Elected</b> <input type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input checked="" type="radio"/> <b>President</b> <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)</b>	<ul style="list-style-type: none"> <li>• SACRS President</li> <li>• SACRS Vice President, 2023-2024, 2024-2025</li> <li>• SACRS Programming Committee Chair, 2023-2024, 2024-2025</li> <li>• SACRS Secretary, 2022-2023</li> <li>• Elected General Member Trustee, OCERS, 2020 to present</li> <li>• Over 16 years of service to the County of Orange Registrar of Voters</li> <li>• Chair, OCERS Audit Committee 2025</li> <li>• Chair, OCERS Board 2024</li> <li>• Chair, OCERS Disability Committee 2020 to 2022</li> <li>• Vice Chair, OCERS Investment Committee 2022</li> <li>• Chair, OCERS Investment Committee 2023</li> <li>• Union Steward, Orange County Employees Association (OCEA) 2012 to present</li> <li>• Board of Directors, OCEA 2018 to present</li> <li>• Committee Member, City of Anaheim Community Services 2024 to present</li> </ul> <p>Public Pension Trustee Certificates:          SACRS Public Pension Investment Management Program - UC Berkeley 2024          NCPERS - Accredited Fiduciary Program - Accredited Fiduciary designation 2024          CALAPRS Principles of Pension Governance and Principles for Trustees          Completed 320 hours of education, 2024 - 2025</p>

# Adele Lopez Tagaloa

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2223 East Wellington Ave, Suite 100, Santa Ana, CA 92804 | 714-853-2953 | [alopeztagaloa@ocers.org](mailto:alopeztagaloa@ocers.org)

**February 23, 2026**

Mr. David MacDonald  
SACRS Immediate Past President, Nominating Committee Chair  
State Association of County Retirement Systems (SACRS)  
840 Richards Blvd  
Sacramento, CA 95811

**Dear Mr. David MacDonald:**

Please accept this letter of my intent to run for SACRS Board of Directors for the office of President.

I believe I am qualified to serve as President based on my sixteen years of leadership positions in my employee labor organization, at the County of Orange Registrar of Voters serving 1.8 million voters by providing transparent, accurate and secure elections, over 15 years in the non-profit and private sector and most importantly, as a Trustee on the Orange County Employees Retirement System for the last five years. Most recently, serving on SACRS Board of Director as President for the year 2025-2026 collaborating to enhance high-quality education for our trustees, with affiliates, staff and other CERL counties ensuring pension security.

I hold a passion for democracy, organized labor, and education accessibility that encompasses everything in my career and life. Since I have been elected to the OCERS Board of Retirement, trustee and member education has continue to be my main priorities.

Attending SACRS conferences since 2020, I have found an organization that understands the challenge and importance of pensions, education and duty, specifically for trustees in our CERL 37 Act Systems.

Continuing to serve to provide professional and outstanding conferences is my desire as SACRS president and build on the work of past leadership. Not only do we provide top-notch education and fantastic speakers that reach beyond pensions, it is the relationships we build between trustees, staff and affiliates. These past years serving as your SACRS Secretary and Vice President has allowed me to represent trustees, for example:

- Provide feedback, submitting topics and speakers that would benefit trustees, investment staff, and affiliates
- Commitment to working on long-term goals for all our members

Using my leadership experience, it is my goal to continue to share all the benefits of SACRS to members and to continue to make SACRS the premier pension organization in a changing world.

It would be an honor to serve on the SACRS Board of Directors as President and truly appreciate your consideration.

Sincerely,

*Adele Lopez Tagaloa*

**Adele Lopez Tagaloa**  
Trustee, General Member-Elected  
Orange County Employees Retirement System (OCERS)

**Serving the Active and Retired Members of:**

CITY OF SAN JUAN  
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY  
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &  
FAMILIES COMMISSION

ORANGE COUNTY  
DEPARTMENT OF EDUCATION  
(CLOSED TO NEW MEMBERS)

ORANGE COUNTY  
EMPLOYEES RETIREMENT  
SYSTEM

ORANGE COUNTY FIRE  
AUTHORITY

ORANGE COUNTY IN-HOME  
SUPPORTIVE SERVICES PUBLIC  
AUTHORITY

ORANGE COUNTY LOCAL  
AGENCY FORMATION  
COMMISSION

ORANGE COUNTY PUBLIC LAW  
LIBRARY

ORANGE COUNTY  
SANITATION DISTRICT

ORANGE COUNTY  
TRANSPORTATION  
AUTHORITY

SUPERIOR COURT OF  
CALIFORNIA, COUNTY  
OF ORANGE

TRANSPORTATION  
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND  
CAMPUS (CLOSED TO NEW  
MEMBERS)

February 24, 2026

*By Mail and Electronic Mail [dmacdcccera@gmail.com]*

Mr. David MacDonald  
SACRS Immediate Past President, Nominating Committee Chair  
State Association of County Retirement Systems (SACRS)  
840 Richards Blvd.  
Sacramento, CA 95811

Re: NOMINATION FOR SACRS BOARD OF DIRECTORS ELECTION 2026-2027

Dear Mr. MacDonald:

As a regular member of SACRS, the Orange County Employees Retirement System (OCERS) is entitled, under the SACRS Bylaws, Article VIII, Section 2, to submit nominations for the election of directors for the SACRS Board of Directors.

On February 18, 2026, the OCERS Board of Retirement met and took action to nominate OCERS trustee, Adele Lopez Tagalao, for the position of her choosing on the SACRS Board of Directors and directed me to submit this nomination to the SACRS Nominating Committee. Ms. Lopez Tagalao informed the OCERS Board of Retirement that she intends to pursue the position of PRESIDENT of the SACRS Board.

Accordingly, please accept this letter as **OCERS' nomination of OCERS Trustee, Adele Lopez Tagalao, for election to the position of PRESIDENT of the SACRS Board of Directors at the 2026-2027 SACRS Board of Directors Election to take place on May 15, 2026.**

Please do not hesitate to contact me at (714) 558-6222 if you have any questions or require additional information. Thank you.

Best regards,



Steve Delaney  
Chief Executive Officer

cc: Sulema H. Peterson, SACRS Administrator

Submission for SACRS Vice President



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2026-2027**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2026.** Please submit to the Nominating Committee Chair at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: <p align="center">Jordan Kaufman</p>
<b>Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)</b>	Mailing Address: 1115 Truxtun Ave., 2nd floor Bakersfield, CA 93301 Email Address: <a href="mailto:jkaufman@kerncounty.com">jkaufman@kerncounty.com</a> 661-204-1510 Phone:
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: <p align="center">Kern County Employees Retirement Association</p>
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<ul style="list-style-type: none"> <li><input type="radio"/> Chair</li> <li><input type="radio"/> Alternate</li> <li><input type="radio"/> <b>General Elected</b></li> <li><input type="radio"/> Retiree</li> <li><input checked="" type="radio"/> Other <u>Statutory</u></li> </ul>
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<ul style="list-style-type: none"> <li><input type="radio"/> President</li> <li><input checked="" type="radio"/> <b>Vice President</b></li> <li><input type="radio"/> Treasurer</li> <li><input type="radio"/> Secretary</li> <li><input type="radio"/> Regular Member</li> </ul>
<b>Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)</b>	<p>I am the current SACRS Vice President and I am excited for the opportunity to continue on the Board as Vice President. I am in my third term as the elected Treasurer-Tax Collector for Kern County with fiduciary responsibility over the \$6.7B Treasury Investment Pool and the responsibility of collecting over \$1.6B in local property taxes. I am also the plan administrator for the County's 457b deferred compensation plans with assets over \$900M. I am the Treasurer and past Chairman of the United Way of Central Eastern California, Trustee and past Chairman of KCERA, and Vice President of the California Asset Management Program. I have a Bachelor of Science degree in Industrial Technology from Cal Poly San Luis Obispo. I live in Bakersfield with my beautiful wife and we four children and one grand child.</p>



**Jordan Kaufman**  
Treasurer and Tax Collector  
**Chase Nunneley**  
Assistant Treasurer and Tax Collector

February 27, 2026

David MacDonald, Nominating Committee Chairman  
State Association of County Retirement Systems

Re: Letter of interest to apply for the Board of Directors of SACRS in the position of Vice President

Dear David and members of the Nominating Committee,

Thank you for the opportunity to express my interest in continuing on the SACRS Board of Directors in the position of Vice President. I believe that I have the knowledge, experience and motivation to add value to the Board. I am in my third term as the elected Kern County Treasurer-Tax Collector, and I am a 19 year member of the Kern County Employees Retirement Association (KCERA) as a general elected, alternate, and statutory trustee. I have a deep background in public fund investment and retirement plan administration and I am or have been the Treasurer of many organizations and associations.

As the elected Treasurer-Tax Collector, I manage the County's \$6.7 billion treasury pool, provide banking services to over 200 different county agencies and districts, and collect over \$1.6 billion in local property taxes. I am also the Plan Administrator for the County's 457(b) deferred compensation plan with over \$900 million in participant assets.

I have extensive experience sitting on boards of directors and currently sit on or have previously sat on the board of the following entities: Kern County Foundation; California Association of County Treasurer's and Tax Collectors (CACTTC); KCERA; United Way of Central Eastern California; Kern County Management Council; and California Asset Management Program (CAMP).

I have dedicated my career to public service and I am proud to serve the residents of Kern County and the employees of the County of Kern and I feel that I can continue to bring value to SACRS Board of Directors. Thank you in advance for your consideration and feel free to call me if you have any questions at 661-204-1510.

Sincerely,

Jordan Kaufman  
Kern County Treasurer-Tax Collector  
Deferred Compensation Plan Administrator

Attachment

Submission for SACRS Treasurer



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2026-2027**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2026.** Please submit to the Nominating Committee Chair at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: <i>ZANDRA CHOLMONDELEY</i>
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: <i>508 ALBRIA RD, SB, CA 93105</i> Email Address: <i>ZCHOLMONDELEY@GMAIL.COM</i> Phone: <i>805-68 455-5373 (cell)</i>
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: <i>SANTA BARBARA COUNTY EMPLOYEES RETIREMENT SYSTEM</i>
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<ul style="list-style-type: none"> <li><input type="radio"/> Chair</li> <li><input type="radio"/> Alternate</li> <li><input type="radio"/> <b>General Elected</b></li> <li><input checked="" type="radio"/> Retiree</li> <li><input type="radio"/> Other _____</li> </ul>
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<ul style="list-style-type: none"> <li><input type="radio"/> President</li> <li><input type="radio"/> <b>Vice President</b></li> <li><input checked="" type="radio"/> Treasurer</li> <li><input type="radio"/> Secretary</li> <li><input type="radio"/> Regular Member</li> </ul>
<b>Brief Bio in Paragraph Format</b> (CV format and screenshot photos will not be accepted)	<p align="center"><i>Please see attached (separate email)</i></p>

Brief Bio - Attachment to SACRS Nomination Form

I was elected to represent County retirees as a trustee on the governing board of the Santa Barbara County Retirement System (SBCERS) in November 2008. I joined the SBCERS Board in January 2009 and starting in January 2010, served two terms as Chair of the Board. I have also served three terms as the President of the Retired Employees of Santa Barbara County (RESBC).

I retired in July 2008. As Principal Analyst for Santa Barbara County I was charged with overseeing the development of the County's annual budget and performed numerous special projects for the County Executive Officer (CEO). My budget responsibilities included working with County departments to ensure the accuracy of projections and overall preparation of the budget document. Special projects experience included implementing fiscal policy for the County Executive and oversight of internal service funds including the fleet and self-insurance funds.

Submission for SACRS Secretary



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2026-2027**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2026.** Please submit to the Nominating Committee Chair at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) **AND** to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: RHONDA BIESEMEIER
<b>Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)</b>	Mailing Address: 1121 KAREN WAY, MODESTO, CA 95350-3414 Email Address: biesemrh@gmail.com Phone: 209-341-9828
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: Stanislaus County Employees’ Retirement Association (StanCERA)
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> <b>General Elected</b> <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input type="radio"/> <b>Vice President</b> <input type="radio"/> Treasurer <input checked="" type="radio"/> Secretary <input type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)</b>	<p>I have served on the StanCERA Board since July 2017, first as Alternate, then, in 2023 as the primary board member elected by retirees. I continue to serve in that capacity.</p> <p>In 2024, I was fortunate to be elected to the SACRS Board as a Regular Member. I have appreciated the opportunity to work with this dedicated Board for the past two years. As such, I would like to continue my work here. I am now applying for the Board Secretary position for the 2026-2027 term.</p> <p>I am committed to retirees and my background includes serving as President, Board Member &amp; now Treasurer of the Retired Employees of Stanislaus County Organizations (RESCO), delegate to the California Retired County Employees Association (CRCEA), and as an Equal Rights Commissioner for Stanislaus County. As a retiree myself, I enjoy a defined benefit pension which helps me maintain my financial independence.</p> <p>I was raised in Modesto, California. I have two amazing adult children. My favorite things include spending time with my children, my many friends, meeting new people, participating in community events, and cell phone photography.</p>

Rhonda Biesemeier  
1121 Karen Way  
Modesto, CA 95350-3414  
209-341-9828  
[biesemrh@gmail.com](mailto:biesemrh@gmail.com)

January 19, 2026

Mr. David MacDonald  
SACRS Nominating Committee Chair

Ms. Sulema Peterson  
SACRS Executive Director

Dear Mr. MacDonald and Ms. Peterson,

Please accept this letter of intent to apply for the position of Secretary of SACRS for the 2026-2027 term. I have served as a Regular Member on the Board for the 2024-2025 term and as Secretary for the 2025-2026 term. I am extremely interested in continuing in this capacity..

I have always been impressed by the quality of education I receive through SACRS, both at conferences and through the UC Berkeley Program. The SACRS organization is impressively well-run, providing top-notch presenters to improve member's understanding of investments and other aspects of pension management. The networking opportunities you provide enhance the educational experience.

I am a strong proponent of furthering and protecting retiree's defined benefit plans. I would like to stress that once I commit to a position, I am involved and dedicated to assuring that a certain level of excellence is maintained. I recognize that SACRS maintains such a level and I'd like to continue to be a part of its future.

I appreciate that you are willing to consider me for the position of Secretary SACRS Board of Directors.

Sincerely,

Rhonda Biesemeier


Submission for SACRS General Member 1



**SACRS Board of Directors Elections 2025-2026**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at [Dan.McAllister@sdcountry.ca.gov](mailto:Dan.McAllister@sdcountry.ca.gov) **AND** to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS (916) 701-5158.

<b>Name of Candidate</b>	Name: Riley Talford
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: 6395 E. Woodward Ave. Fresno, CA. 93727  Email Address: rileytalford@gmail.com  Phone: (559) 577-7673
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: Fresno County Employees Retirement Association (FCERA)
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input checked="" type="checkbox"/> <b>Chair</b> <input type="checkbox"/> Alternate <input type="checkbox"/> General Elected <input type="checkbox"/> Retiree <input type="checkbox"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="checkbox"/> President <input type="checkbox"/> Vice President <input type="checkbox"/> Treasurer <input type="checkbox"/> Secretary <input checked="" type="checkbox"/> <b>Regular Member</b>
<b>Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)</b>	Greetings. My name is Riley Talford and I am running for SACRS Regular Member. Here is a little information on my background: First I proudly served 7 years in the United States Navy as a Cryptologic Technician. I hold a Bachelor's Degree in Psychology, and a Master's in Education, and I am currently working towards completion of my law degree. My day job for the County of Fresno is as a Supervising Juvenile Correctional Officer within the Probation Department. In addition to serving my third term on the Retirement Board, I serve as the Fresno County Chapter President of SEIU Local 521, and 521 Local wide Vice President. It would be an honor to serve as an active participant on the SACRS Board of Directors!



2/18/26

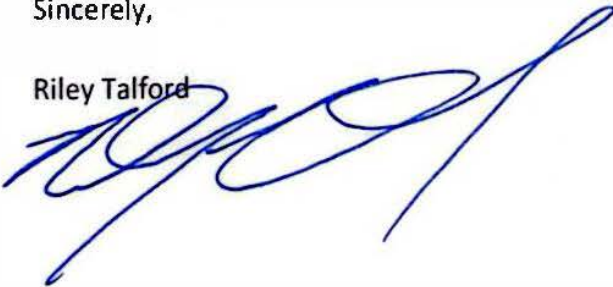
To: David MacDonald, SACRS Nominating Committee Chair; SACRS  
From: Riley Talford  
Subj: Letter of Intent

Dear SACRS Nominating Committee,


I am submitting this Letter of Intent to run for a position on the SACRS Board of Directors as a SACRS Regular Member for the 2026 – 2027 term. I have been endorsed by the FCERA Board of Trustees and would welcome an opportunity to represent all County Retirement Systems. My work ethic, experience, and good nature would be welcomed by the team. It is my sincere hope that you accept my candidacy.

Sincerely,

Riley Talford



(559) 577-7673 

rileytalford@gmail.com 

Submission for SACRS General Member 2



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2026-2027**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2026.** Please submit to the Nominating Committee Chair at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name: Christopher K Giboney
<b>Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)</b>	Mailing Address: 6400 Canyon Creek Road Georgetown, CA 95634 Email Address:chrisgiboney@gmail.com Phone: 831-444-5036
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name: SCERS Sacramento County Employee Retirement System
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input checked="" type="checkbox"/> Chair <input type="checkbox"/> Alternate <input type="checkbox"/> <b>General Elected</b> <input type="checkbox"/> Retiree <input checked="" type="checkbox"/> Other <u>Safety Alternate</u>
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="checkbox"/> President <input type="checkbox"/> <b>Vice President</b> <input type="checkbox"/> Treasurer <input type="checkbox"/> Secretary <input checked="" type="checkbox"/> Regular Member
<b>Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)</b>	<p>I am seeking reelection for my second year on the SACRS board as a general member. I am currently serving my second three-year term on the Sacramento County Employees' Retirement System (SCERS) Board and am honored to serve as Board President.</p> <p>With over 20 years in the fire service and 12 years as a Fire Captain with Sacramento Airport Fire, I bring both frontline public safety experience and a strong commitment to fiduciary responsibility to my role on the Board.</p> <p>Prior to my current position, I worked in private industry, state service, and multiple local government fire departments. This diverse professional background has given me a broad perspective on workforce challenges, retirement security, and the importance of maintaining a strong, sustainable pension system for employees and retirees alike.</p> <p>My interest in finance began at a young age, influenced by my father and grandfather, both of whom worked in the financial field. That early exposure instilled a lasting respect for sound financial principles, disciplined decision-making, and long-term planning—values that continue to guide my service.</p> <p>In addition to my work with SACRS /SCERS, I was appointed to the Sacramento County 457 Committee, further strengthening my understanding of deferred compensation and the broader retirement landscape faced by County employees. I also serve on the SACRS Legislative Committee.</p> <p>I hold a bachelor's degree and have dedicated my career to public service. As a Board member, I remain focused on transparency, prudent investment oversight, and ensuring SACRS remains strong, stable, and well-managed for current and future members. I respectfully ask for your support to continue serving in this role.</p>

I am seeking reelection for my second year on the SACRS board as a general member. I am currently serving my second three-year term on the Sacramento County Employees' Retirement System (SCERS) Board and am honored to serve as Board President.

With over 20 years in the fire service and 12 years as a Fire Captain with Sacramento Airport Fire, I bring both frontline public safety experience and a strong commitment to fiduciary responsibility to my role on the Board.

Prior to my current position, I worked in private industry, state service, and multiple local government fire departments. This diverse professional background has given me a broad perspective on workforce challenges, retirement security, and the importance of maintaining a strong, sustainable pension system for employees and retirees alike.

My interest in finance began at a young age, influenced by my father and grandfather, both of whom worked in the financial field. That early exposure instilled a lasting respect for sound financial principles, disciplined decision-making, and long-term planning—values that continue to guide my service.

In addition to my work with SACRS /SCERS, I was appointed to the Sacramento County 457 Committee, further strengthening my understanding of deferred compensation and the broader retirement landscape faced by County employees. I also serve on the SACRS Legislative Committee.

I hold a bachelor's degree and have dedicated my career to public service. As a Board member, I remain focused on transparency, prudent investment oversight, and ensuring SACRS remains strong, stable, and well-managed for current and future members. I respectfully ask for your support to continue serving in this role.

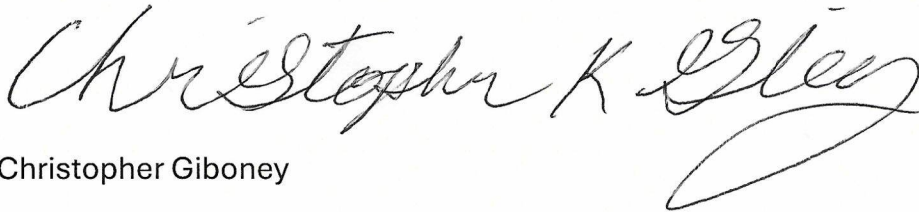
2/25/2026

SACRS Nomination Committee,

I am writing to formally nominate myself for the SACRS Board of Directors. I have received the full support and backing of the SCERS Board and staff, as affirmed at our most recent board meeting.

I am currently in the middle of my second three-year term as the Safety Alternate Trustee. Over the past year serving on the SACRS Board, I have gained valuable experience and insight into the organization's mission and governance. I greatly value the opportunity to serve and would welcome the chance to continue contributing to the Board and its membership.

Thank you for your consideration.

A handwritten signature in black ink, reading "Christopher K. Giboney". The signature is written in a cursive style with a large, sweeping flourish at the end.

Christopher Giboney



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

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### Agenda Item 7

**MEETING DATE:** February 18, 2026

**SUBJECT:** SACRS Board of Directors Nominations

**SUBMITTED FOR:**  X  Action          Information

---

#### **RECOMMENDATION**

Support nomination of Chris Giboney for SACRS Board of Directors.

#### **PURPOSE/STRATEGIC PRIORITY**

This item supports SACRS nominating procedures for Board of Director seats.

#### **DISCUSSION**

The annual SACRS Board of Directors election process begins with nominations due March 1, 2026, and concludes with a vote of the member systems at the SACRS business meeting during the Spring Conference on May 15, 2026. Terms are one year.

Mr. Giboney currently serves on the Board of Directors and has expressed his desire to continue serving. A formal endorsement by this retirement board demonstrates support for Mr. Giboney to continue representing SCERS at the statewide association.

SACRS Board of Directors meetings are held monthly, generally in Sacramento or virtually. For out-of-town SACRS Board meetings, SCERS has covered travel expenses for Mr. Giboney, consistent with the practices of other retirement systems. These costs are minor and absorbable in the SCERS operating budget.

Mr. Giboney has provided the following nomination statement for submission to SACRS:

*I am seeking reelection for my second year on the SACRS board as a general member. I am currently serving my second three-year term on the Sacramento County Employees' Retirement System (SCERS) Board and am honored to serve as Board President.*

*With over 20 years in the fire service and 12 years as a Fire Captain with Sacramento Airport Fire, I bring both frontline public safety experience and a strong commitment to fiduciary responsibility to my role on the Board.*

*Prior to my current position, I worked in private industry, state service, and multiple local government fire departments. This diverse professional background has given me a*

---

*broad perspective on workforce challenges, retirement security, and the importance of maintaining a strong, sustainable pension system for employees and retirees alike.*

*My interest in finance began at a young age, influenced by my father and grandfather, both of whom worked in the financial field. That early exposure instilled a lasting respect for sound financial principles, disciplined decision-making, and long-term planning—values that continue to guide my service.*

*In addition to my work with SACRS /SCERS, I was appointed to the Sacramento County 457 Committee, further strengthening my understanding of deferred compensation and the broader retirement landscape faced by County employees. I also serve on the SACRS Legislative Committee.*

*I hold a bachelor's degree and have dedicated my career to public service. As a Board member, I remain focused on transparency, prudent investment oversight, and ensuring SACRS remains strong, stable, and well-managed for current and future members. I respectfully ask for your support to continue serving in this role.*

## **ATTACHMENTS**

- Board Order

Prepared by:

/S/

---

Eric Stern  
Chief Executive Officer



# Retirement Board Order

## Sacramento County Employees' Retirement System

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Before the Board of Retirement  
February 18, 2026

AGENDA ITEM:

### SACRS Board of Directors Nominations

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to support nomination of Chris Giboney for SACRS Board of Directors.

I HEREBY CERTIFY that the above order was passed and adopted on February 18, 2026 by the following vote of the Board of Retirement, to wit:

AYES: Aguallo, DeVore, Suter, Rinde, Banda, Mangru, Gayman, Hoover, Shah

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting): Giboney, Irish

Signed by:

A handwritten signature in blue ink that reads "Chris Giboney".

---

Chris Giboney  
Board President

Signed by:

A handwritten signature in blue ink that reads "Eric Stern".

---

Eric Stern  
Chief Executive Officer and  
Board Secretary



**7. SACRS Audit Committee Report – Receive and File**  
Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Audit 2024-2025



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
State Association of County Retirement Systems  
Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of State Association of County Retirement Systems (SACRS), as of and for the years ended June 30, 2024 and 2023 the related notes to the financial statement, which collectively comprise the State Association of County Retirement Systems' basic financial statement, and have issued our report thereon dated March 11, 2025.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statement, we considered SACRS' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States of America in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

*James Marta & Company LLP*

James Marta & Company LLP  
Certified Public Accountants  
March 11, 2025



**James Marta & Company LLP**  
**Certified Public Accountants**

*Accounting Auditing Tax and Consulting*

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**COMMUNICATION WITH THOSE CHARGED  
WITH GOVERNANCE**

Board of Directors  
State Association of County Retirement Systems  
Sacramento, California

We have audited the financial statement of the State Association of County Retirement Systems (SACRS) for years ended June 30, 2024 and 2023, and have issued our report thereon dated March 11, 2025. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated July 7, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement. Our audit of the financial statement does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statement is free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of SACRS solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our report on internal control over financial reporting in a separate letter to you dated March 11, 2025.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

### **Significant Risks Identified**

We have identified the following significant risks:

None

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by SACRS is included in Note 1 to the financial statement. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are typically an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. As the accounting of SACRS is prepared on a cash basis, no estimates are necessary for the preparation of the financial statement.

#### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We are not aware of any sensitive disclosures affecting SACRS' financial statement.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. The following significant unusual transactions identified as a result of our audit procedures were brought to the attention of management:

None

### **Identified or Suspected Fraud**

We have not identified or obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statement as a whole and each applicable opinion unit. We did not identify any uncorrected misstatements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. See Attachment I for adjustments provided by management.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to SACRS' financial statement or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affected the form and content of our auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated March 11, 2025.

**Management's Consultations with Other Accountants**

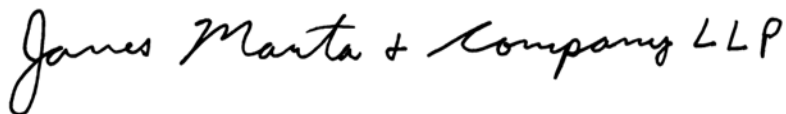
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

**Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with SACRS, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as SACRS' auditors.

We are contracted to prepare the fiscal year 2024 federal Return of Organization Exempt From Income Tax, and related state filings, as well as the calendar year Forms 1099-MISC and 1099-NEC for SACRS. These returns will be prepared using audited financial data, where applicable, but our preparation of these returns does not constitute an audit. No audit opinion will be issued on the tax returns referred to above.

This report is intended solely for the information and use of the Board of Directors, and management of State Association of County Retirement Systems and is not intended to be and should not be used by anyone other than these specified parties.



James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
March 11, 2025

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**Adjusting Journal Entries**

None.

**Reclassifying Journal Entries**

None.

**Proposed Journal Entries:**

Account	Description	Debit	Credit
<b>Proposed JE # 1</b>			
To adjust the Deposit in Transit from March 2024.			
6010	Office Expenses / Supplies	125	
1099x	Deposits in Transit		125
<b>Total</b>		<u>125</u>	<u>125</u>



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## MANAGEMENT REPRESENTATION LETTER

March 11, 2025

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California

This representation letter is provided in connection with your audit of the statement of cash receipts and disbursements of the State Association of County Retirement Systems (SACRS) for the fiscal years ended June 30, 2024 and 2023, and the related notes to the financial statement, for the purpose of expressing an opinion on whether the financial statement is presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 11, 2025:

### Financial Statement

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated July 7, 2022, for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed.
- All events subsequent to the date of the financial statement which requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed.



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- We have complied with all contractual agreements, grants, and donor restrictions.
- We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
- We have accurately presented the entity's position regarding taxation and tax-exempt status.
- The bases used for allocation of functional expenses are reasonable and appropriate.
- We have included in the financial statement all assets under the entity's control.
- We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
- Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.
- We have reviewed and approved the adjusting, reclassifying and proposed journal entries reflected in the audit statements and Attachment I.
- With respect to preparation of the financial statements we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained controls, including a process to monitor the system of internal control.

#### Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statement, such as records, documentation, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We have disclosed to you the results of our assessment of the risk that the financial statement may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others when the fraud could have a material effect on the financial statement.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statement communicated by employees, former employees, analysts, regulators, or others.
- We have no knowledge of any noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing financial statements.



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- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statement and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

#### **Supplementary Information in Relation to the Financial Statement as a Whole**

With respect to the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report accompanying the financial statement:

- We acknowledge our responsibility for the presentation of the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements in accordance with the cash basis accounting as described in Note 1 to the financial statement. We acknowledge our responsibility for the presentation of the Conference Summary Report which presents all cash receipts and expenses related to a specific regardless of timing of the underlying receipt or disbursement.
- We believe the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, including its form and content, is fairly presented in accordance with the cash basis accounting as described in Note 1 to the financial statement. We believe the Conference Summary Report, including its form and content, is fairly presented and inclusive of all cash receipts and expenses related to a specific regardless of timing of the underlying receipt or disbursement.
- The methods of measurement or presentation have not changed from those used in the prior period.
- When the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report are not presented with the audited financial statement, management will make the audited financial statement readily available to the intended users of the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

#### **Additional Representations**

- We have reviewed, approved, and taken responsibility for the financial statement and related notes.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statement.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.



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- All disbursements have been properly classified in the financial statement and allocations, if any, have been made on a reasonable basis.
- Deposit and investment risks have been properly and fully disclosed.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- We have disclosed to you all guarantees, whether written or oral, under which SACRS is contingently liable.
- SACRS has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have provided to you our views on reported audit findings, conclusions, and recommendations, as well as planned corrective actions.
- Regarding our tax filings prepared by James Marta & Company LLP:
  - We are responsible for complying with tax filing requirements with the Internal Revenue Service, Franchise Tax Board, and other agencies, as applicable.
  - We are responsible for establishing and maintaining effective internal control over compliance.
  - We have performed an evaluation of the Association's compliance with tax filing requirements, and we are not aware of any instances of noncompliance.
  - We have reviewed and approved the tax returns prepared by your office.
  - We have made available to you all documentation related to compliance with specified requirements.
  - We assume all management responsibilities in regards to the tax filings and have designated an individual in management who possesses suitable skill, knowledge and experience to oversee these services.
  - We have performed an evaluation of the adequacy and results of the services performed and assume all management responsibilities.
  - We accept responsibility for the results of the services.

*Sulema Peterson*

---

Sulema Peterson, SACRS Executive Director



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**Attachment I**  
**Journal Entry Report**

**Adjusting Journal Entry:**

None.

**Reclassifying Journal Entry:**

None

**Proposed Journal Entry:**

Account	Description	Debit	Credit
<b>Proposed JE # 1</b>			
To adjust the Deposit in Transit from March 2024.			
6010	Office Expenses / Supplies	125	
1099x	Deposits in Transit		125
<b>Total</b>		<b>125</b>	<b>125</b>



JAMES MARTA & COMPANY LLP  
CERTIFIED PUBLIC ACCOUNTANTS

**STATE ASSOCIATION OF  
COUNTY RETIREMENT SYSTEMS**

**FINANCIAL STATEMENT  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED  
JUNE 30, 2024 AND 2023**

701 HOWE AVENUE, E3  
SACRAMENTO, CA 95825

(916) 993-9494  
(916) 993-9489 FAX  
[WWW.JPMCPCPA.COM](http://WWW.JPMCPCPA.COM)

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2024

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**BOARD OF DIRECTORS**

**David MacDonald**  
President

**Vivian Gray**  
Immediate Past President

**Adele Tagaloa**  
Vice President

**Jordan Kaufman**  
Treasurer

**Zandra Cholmondeley**  
Secretary

**Rhonda Bieseimeier**  
General Member

**David Gilmore**  
General Member

**Sean Gannon**  
Affiliate Chair

\* \* \* \*

**Sulema Peterson**  
Association Management

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2024 AND 2023

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**James Marta & Company LLP**  
**Certified Public Accountants**

*Accounting Auditing Tax and Consulting*

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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
State Association of County Retirement Systems  
Sacramento, California

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statement State Association of County Retirement Systems (SACRS) which comprise the statement of cash receipts and disbursements for the fiscal years ended June 30, 2024 and 2023, and the related notes to the financial statement.

In our opinion, the accompanying statement of cash receipts and disbursements present fairly, in all material respects, the financial position of State Association of County Retirement Systems as of June 30, 2024 and 2023 in accordance with the cash basis of accounting described in Note 1.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of State Association of County Retirement Systems, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Emphasis of Matter – Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Responsibility of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statement of cash receipts and disbursements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about State Association of County Retirement Systems' ability to continue as a going concern for a period of at least twelve months from the date of the statement of cash receipts and disbursements.

***Auditor's Responsibilities for the Audit of the statement of cash receipts and disbursements***

Our objectives are to obtain reasonable assurance about whether the statement of cash receipts and disbursements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these statement of cash receipts and disbursements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statement of cash receipts and disbursements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of State Association of County Retirement Systems' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statement of cash receipts and disbursements
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about State Association of County Retirement Systems' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Information***

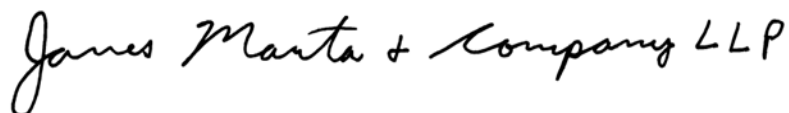
Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report, on pages 8 to 13, are presented for purposes of additional analysis and are not a required part of the financial statement.

The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 8 to 12, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 8 to 12 is fairly stated in all material respects in relation to the financial statement as a whole.

The Conference Summary Report, on page 13, has not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

### ***Restricted Use***

This report is intended solely for the information and use of management and the board of directors of State Association of County Retirement Systems and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
March 11, 2025

## **FINANCIAL SECTION**

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2023-24</u>	<u>2022-23</u>
<b><u>Cash Receipts</u></b>		
Dues	\$ 466,650	\$ 361,500
Conference		
Fall	631,394	546,180
Spring	700,118	561,715
Seminars	141,600	117,000
Other admin receipts	3,380	635
Interest	54,005	37,268
	<u>1,997,147</u>	<u>1,624,298</u>
<b><u>Cash Disbursements</u></b>		
Conference		
Fall - 2023 and 2022		
Hotel and meals	354,688	430,059
Audio and visual	103,000	102,087
Program materials	71,582	31,726
Spring - 2024 and 2023		
Hotel and meals	553,753	689,074
Audio and visual	105,138	207,583
Program materials	42,791	82,563
Seminars	535,621	102,505
Conference administration	20,510	21,192
Total conference disbursements	<u>1,787,083</u>	<u>1,666,789</u>
Administration	366,197	396,456
Lobbying	56,559	62,808
Newsletters	28,465	43,941
Committee meetings	112,677	74,447
Special projects	1,000	17,837
Total administration disbursements	<u>564,898</u>	<u>595,489</u>
Total Cash Disbursements	<u>2,351,981</u>	<u>2,262,278</u>
Excess (Deficit) of Cash Receipts over Cash Disbursements	(354,834)	(637,980)
Cash and Investments, Beginning	<u>1,266,654</u>	<u>1,904,634</u>
Cash and Investments, Ending	<u>\$ 911,820</u>	<u>\$ 1,266,654</u>
<i>Supplementary Information</i>		
<u>Cash and Investments at June 30,</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 609,010	\$ 666,544
Non current portion of investments	302,810	600,110
Total Cash and Investments	<u>\$ 911,820</u>	<u>\$ 1,266,654</u>

The accompanying notes are an integral part of this financial statement.

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. ORGANIZATION

State Association of County Retirement Systems (SACRS) is a not-for-profit association of 20 California county retirement systems, enacted under the County Employees Retirement Law of 1937. SACRS was formed in the early 1970's to provide forums for disseminating knowledge of, and developing expertise in, the operation of county retirement systems existing under current law, as well as to foster and take an active role in the legislative process. To accomplish SACRS' mission of addressing issues of importance to members, SACRS, contracting with Sulema Peterson & Associates, provides a variety of association management services, including three magazines a year, membership directory, semi-annual conferences, and oversight of SACRS.org. The Association is supported primarily through membership dues and conference fees.

##### B. BASIS OF ACCOUNTING

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under that basis, the only assets recognized are cash and investments, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of outstanding dues and obligations for assessments unpaid at the date of the financial statement are not included in the financial statement.

The Board of Directors has elected to use the cash basis of accounting for this entity given the nature of its receipts and disbursements: revenue is almost always received and earned in the same period (e.g. at the beginning of the year for annual memberships, and shortly prior to events for conference attendance) and most expenses are incurred evenly over the year, with the exception of the billing for the conference hotel expense. Financial results by conference are presented in the Conference Summary Report in the Supplementary Information section of this document.

##### C. INCOME TAXES

The Association is exempt from federal and state income taxes under Section 501(c)(4) of the Internal Revenue Code and Section 23701f of the California Revenue and Taxation Code.

##### D. CONTRACTUAL AGREEMENTS

The Association has entered into various contractual agreements for professional services. These agreements include compensation for services rendered to the Association.

##### E. COMPARATIVE DATA

Comparative data for the prior year have been presented in certain sections of the accompanying financial statement in order to provide an understanding of changes in the Association's financial position and operations.

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**NOTES TO THE FINANCIAL STATEMENT**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. COMPARATIVE DATA (CONTINUED)**

Since SACRS uses the cash basis of accounting, the timing of events and the ultimate settlement of bills may vary from year to year. For example; the Spring conference costs could be settled by June (by year end) or be extended into the subsequent year. Also the timing of events could affect when payments are made from year to year. Payments after year end will be paid out of the surplus generated out of the prior year conference receipts. So the surplus cash at year end may have future demands for prior expenses. Management prepares a conference summary report that reconciles these payments when settled; this report is presented as supplementary information.

**2. CASH AND INVESTMENTS**

Cash and Cash Equivalents

SACRS considers short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and had an original maturity of three months or less when purchased. The balance in cash and cash equivalents at June 30 include:

	2024	2023
Bank accounts	\$ 67,302	\$ (166,975)
Money market accounts	541,708	833,519
Total cash and cash equivalents	\$ 609,010	\$ 666,544

Cash in bank accounts at June 30, 2024 consisted of the following:

	First Foundation	Bank of America	Total
Per bank	\$ 71,878	\$ 6,647	\$ 78,525
Checks outstanding	(11,223)	-	(11,223)
Total bank accounts	\$ 60,655	6,647	\$ 67,302

Cash in bank accounts at June 30, 2023 consisted of the following:

	First Foundation	Bank of America	Total
Per bank	\$ 136,739	\$ 46,674	\$ 183,413
Checks outstanding	(350,388)	-	(350,388)
Total bank accounts	\$ (213,649)	46,674	\$ (166,975)

Cash balances on interest-bearing accounts held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). There were \$0 in excess of FDIC coverage as of June 30, 2024 and 2023, respectively. Money market accounts are not insured.

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**NOTES TO THE FINANCIAL STATEMENT**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**2. CASH AND INVESTMENTS (Continued)**

Investments

In March 2015, SACRS invested in the CalTRUST Medium-Term Fund (the “Fund”), depositing \$1,104,130. The fair value balance as of June 30, 2024 and 2023 presented in the financial statement is \$302,810 and \$600,110; respectively. SACRS made a \$322,000 redemption for the year ended June 30, 2024. The current portion of the investment account represents underlying securities which are immediately redeemable (e.g. equities), or will mature within one year. The CalTRUST Short-Term Fund was \$9,037 and \$8,559 as of June 30, 2024 and 2023, respectively. The Fund is not rated or insured.

**3. CONTRACTS**

SACRS has entered into contracts with various hotels to reserve facilities and guest rooms for its upcoming conferences and events. Cancellation fees associated with these contracts vary by date of notice. All hotel contracts specify the total number of guest room nights reserved at a group rate. If guest nights attributed to the convention fall below a specified minimum, SACRS is obligated to pay a room attrition rate for every guest night below the contracted minimum; standard room rates exceed the attrition rate. The organization is also responsible for food and beverage minimums as specified below. Hotel contracts entered into as of the audit date are summarized here:

<b>Conference</b>	<b>Cancellation Fees</b>	<b>Food and Beverage Minimums</b>	<b>Guest Room Nights Reserved</b>	<b>Guest Room Nights Minimum</b>	<b>Rooms Attrition</b>
Spring 2024	\$40,672-\$81,345	\$170,000	255	255	\$319 plus tax
UC Berkley 2024	\$60,971	\$22,000	134	134	\$319 plus tax
Fall 2024	\$186,632-\$233,290	\$150,000	1165	948	\$205 plus tax
Spring 2025	\$141,608-\$370,715	\$175,000	1185	948	\$239 plus tax
UC Berkley 2025	\$60,971	\$22,000	134	134	\$319 plus tax
Fall 2025	\$345,762-\$407,728	\$220,000	1190	1012	\$339 plus tax
Fall 2026	\$141,608-\$370,716	\$175,000	1185	948	\$239 plus tax

**4. DONATED SERVICES**

Directors and officers have made a significant contribution of their time to develop the organization and its programs. No amounts have been recognized in the accompanying statement of cash receipts and disbursements as no cash changed hands as a result of the donated services.

**5. SUBSEQUENT EVENTS**

SACRS’ management has evaluated subsequent events through March 11, 2025, the date which the financial statement was issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statement.

## **SUPPLEMENTARY INFORMATION**

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

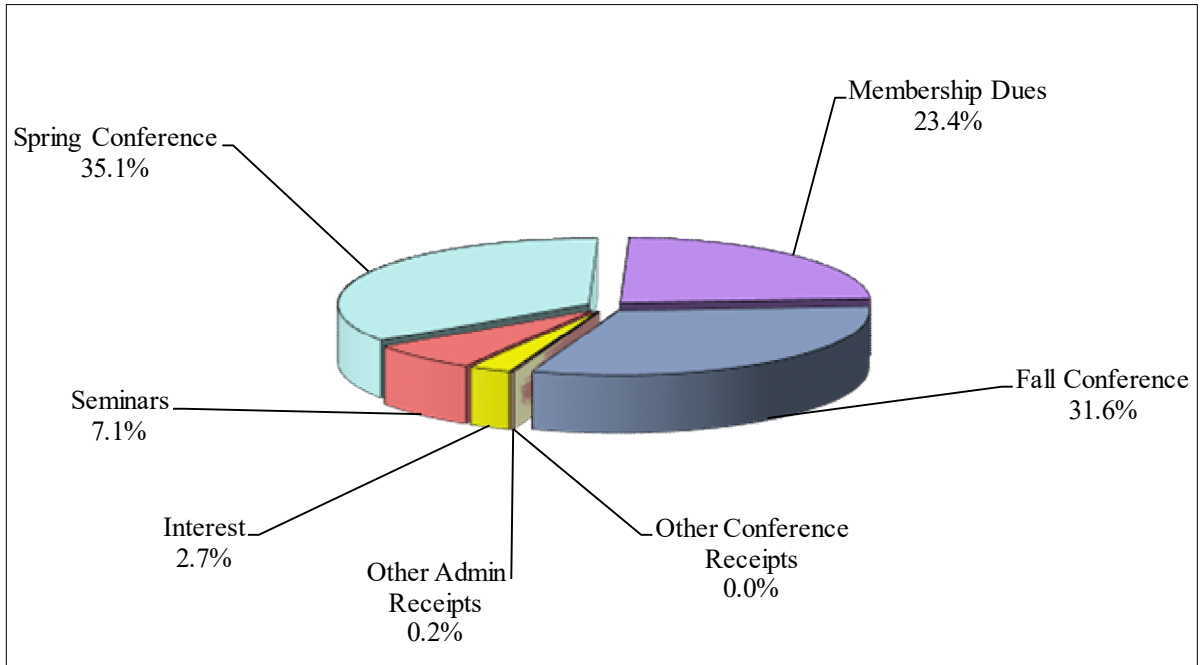
	<u>Conference</u>	<u>Administration</u>	<u>Total</u>
<b><u>Cash Receipts</u></b>			
Dues	\$ -	\$ 466,650	\$ 466,650
Conference			
Fall	631,394	-	631,394
Spring	700,118	-	700,118
Seminars	141,600	-	141,600
Other admin receipts	-	3,380	3,380
Interest	-	54,005	54,005
Total Cash Receipts	<u>1,473,112</u>	<u>524,035</u>	<u>1,997,147</u>
<b><u>Cash Disbursements</u></b>			
Conference			
Fall - 2023			
Hotel and meals	354,688	-	354,688
Audio and visual	103,000	-	103,000
Program materials	71,582	-	71,582
Spring - 2024			
Hotel and meals	553,753	-	553,753
Audio and visual	105,138	-	105,138
Program materials	42,791	-	42,791
Seminars	535,621	-	535,621
Conference Administration	20,510	-	20,510
Total conference disbursements	<u>1,787,083</u>	<u>-</u>	<u>1,787,083</u>
Administration	-	366,197	366,197
Lobbying	-	56,559	56,559
Newsletters	-	28,465	28,465
Committee meetings	-	112,677	112,677
Special projects	-	1,000	1,000
Total administration disbursements	<u>-</u>	<u>564,898</u>	<u>564,898</u>
Total Cash Disbursements	<u>1,787,083</u>	<u>564,898</u>	<u>2,351,981</u>
Excess (Deficit) of Cash Receipts over Cash Disbursements	(313,971)	(40,863)	(354,834)
Cash and Investments, Beginning	<u>2,678,496</u>	<u>(1,411,842)</u>	<u>1,266,654</u>
Cash and Investments, Ending	<u>\$ 2,364,525</u>	<u>\$ (1,452,705)</u>	<u>\$ 911,820</u>

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

CASH RECEIPTS BY SOURCE

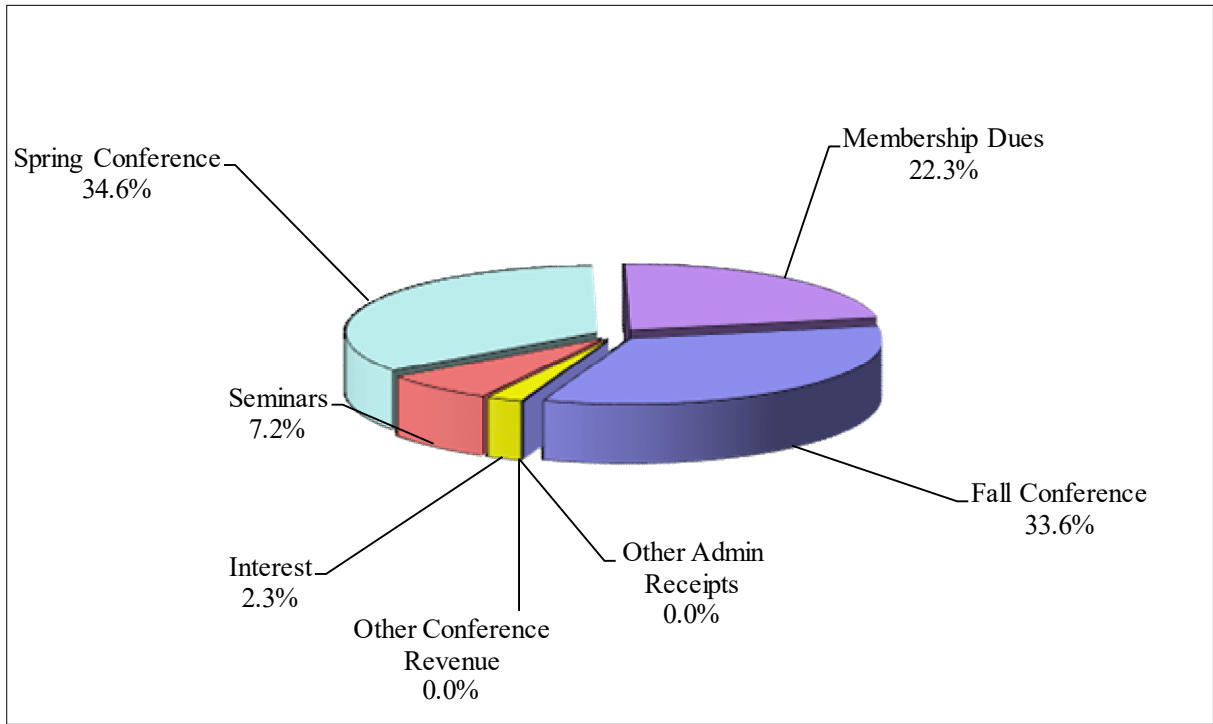


**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**GRAPHICAL PRESENTATION OF CASH RECEIPTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**CASH RECEIPTS BY SOURCE**

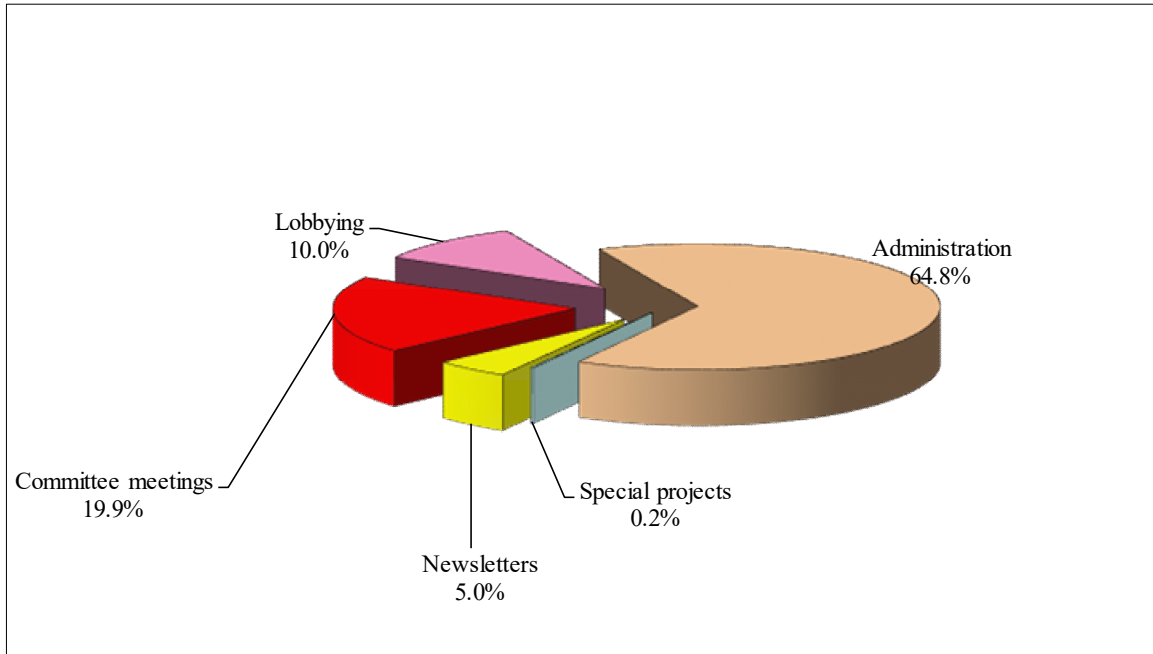


**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

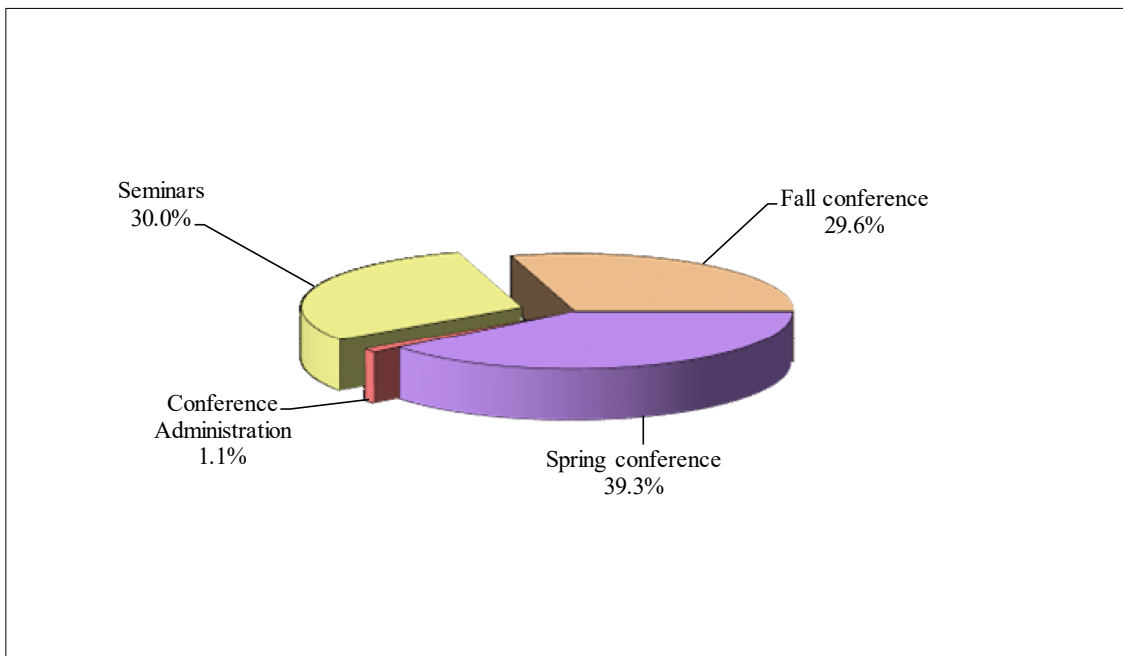
**GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**ADMINISTRATION CASH DISBURSEMENTS**



**CONFERENCE CASH DISBURSEMENTS**



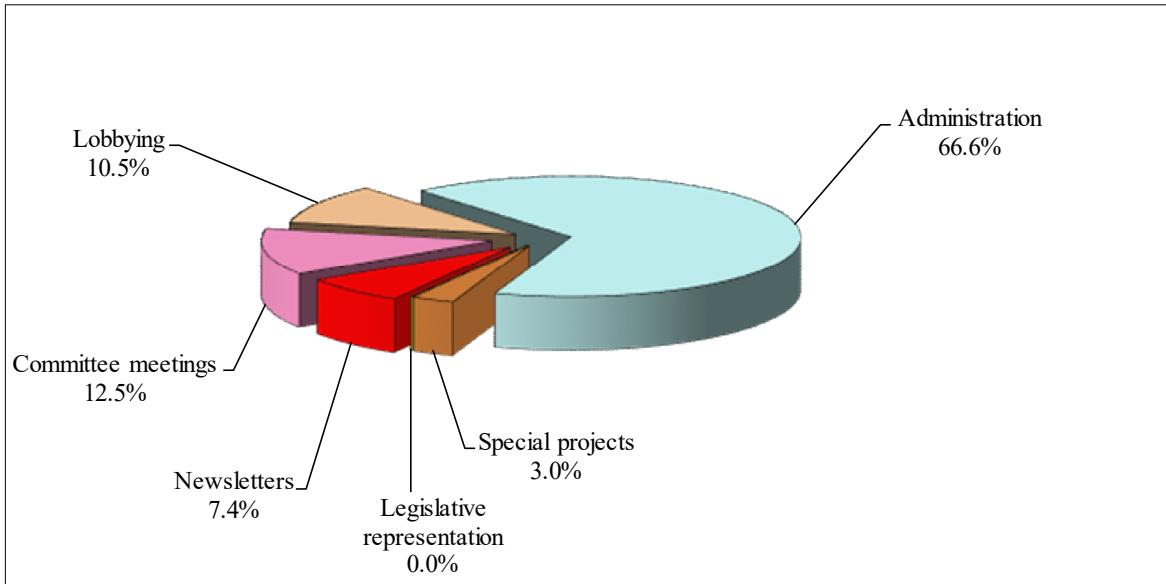
**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS**

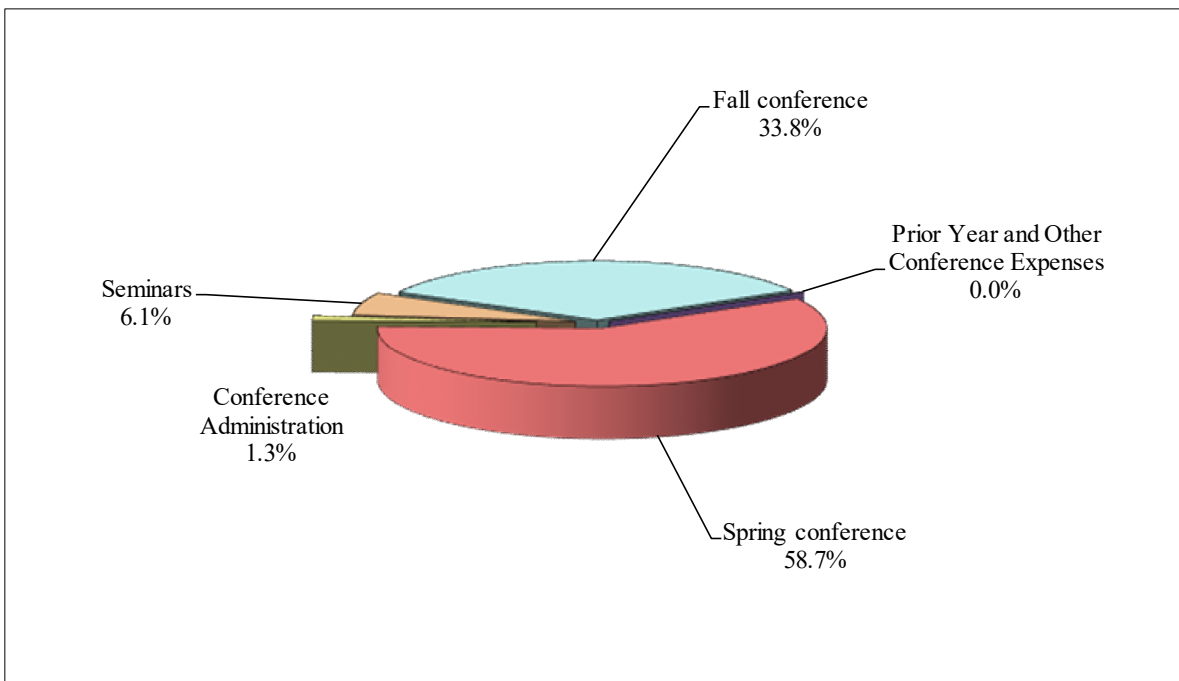
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**ADMINISTRATION CASH DISBURSEMENTS**



**CONFERENCE CASH DISBURSEMENTS**



**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**CONFERENCE SUMMARY REPORT**

	<b>Spring 2024</b>	<b>Fall 2023</b>	<b>Spring 2023</b>	<b>Fall 2022</b>	<b>Spring 2022</b>	<b>Fall 2021</b>	<b>Spring 2021</b>	<b>Fall 2020</b>	<b>Spring 2020</b>	<b>Fall 2019</b>
	<b>Santa Barbara</b>	<b>Rancho Mirage</b>	<b>San Diego</b>	<b>Long Beach</b>	<b>Rancho Mirage</b>	<b>Hollywood</b>	<b>Held Via Virtual Conference</b>	<b>Held Via Virtual Conference</b>	<b>Canceled/Held Via Webinar</b>	<b>Monterey</b>
Cash receipts										
Conference	\$ 700,118	\$ 631,394	\$ 561,715	\$ 546,180	\$ 534,550	\$ 503,150	\$ 116,115	\$ 102,380	\$ -	\$ 639,270
Total cash receipts	<u>700,118</u>	<u>631,394</u>	<u>561,715</u>	<u>546,180</u>	<u>534,550</u>	<u>503,150</u>	<u>116,115</u>	<u>102,380</u>	<u>-</u>	<u>639,270</u>
Cash disbursements										
Hotel and meals	483,796	335,412	664,335	377,130	20,225	329,775	-	-	-	267,961
Audio and visual	104,237	103,000	203,750	102,088	114,145	86,293	38,975	46,888	-	56,477
Program materials	9,459	30,082	40,542	23,797	33,115	39,374	2,500	3,049	-	20,381
Program Speakers	33,050	36,500	42,021	42,123	41,750	55,915	11,290	38,125	-	63,172
Conference Administration	71,139	24,275	28,572	18,734	21,336	15,921	3,830	2,668		12,131
Total cash disbursements	<u>701,681</u>	<u>529,269</u>	<u>979,220</u>	<u>563,872</u>	<u>230,572</u>	<u>527,277</u>	<u>56,595</u>	<u>90,730</u>	<u>-</u>	<u>420,122</u>
Net cash provided by conference	\$ (1,563)	\$ 102,125	\$ (417,505)	\$ (17,692)	\$ 303,978	\$ (24,127)	\$ 59,520	\$ 11,650		\$ 219,148
Total attendees	<u>586</u>	<u>537</u>	<u>538</u>	<u>508</u>	<u>577</u>	<u>540</u>	<u>443</u>	<u>363</u>	<u>N/A</u>	<u>647</u>



## **8. SACRS Education Committee Report – No Action**

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

### A. Education Committee Report



**No printed materials for this item**



## **9. SACRS Program Committee Report – No Action**

Jordan Kaufman, Kern CERA, SACRS Program Committee Chair & Vice President

### A. Program Committee Report



**No printed materials for this item**



## **10. SACRS Affiliate Committee Report – No Action**

Sean Gannon, Manulife Investments, SACRS Affiliate Committee Chair

### A. Affiliate Committee Report



**No printed materials for this item**



## **11. SACRS Bylaws Committee Report – No Action**

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

### A. Bylaws Committee Report



**No printed materials for this item**



## 12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give a verbal report on their meetings.

- A. Administrators
- B. Affiliates
- C. Attorneys
- D. Disability
- E. Operations/Benefits
- F. Internal Auditors
- G. Investment Officers
- H. Safety Trustees
- I. General Trustees



**No printed materials for this item**



### 13. Adjournment

Next scheduled SACRS Business Meeting will be held on Friday, November 13, 2026. The meeting will be held at the Omni Rancho Las Palmas, in Rancho Mirage, CA, during SACRS Annual Fall Conference November 10-13, 2026.



**Date:** May 6, 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) Hudson Bay Capital Management
- 2) Endeavour United
- 3) PIMCO
- 4) Brevan Howard Capital Management LP

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.





Proclamation in Recognition of  
**Public Service Recognition Week**  
May 3–9, 2026

Proudly Presented To

**Kern County Employees' Retirement  
Association Members - Past and Present**

**Whereas**, public servants are essential to the strength and stability of our communities, dedicating their expertise, compassion, and commitment to enhancing the safety, health, and well-being of those they serve; and

**Whereas**, the Kern County Employees' Retirement Association (KCERA) is privileged to support more than 25,400 active, deferred, and retired members whose careers in public service have helped build and sustain a thriving society; and

**Whereas**, KCERA proudly collaborates with its Plan Sponsors, including Kern County, Berrenda Mesa Water District, Buttonwillow Recreation and Park District, East Kern Cemetery District, Inyokern Community Services District, Kern County Hospital Authority, Kern County Superior Court, Kern County Water Agency, Kern Mosquito and Vector Control District, North of the River Sanitation District, San Joaquin Valley Air Pollution Control District, Shafter Recreation and Park District, West Side Cemetery District, West Side Mosquito and Vector Control District, and West Side Recreation and Park District; and

**Whereas**, KCERA Safety members demonstrate extraordinary courage and dedication, serving on the frontlines to protect lives and property, uphold the law, and respond to emergencies ranging from daily incidents to large-scale wildfires and natural disasters; and

**Whereas**, healthcare professionals and support staff deliver critical medical care and compassionate service, ensuring the health and dignity of Kern County residents, particularly those most in need; and

**Whereas**, members across Kern County and KCERA's Plan Sponsors—spanning social services, public health, infrastructure, planning, finance, and administration—work tirelessly, often behind the scenes, to deliver essential services and improve the quality of life for all; and

**Whereas**, these public servants exemplify professionalism, integrity, and a deep sense of purpose, making lasting contributions that frequently go unseen but are felt throughout our communities; and

**Whereas**, the legacy of service demonstrated by KCERA members continues to inspire future generations to pursue careers in public service and uphold the values that strengthen our society.

Now, therefore be it resolved, that the Board of Retirement of the Kern County Employees' Retirement Association hereby recognizes and celebrates Public Service Recognition Week, May 3–9, 2026, and extends its sincere gratitude to all KCERA members—past and present—for their enduring commitment to public service.

Be it further resolved that our communities are safer, healthier, and more resilient because of their dedication. We thank them, we honor them, and we proudly recognize the vital role they play each and every day.

Adopted this May 6, 2026  
By the Board of Retirement,  
Kern County Employees' Retirement Association

**Dominic D. Brown**  
Chief Executive Officer

**Dustin Contreras**  
Chair, Board of Retirement



Kern County Employees' Retirement Association

# Experience Study Educational Session

May 6, 2026 / Todd Tauzer / Molly Calcagno

# Agenda

**Overview of an Actuarial Valuation**

**Experience Study 101**

**Experience Study Overview**

**Economic Assumptions**

**Demographic Assumptions**

# Overview of an Actuarial Valuation

# The Actuarial Valuation

*A plan's funding GPS*

## **A financial check-up serving as roadmap and guide**

- Where we are and where we are going

## **Establishes how far along the plan is**

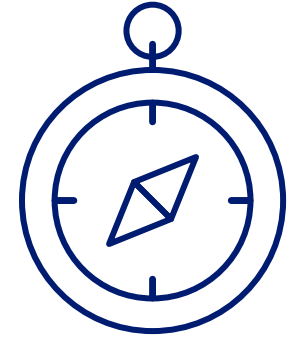
- Funding position – assets, liabilities, and unfunded liability

## **Determines the next steps towards the ultimate goal**

- Employer and employee contribution rates

## **Every once in a while, the unexpected can cause “rerouting”**

- Experience studies with potential assumption changes



# Actuarial Valuation Fundamentals

*What is the actuarial valuation used for?*



**Primary**

**Contribution requirements**

**Funded status**

**Disclosure requirements**

**Basis for pricing plan changes**

**Analysis of demographic experience**

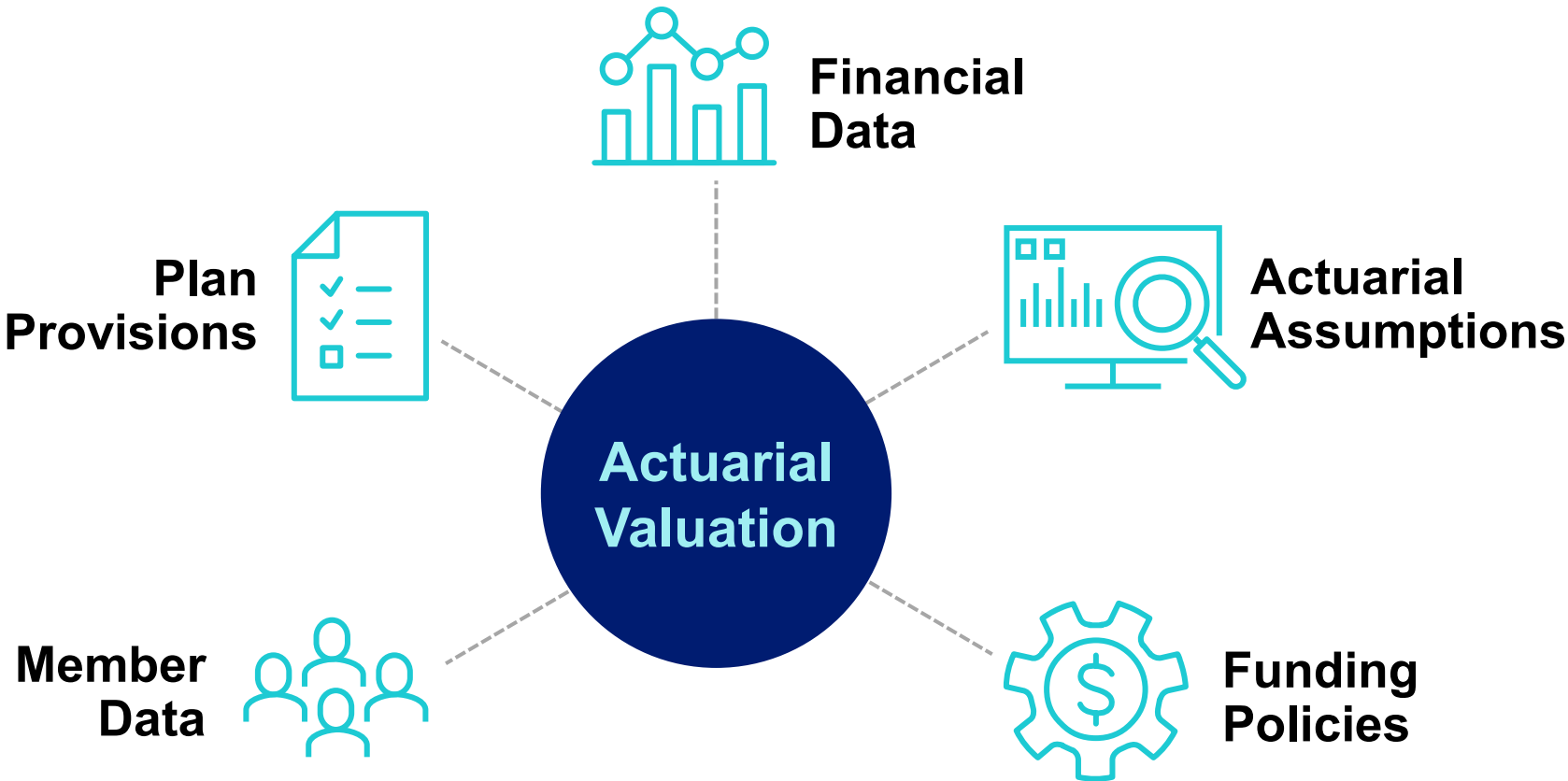
**Analysis of financial experience**



**Secondary**

# The Actuarial Valuation

## *Key items*



# Valuation Inputs

*Two actuarial decision/policy areas*

## **Actuarial Assumptions**

- Reviewed every three years in the Experience Study
  - Reviews both economic and demographic assumptions

## **Actuarial Funding Policy**

- Determines current year employer contributions
- Actuarial cost (funding) method (never changes)
- Asset smoothing method (rarely changes)
- UAAL\* Amortization Policy (reviewed occasionally)

\* UAAL = Unfunded Actuarial Accrued Liability

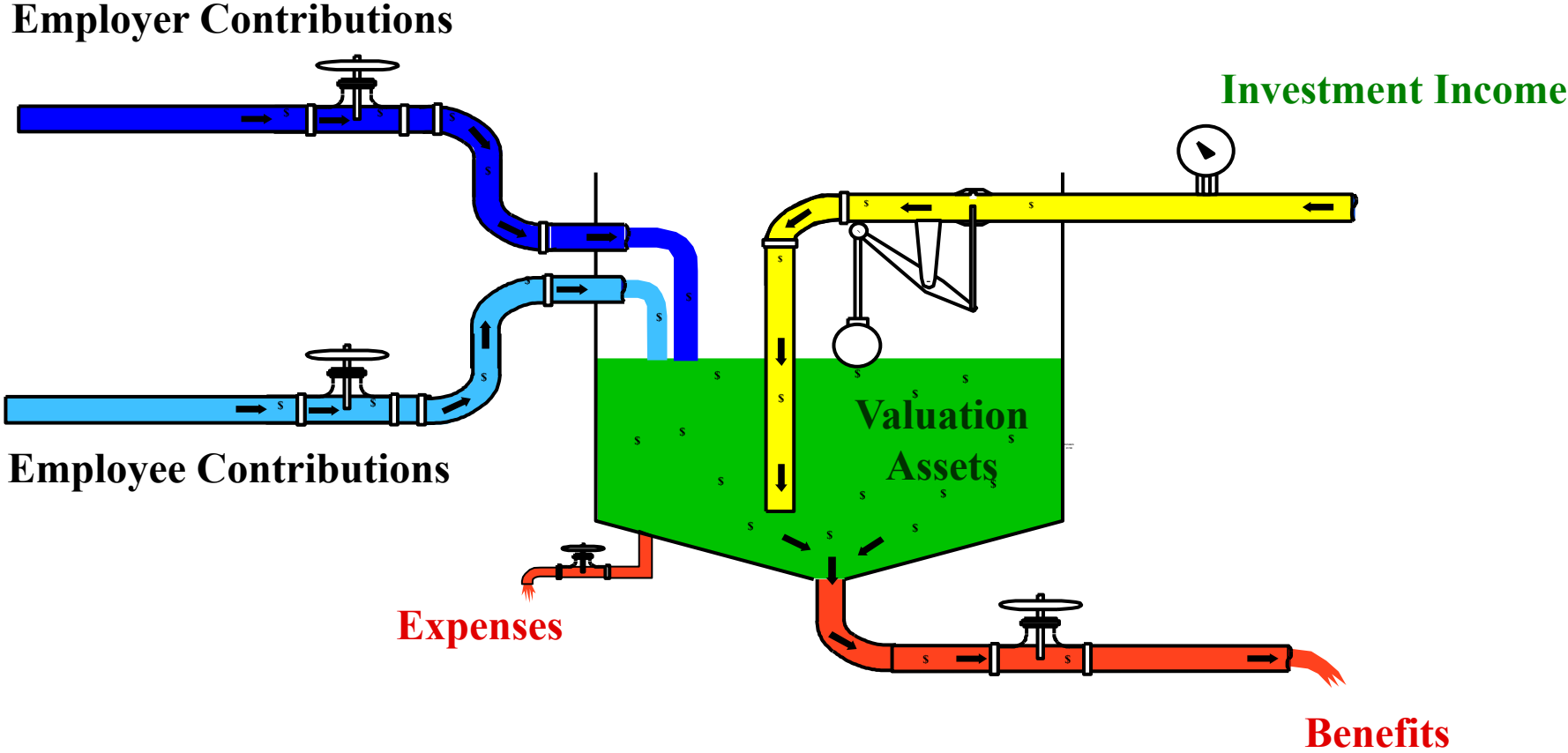
# Role of Actuarial Assumptions and Methods

$$C + I = B + E$$

Contributions + Investment Income  
equals  
Benefit Payments + Expenses

- Assumptions and funding methods do not directly affect the **payment** of benefits, only the **timing** of contributions
  - Actuarial valuation determines the “current” cost, not the ultimate cost

$$C + I = B + E$$



# Actuarial Assumptions

*Two types*

## Demographic

- When benefits will be payable

- Amount of benefits

## Economic

- How assets grow

- How salaries increase

## Reviewed every three years in the Actuarial Experience Study

- For KCERA, in 2026
  - More discussion to follow



# Actuarial Funding Policy

## *Three core components*

**Actuarial cost (funding) method** allocates present value of member's projected benefits to years of service, past current, and future

- Defines normal cost and actuarial accrued liability (AAL)

**Asset smoothing method** assigns a value to assets that manages short term volatility while tracking market value

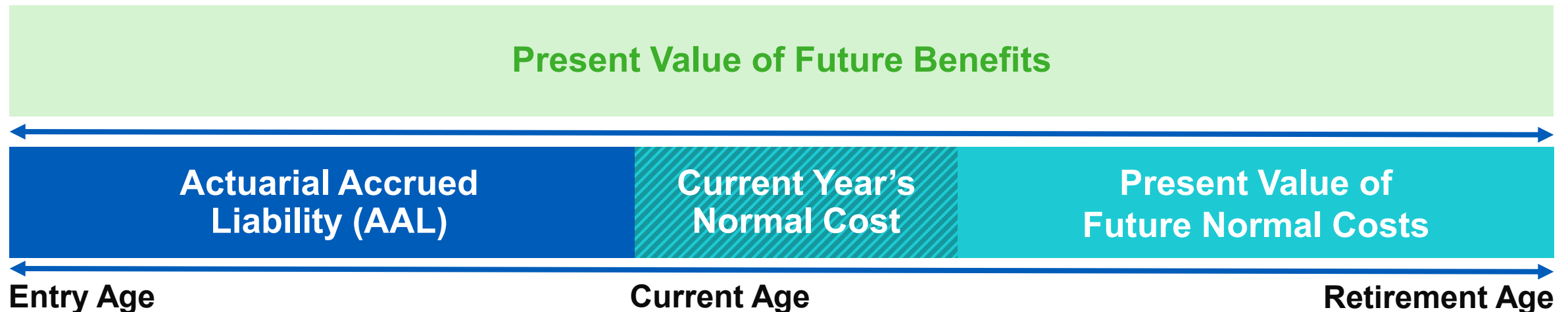
- Defines the actuarial value of assets and determines the unfunded actuarial accrued liability (UAAL)

**Amortization policy** sets contributions to systematically pay off any UAAL

- Includes structure, periods and pattern of payments

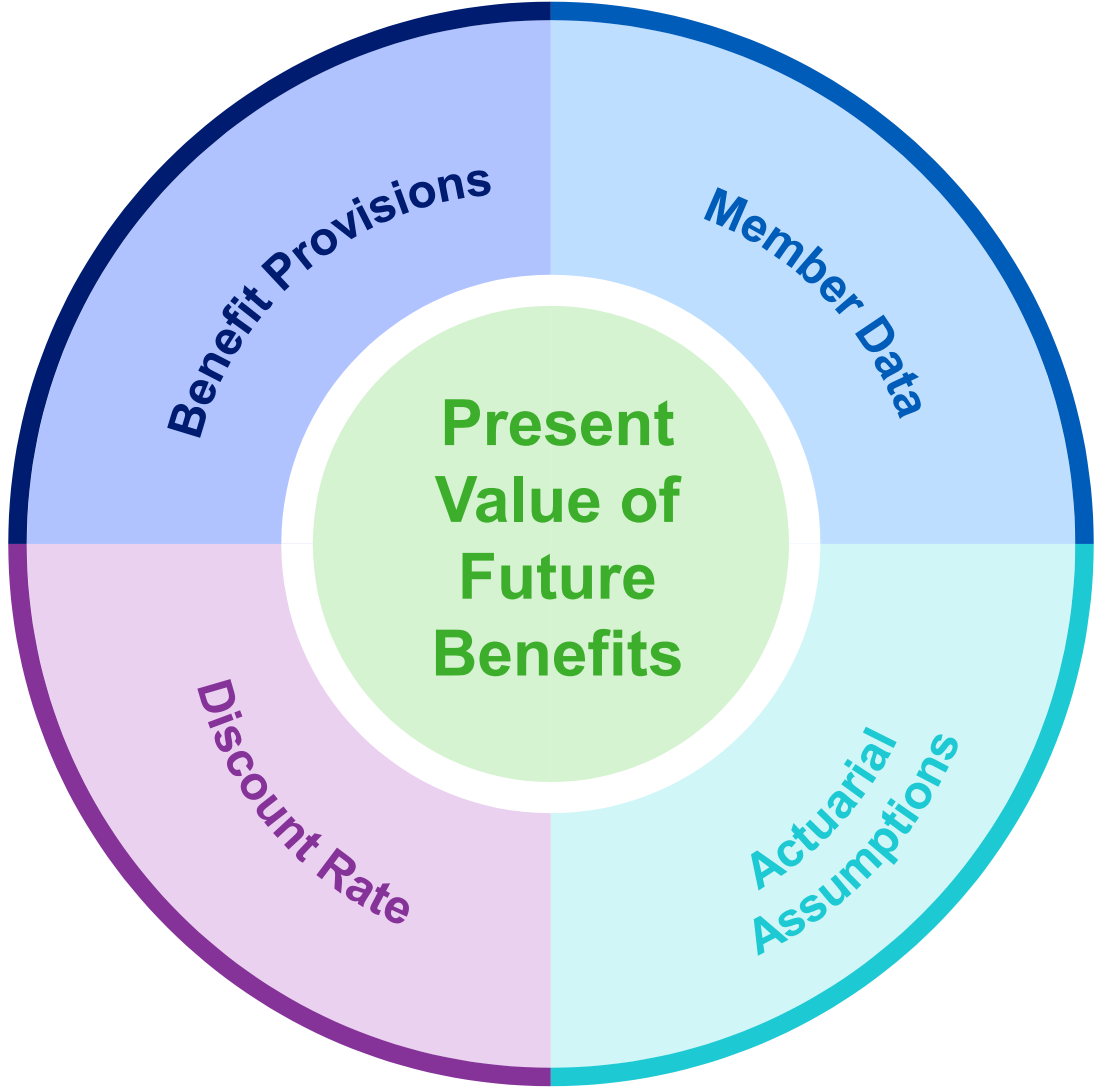
# Actuarial Cost Method

- The **normal cost** is the portion of the value of projected benefits for active members that is allocated to each plan year
  - Normal cost is shared between employees and employers
- The **actuarial accrued liability (AAL)** measures the normal costs from past years
  - Any unfunded actuarial accrued liability (UAAL) typically funded by the employer



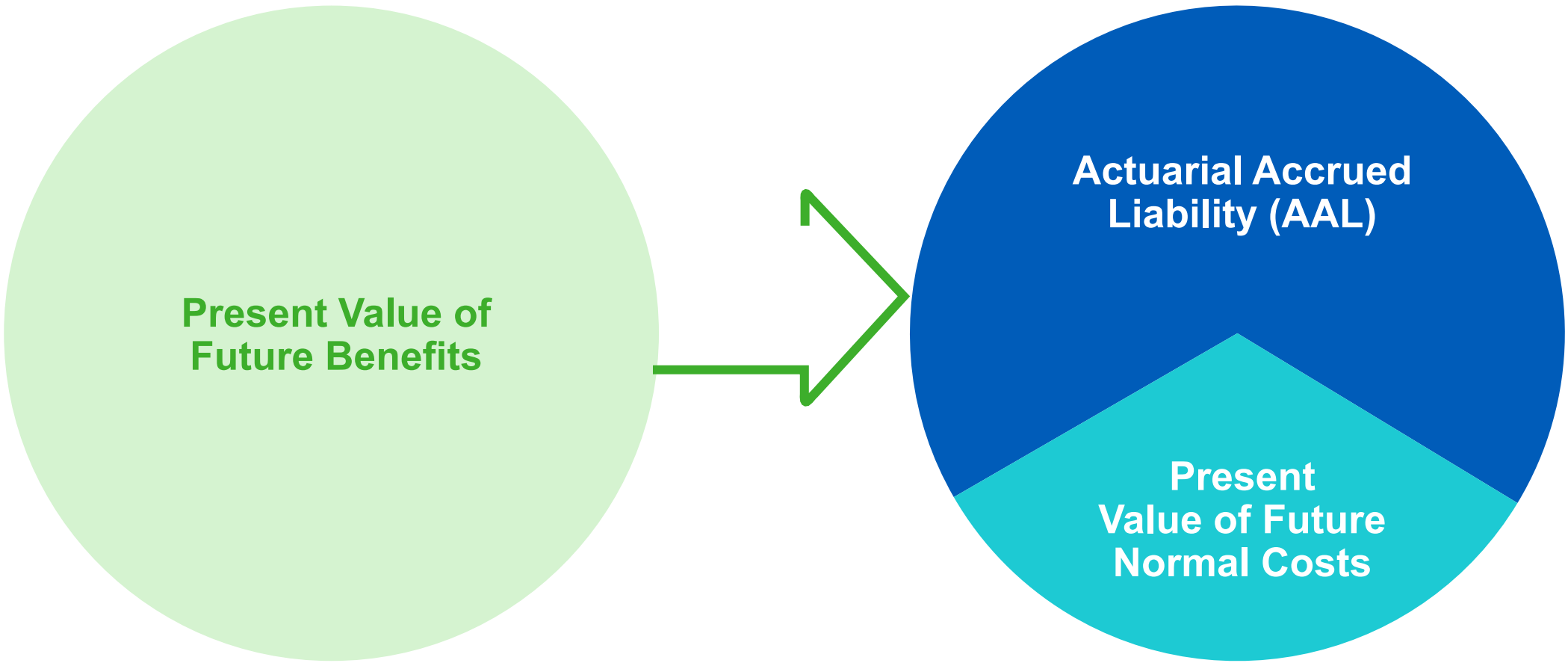
# Taking the Plan's PV of Future Benefits...

*...To eventually determine required contributions*



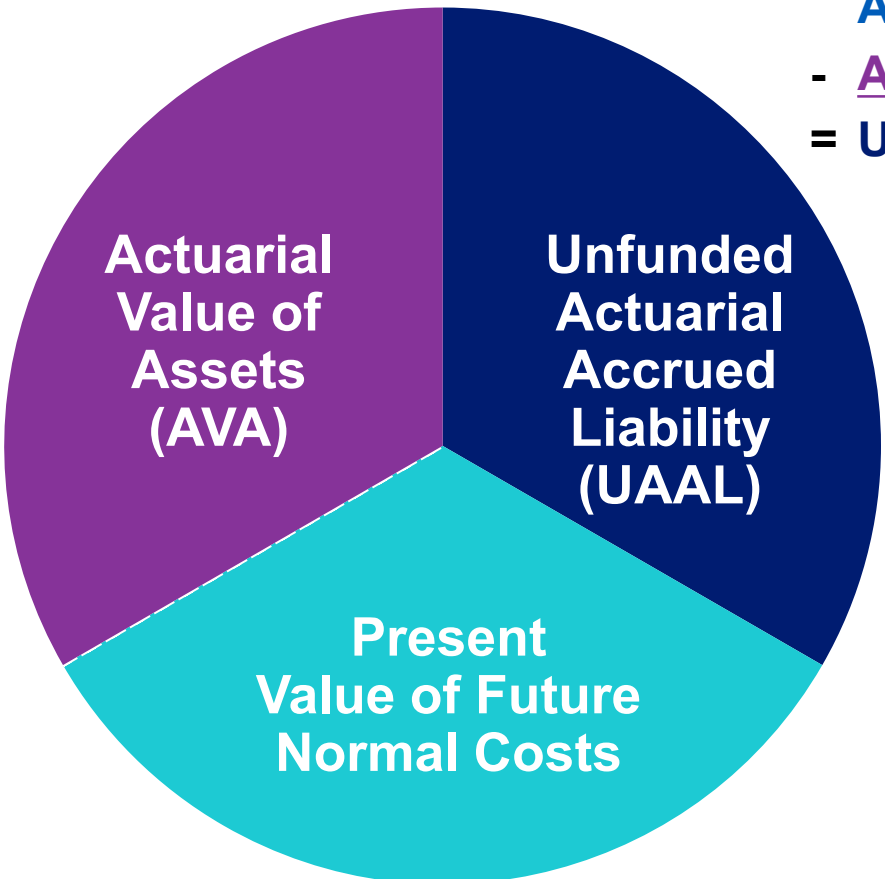
# Accrued Liability and Future Normal Costs

**Actuarial Accrued Liability**  
+ Present Value of Future Normal Costs  
= **Present Value of Future Benefits**



# Actuarial Value of Assets and the UAAL

[Present Value of Future Benefits]



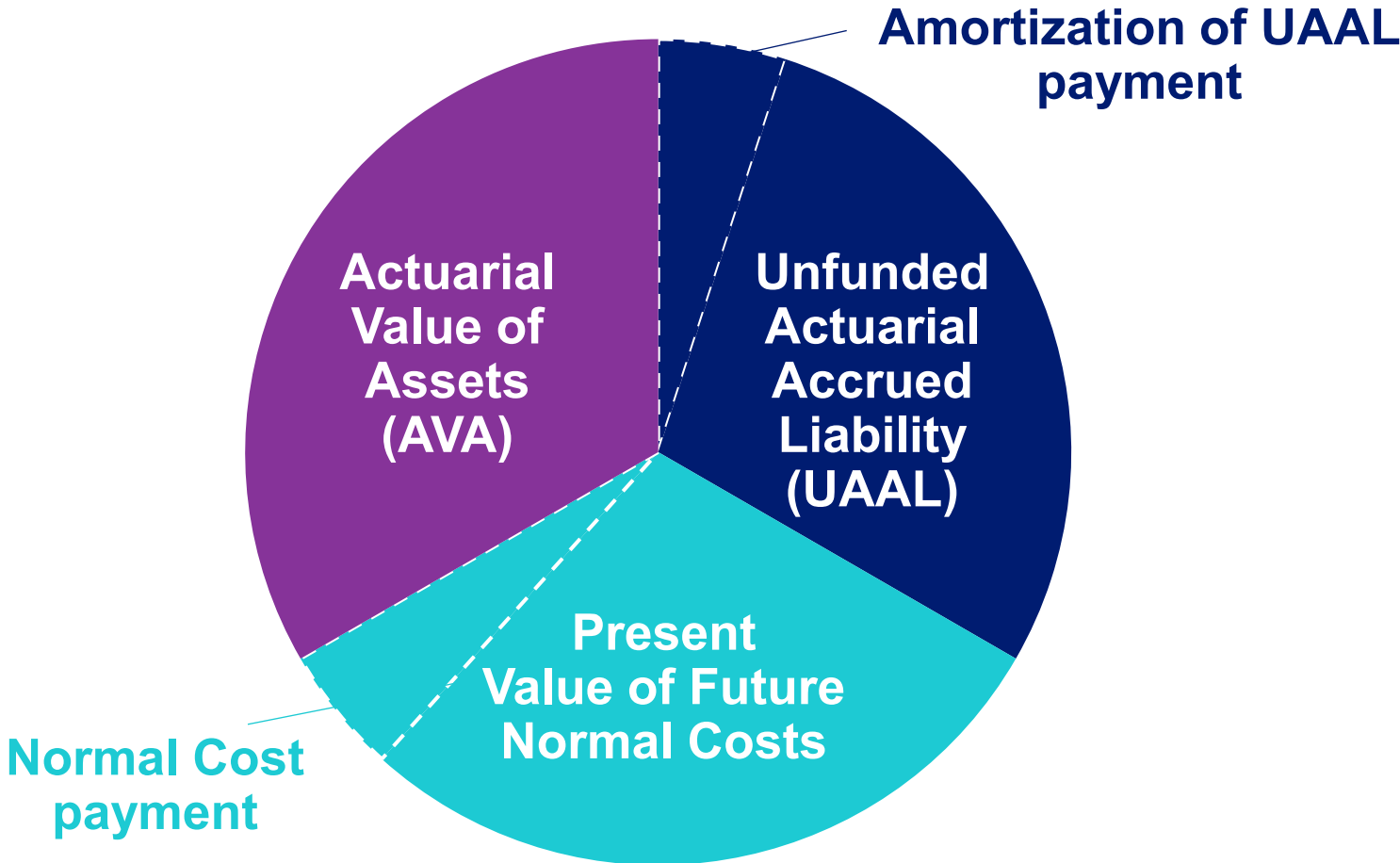
**Actuarial Accrued Liability**

- Actuarial Value of Assets
- = **Unfunded Actuarial Accrued Liability**

# Funding Policies Altogether

*Calculation of the "Actuarially Determined Contribution"*

[Present Value of Future Benefits]



# Actuarial Funding Policy

## *KCERA's current Funding Policy*

### **Reference: Funding Policies and Practices “White Paper”**

- “Model Practices” from Conference of Consulting Actuaries Public Plans Committee (CCA PPC), 2<sup>nd</sup> ed. issued August 2024

### **Actuarial cost method**

- Entry age, level percentage of pay

### **Asset smoothing method**

- 5-year smoothing period with 50% market value of assets corridor
  - Reviewed in 2009, widened MVA Corridor from 20% to 50%
  - Along with other California public retirement systems
  - Model practice under CCA PPC White Paper

# Actuarial Funding Policy

*KCERA's current Funding Policy (continued)*

## **UAAL Amortization Policy – full review in 2012**

- Approved by the Board effective with the 6/30/2012 valuation
  - Declining 24.5 years as of 6/30/2011 for all UAAL as of 6/30/2011
  - Layered approach for any new UAAL identified after 6/30/2011
    - 18-year periods for all changes in UAAL due to:
      - Actuarial experience gains or losses and actuarial assumption changes
    - 15-year period for plan amendments
      - Exception: up to 5 years for early retirement incentives
  - Level percent of pay amortization
  - CCA PPC Model Practices except for retiree plan amendments

**Funding Policy adopted by the Board in 2012, last reviewed in 2022**

# Experience Study Overview

# Actuarial Experience Study Overview

*Why do we need experience studies?*

## **Develop recommended assumptions for annual actuarial valuation**

- Reviews economic and demographic assumptions every three years
- Current study is based on the **three-year** period from 2022-2025
  - Most assumptions include experience from prior studies to increase the “credibility”

## **Segal’s role is to make appropriate recommendations to the Board**

- Recommendations follow guidance of Actuarial Standards of Practice
  - Assumptions are reasonable individually and in aggregate (ASOP No. 27)

# Purpose of the Actuarial Assumptions

*What do the assumptions do?*



## Economic

How will assets grow?

How will salaries and benefits increase?

How will UAAL be amortized?

What type of benefits will be paid?

When will benefits be paid and how long?



## Demographic

Actuaries make assumptions as to when and how a member will leave active service and estimate the amount, duration and present value of the expected benefits paid.

# Selection of Actuarial Assumptions



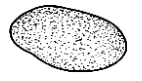



## Primary considerations

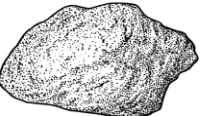



- Objective
- Long-term
- Client specific (or not)
- Consistency
- Pattern of cost incidence
- Future expectations

# Actuarial Assumption Impact on Liability


## Economic

-  Inflation
-  Investment return
-  Salary increase
-  COLA

## Demographic

-  Post-retirement mortality
-  Pre-retirement mortality
-  Retirement
-  Termination
-  Disability

**Scale of relative impact of assumptions**

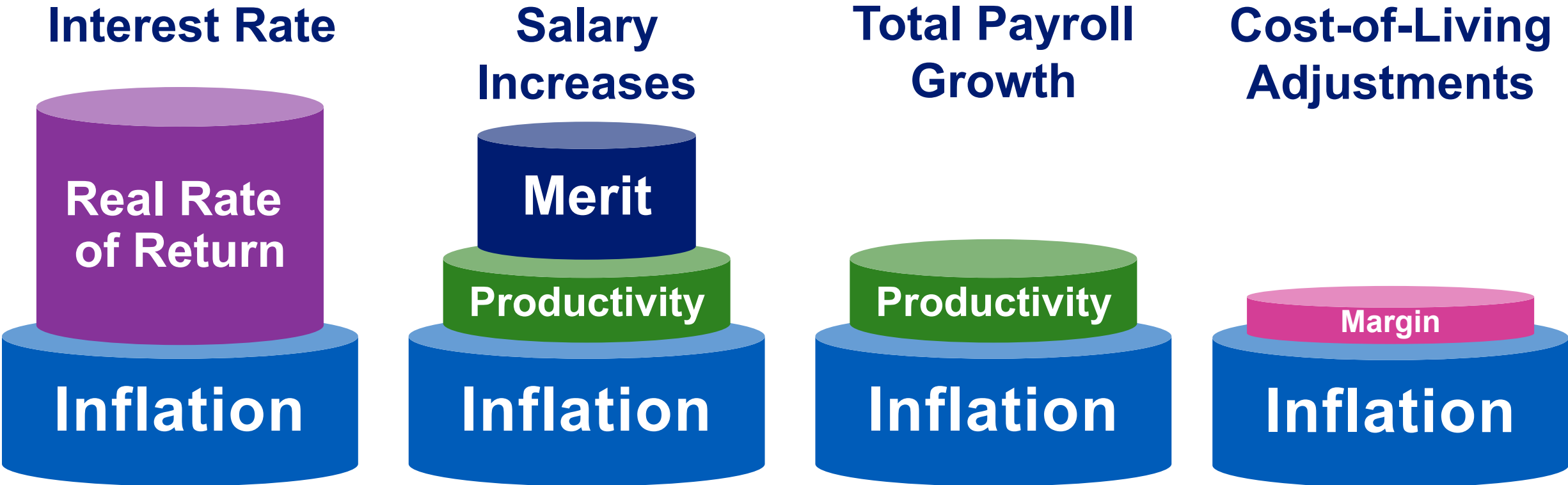


Boulder      Rock      Pebble      Sand

# Economic Assumptions

# Setting Economic Assumptions

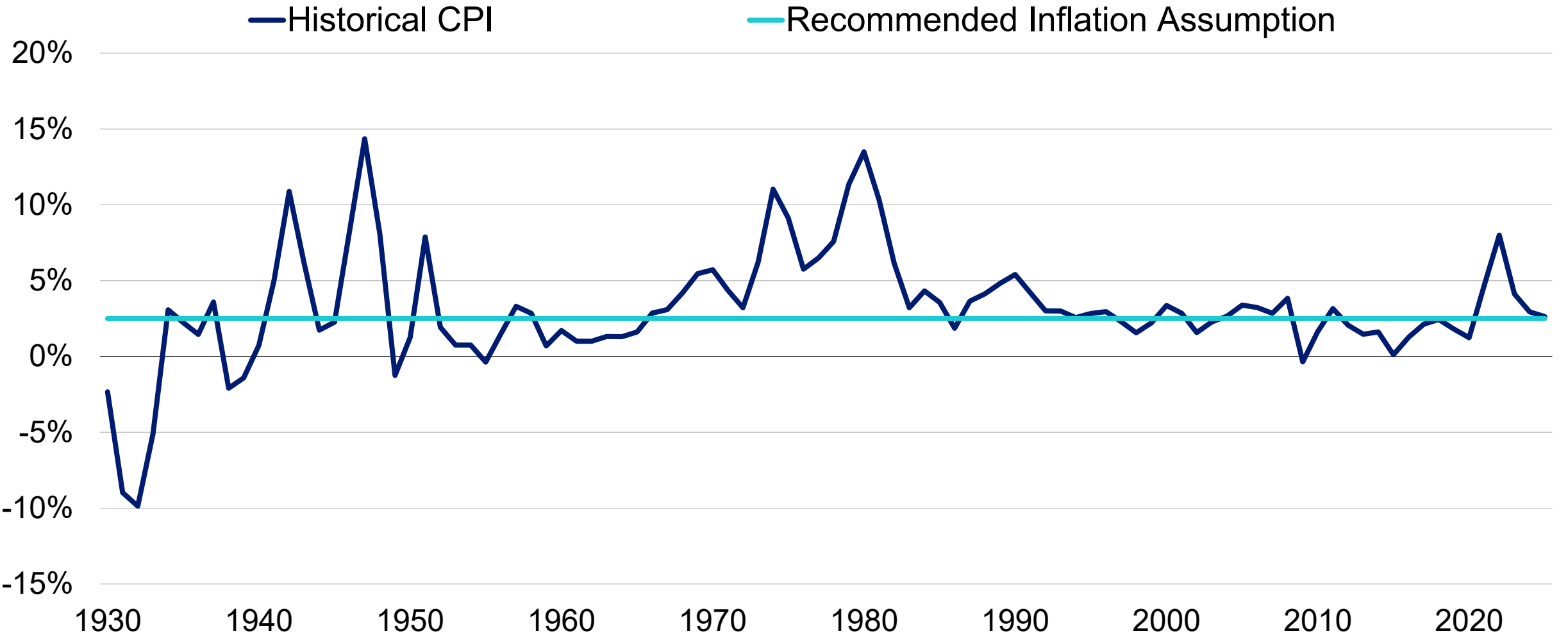
*Breaking down the components*



Each component should be consistent across all economic assumptions

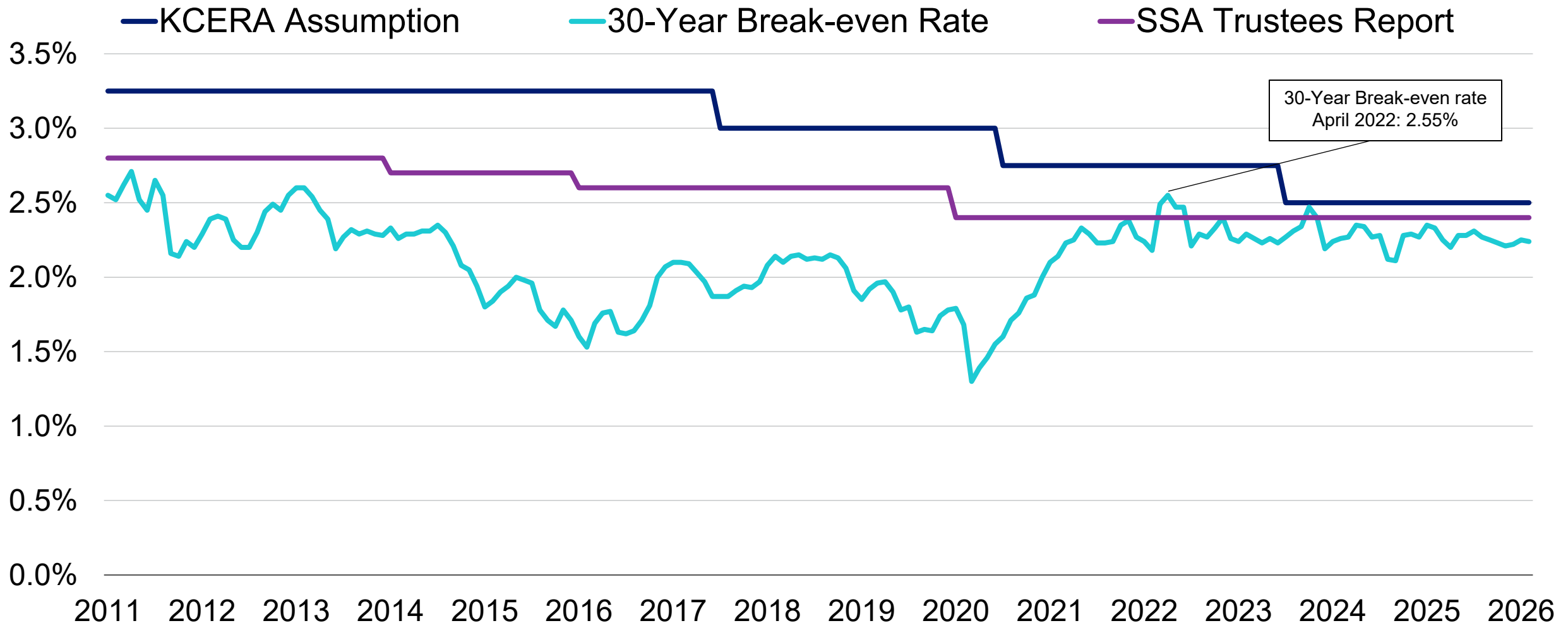
# Historical Consumer Price Index (CPI)

*Price inflation historical review*



# Historical Inflation Forecasts

## Price inflation comparisons



# Investment Return Assumption

*Also used as the discount rate*

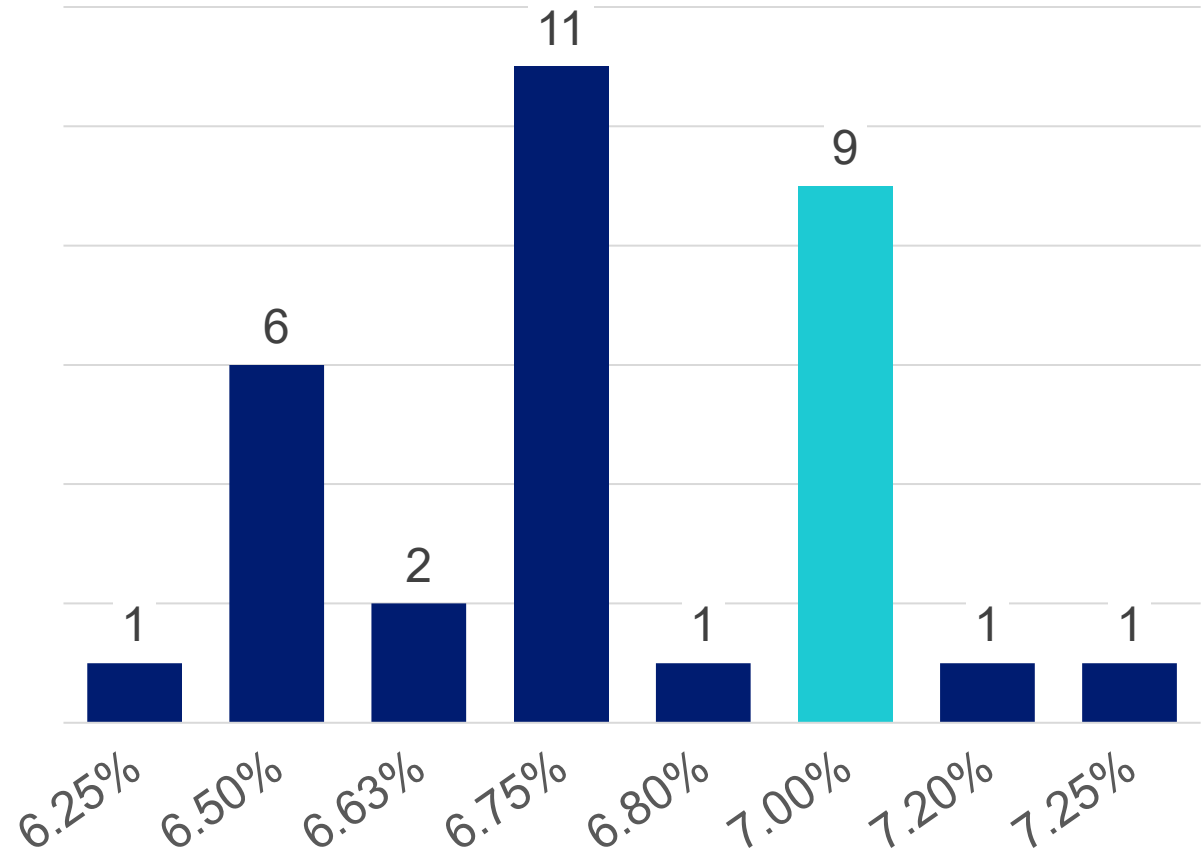
**Investment return is used to project future assets and to discount expected benefit payments**

- Building-block methodology
  - Inflation
  - Real rate of return by asset class
  - Expense and risk adjustment
- Affects **timing** of Plan costs
  - Lower assumed rate means higher **current measured** cost
  - **Actual** earnings will determine **ultimate** cost
  - As the plan matures, contribution rates are more sensitive to investment volatility

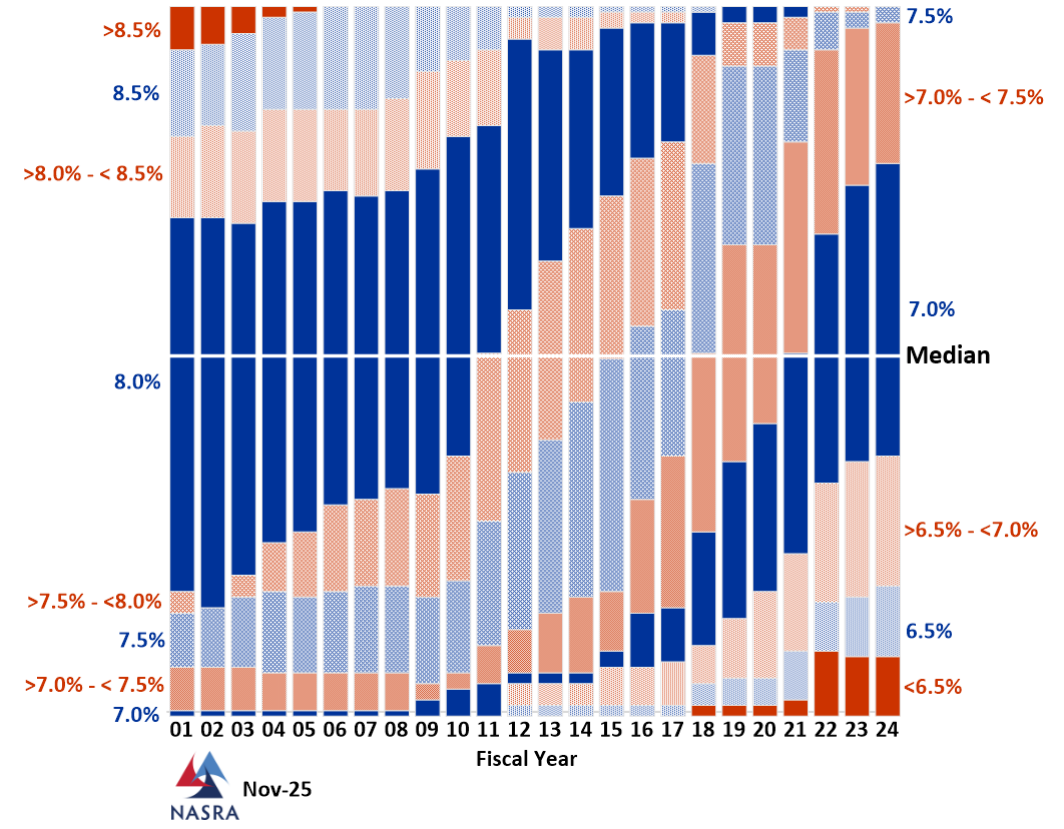
# Comparison with Other Systems

*Current investment return assumption for KCERA is 7.00%*

## California Public Sector Systems



## NASRA Public Fund Survey



# Investment Earnings Assumption

*Putting it all together*

<b>Assumption Component</b>	<b>June 30, 2023 Adopted</b>	<b>June 30, 2020 Adopted</b>
Inflation	2.50%	2.75%
Portfolio expected arithmetic real return	5.81%	5.25%
Expense adjustment	(0.05%)	(0.40%)
Adjustment to expected geometric real return	(0.75%)	N/A
Risk adjustment	(0.51%)	(0.35%)
<b>Total</b>	<b>7.00%</b>	<b>7.25%</b>
<b>Confidence level</b>	<b>56%</b>	<b>55%</b>

# Risk Adjustment

## *Historic Path*

**Compares risk position over time**

<b>Years Ending June 30</b>	<b>Investment Return</b>	<b>Risk Adjustment</b>	<b>Confidence Level</b>
2011 – 2013	7.75%	(0.04%)	49%
2014 – 2016	7.50%	0.23%	53%
2017 – 2019	7.25%	0.22%	53%
2020 – 2022	7.25%	0.35%	55%
2023 – 2025	7.00%	0.51%	56%

# Salary Increase Assumptions

## *Three components*

### **Salaries are projected over the expected career of each active member to estimate future benefits**

- Price inflation: trend is lower assumptions
  - Sample: Reduced from 3.25% (2011) to 2.50% (2023)
- “Across-the-board” real wage increase
  - Department of Labor: 0.1% to 0.4% over the last 10-20 years
  - Social Security projects 1.13% (intermediate assumptions)
  - Sample: Reduced from 0.75% (2011) to 0.50% (2023)
- Merit and promotion increases
  - Varies by age and/or years of service

# Total Payroll Growth Assumption

*On a plan-wide basis*

**Total payroll growth is used in amortizing the UAAL when calculating employer contributions**

- Active member payroll based on wage inflation
  - Assumes constant future active headcount
- Includes price inflation and “across-the-board” wage increases

Assumption Component	2011 Study	2023 Study
Price inflation	3.25%	2.50%
Real wage growth	0.75%	0.50%
<b>Total payroll growth</b>	<b>4.00%</b>	<b>3.00%</b>

# Demographic Assumptions

# Demographic Assumptions Overview

## Rates of decrement

- Mortality
- Disability
- Termination
- Service retirement

## Miscellaneous assumptions

- Reciprocity
- Spousal assumptions



# Rates of Decrement

**Mortality rates** are applied to each plan participant to estimate the duration of future benefit payments

- SOA recently published new public sector mortality tables (Pub-2016)
  - Increases life expectancies for older members & slightly decreases life expectancies for younger members
- Scale MP-2021 is still the latest mortality improvement scale released

**Disability, termination & service retirement rates** estimate rates of decrements for active members

- Minor refinements expected based on actual experience

# Thank You

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# KCERA

Asset Allocation Review

May 2026

# Table of Contents

- Executive Summary p.3
- Capital Market Assumptions p.4
- Strategic Asset Allocation p.9
- Appendix p.13

# Executive Summary

- › The annual strategic asset allocation review provides an opportunity to evaluate alternative asset mixes, based on updated capital market assumptions
- › Modest adjustments were made to the hedge fund CMAs to better reflect KCERA's specific implementation approach
- › 2026 modeling aligns with and supports the view that a reduction in Treasuries and an increase Hedge Funds improves the expected portfolio outcome

# Capital Market Assumptions

# Methodology

## SUMMARY OF THE CERITY PARTNERS APPROACH

Asset	Return Methodology	Volatility Methodology*
<b>Inflation</b>	25% weight to the University of Michigan Survey 5-10 year ahead inflation expectation and the Survey of Professional Forecasters (Fed Survey), and the remaining 50% to the market's expectation for inflation as observed through the 10-year TIPS breakeven rate	-
<b>Cash</b>	1/3 * current federal funds rate + 1/3 * U.S. 10-year Treasury yield + 1/3 * Federal Reserve long-term interest rate target	Long-term volatility
<b>Bonds</b>	Nominal bonds: current yield; Real bonds: real yield + inflation forecast	Long-term volatility
<b>International Bonds</b>	Current yield	Long-term volatility
<b>Credit</b>	Current option-adjusted spread + U.S. 10-year Treasury – effective default rate	Long-term volatility
<b>International Credit</b>	Current option-adjusted spread + foreign 10-year Treasury – effective default rate	Long-term volatility
<b>Private Credit</b>	Levered gross return (SOFR + spread + original issuance discounts) – management fees – carried interest	Estimated volatility
<b>Equity</b>	Current yield + real earnings growth (historical average) + inflation on earnings (inflation forecast) + expected P/E change	Long-term volatility
<b>Intl Developed Equity</b>	Current yield + real earnings growth (historical average) + inflation on earnings (intl. inflation forecast) + expected P/E change	Long-term volatility
<b>Private Equity**</b>	US large cap domestic equity forecast * 1.85 beta adjustment	Implied annualized volatility, using actual historical private equity performance distribution
<b>Commodities</b>	Collateral return (cash) + spot return (inflation forecast) + roll return (assumed to be zero)	Long-term volatility
<b>Hedge Funds</b>	Return coming from traditional market betas + historical idiosyncratic/alpha return	Long-term volatility
<b>Core Real Estate</b>	Cap rate + real income growth – capex + inflation forecast	65% of REIT volatility
<b>REITs</b>	Core real estate	Long-term volatility
<b>Value-Add Real Estate</b>	Core real estate + 2%	Volatility to produce Sharpe Ratio (g) equal to core real estate
<b>Opportunistic Real Estate</b>	Core real estate + 3%	Volatility to produce Sharpe Ratio (g) equal to core real estate
<b>Infrastructure</b>	Current yield + real income growth + inflation on earnings (inflation forecast)	Long-term volatility
<b>Risk Parity</b>	Modeled as the 10-year return expectations of a <i>representative selection of Risk Parity strategy exposures</i>	Target volatility

- › We use a fundamental building block approach to forecast asset class returns, based on several inputs. These include practitioner best-in-class thinking, historical data, and academic research. Each year Cerity Partners conducts an in-depth review of our methodology, analyzing new industry research findings and evaluating alternative forecasting approaches to determine whether an improvement to our methodology might be warranted. We maintain flexibility and openness to adjusting our approach if strong evidence suggests change is appropriate.
- › For most asset classes, we use the long-term historical volatility after adjusting for autocorrelation.
- › Correlations between asset classes are calculated based on the last decade. For certain illiquid assets we use a Bloomberg factor model and adjustments for price lags to forecast correlations.

\*Long-term historical volatility data is adjusted for autocorrelation (see Appendix) \*\*Private Equity is modeled assuming an 8.0% floor for expected return, and a 3% return premium ceiling over U.S. Large Cap Equity. These adjustments are in place to recognize that higher interest rates (cost of leverage) act as a drag on expected Private Equity returns but that this drag has had limits historically, and to recognize that future Private Equity total universe performance is likely to be more anchored to public equity performance than in past times, given a more competitive market environment

# 10-year return & risk assumptions

Asset Class	Index Proxy	Ten Year Return Forecast		Standard Deviation Forecast	Sharpe Ratio Forecast (g)	Sharpe Ratio Forecast (a)	10-Year Historical Sharpe Ratio (g)	10-Year Historical Sharpe Ratio (a)
		Geometric	Arithmetic					
Equities								
U.S. Large	S&P 500	5.4%	6.5%	15.5%	0.10	0.17	0.86	0.88
U.S. Small	Russell 2000	6.4%	8.4%	21.2%	0.12	0.22	0.37	0.45
International Developed	MSCI EAFE	6.8%	8.2%	17.4%	0.17	0.25	0.44	0.50
International Small	MSCI EAFE Small Cap	9.4%	11.4%	21.2%	0.26	0.36	0.35	0.42
Emerging Markets	MSCI EM	6.7%	9.3%	24.2%	0.12	0.23	0.38	0.45
Global Equity	MSCI ACWI	6.0%	7.3%	16.6%	0.13	0.21	0.67	0.70
Global Equity ex USA	MSCI ACWI ex USA	6.9%	8.6%	19.2%	0.16	0.25	0.42	0.47
Private Equity	CA Private Equity	8.0%	10.9%	26.0%	0.16	0.27	-	-
Private Equity Direct	CA Private Equity	9.0%	11.9%	26.0%	0.20	0.31	-	-
Private Equity (FoF)	CA Private Equity	7.0%	10.0%	26.0%	0.12	0.24	-	-
Fixed Income								
Cash	30 Day T-Bills	3.7%	3.7%	1.1%	-	-	-	-
U.S. TIPS	Bloomberg U.S. TIPS 5-10	4.5%	4.7%	5.5%	0.13	0.16	0.18	0.20
Non-U.S. Inflation Linked Bonds	Bbg World Govt. Inf Linked Bond ex U.S.	4.1%	3.7%	7.3%	0.04	-0.01	-0.04	-0.01
U.S. Treasury	Bloomberg Treasury 7-10 Year	4.2%	4.4%	7.1%	0.06	0.08	-0.15	-0.11
Long U.S. Treasury	Bloomberg Treasury 20+ Year	4.7%	5.6%	13.4%	0.07	0.13	-0.19	-0.13
Global Sovereign ex U.S.	Bloomberg Global Treasury ex U.S.	2.7%	3.2%	9.9%	-0.11	-0.06	-0.26	-0.21
Global Aggregate	Bloomberg Global Aggregate	3.8%	4.0%	6.6%	0.00	0.03	-0.15	-0.11
Core Fixed Income	Bloomberg U.S. Aggregate Bond	4.7%	4.8%	4.9%	0.18	0.20	-0.05	-0.02
Core Plus Fixed Income	Bloomberg U.S. Universal	4.8%	4.9%	4.6%	0.22	0.24	0.04	0.06
Investment Grade Corp. Credit	Bloomberg U.S. Corporate Investment Grade	4.8%	5.1%	8.3%	0.12	0.16	0.15	0.18
Short-Term Gov't/Credit	Bloomberg U.S. Gov't/Credit 1-3 Year	4.2%	4.3%	3.6%	0.11	0.14	-0.10	-0.09
Short-Term Credit	Bloomberg Credit 1-3 Year	4.4%	4.5%	3.6%	0.17	0.19	0.23	0.24
Intermediate Credit	Bloomberg U.S. Intermediate Credit	4.6%	4.8%	5.9%	0.14	0.17	0.21	0.22
Long-Term Credit	Bloomberg Long U.S. Credit	4.7%	5.3%	11.0%	0.08	0.14	0.11	0.16
High Yield Corp. Credit	Bloomberg U.S. Corporate High Yield	5.7%	6.2%	10.7%	0.18	0.22	0.55	0.56
Bank Loans	Morningstar LSTA US Leveraged Loan	6.1%	6.5%	8.7%	0.26	0.31	0.62	0.63
Global Credit	Bloomberg Global Credit	4.3%	4.6%	7.7%	0.06	0.10	0.13	0.16
Emerging Markets Debt (Hard)	JPM EMBI Global Diversified	7.4%	7.8%	10.5%	0.35	0.38	0.23	0.27
Emerging Markets Debt (Local)	JPM GBI-EM Global Diversified	5.6%	6.3%	12.1%	0.16	0.21	0.13	0.19
Securitized Credit	Bbg U.S. Securitized: MBS, ABS, and CMBS	5.1%	5.2%	4.0%	0.35	0.35	-0.12	-0.09
Multi-Asset Credit	50/50 (High Yield / Bank Loans)	5.9%	6.4%	9.3%	0.23	0.27	-	-

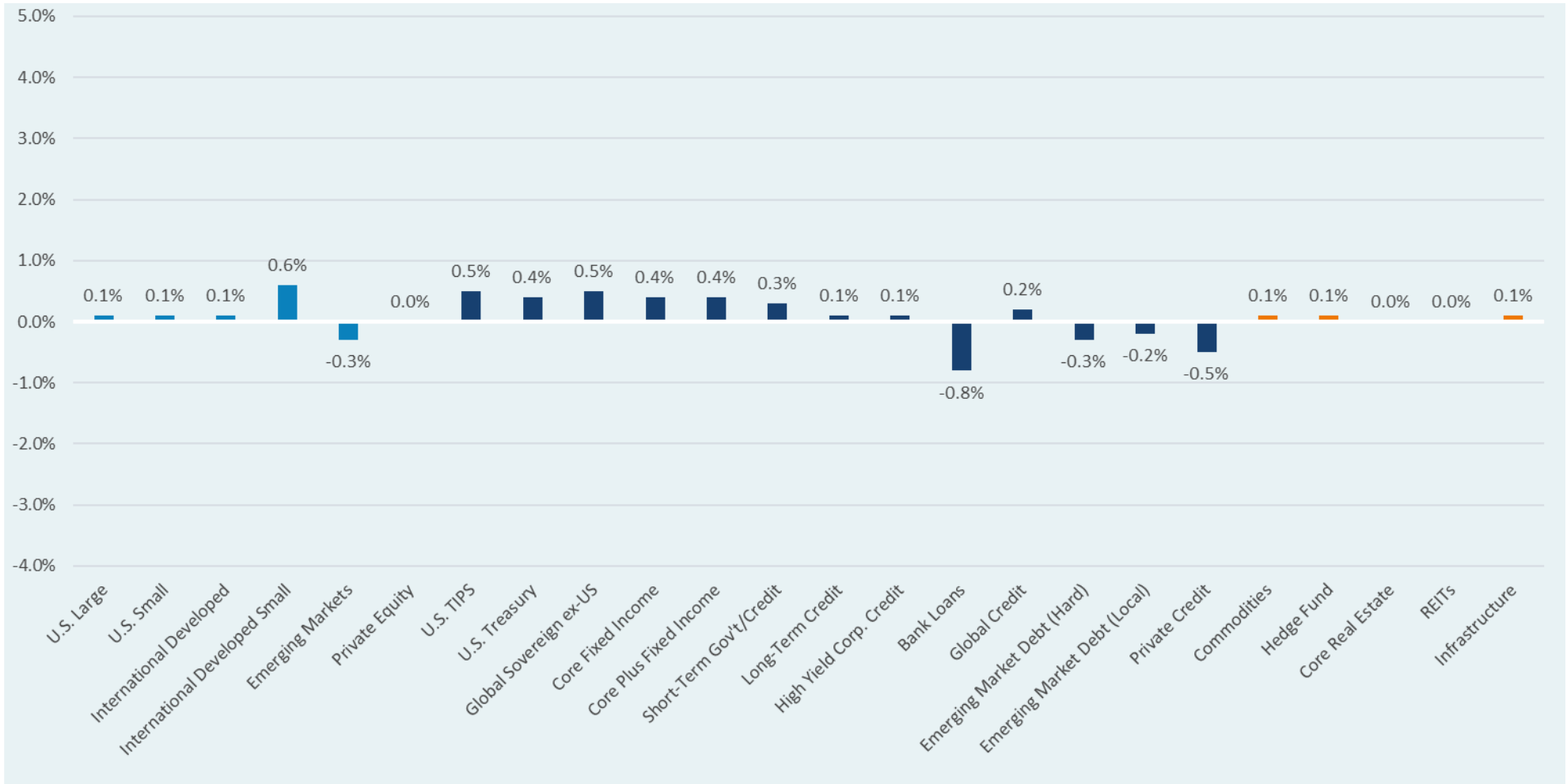
Investors wishing to produce expected geometric return forecasts for their portfolios should use the arithmetic return forecasts provided here as inputs into that calculation, rather than the single-asset-class geometric return forecasts. This is the industry standard approach but requires a complex explanation only a heavy quant could love, so we have chosen not to provide further details in this document – we will happily provide those details to any readers of this who are interested.

# 10-year return & risk assumptions

Asset Class	Index Proxy	Ten Year Return Forecast		Standard Deviation Forecast	Sharpe Ratio Forecast (g)	Sharpe Ratio Forecast (a)	10-Year Historical Sharpe Ratio (g)	10-Year Historical Sharpe Ratio (a)
		Geometric	Arithmetic					
<b>Fixed Income (continued)</b>								
Private Credit	Morningstar LSTA US Leveraged Loan	7.7%	8.5%	13.3%	0.29	0.35	-	-
Private Credit (Direct Lending - Unlevered)	Morningstar LSTA US Leveraged Loan	6.3%	6.7%	8.7%	0.29	0.33	-	-
Private Credit (Direct Lending - Levered)	Morningstar LSTA US Leveraged Loan	7.4%	8.1%	12.3%	0.29	0.35	-	-
Private Credit (Credit Opportunities)	Morningstar LSTA US Leveraged Loan	8.4%	9.6%	16.0%	0.29	0.36	-	-
Private Credit (Junior Capital / Mezzanine)	Morningstar LSTA US Leveraged Loan	7.8%	8.7%	14.0%	0.29	0.35	-	-
Private Credit (Distressed)	Morningstar LSTA US Leveraged Loan	8.6%	12.2%	29.1%	0.16	0.29	-	-
<b>Other</b>								
Commodities	Bloomberg Commodity	6.4%	7.7%	15.8%	0.17	0.25	0.14	0.20
Hedge Funds	HFRI Fund Weighted Composite	5.1%	5.4%	7.5%	0.17	0.21	0.70	0.70
Hedge Fund of Funds	HFRI Fund of Funds Composite	4.1%	4.4%	7.5%	0.04	0.08	0.50	0.51
Hedge Funds (Equity Style)	Custom HFRI Benchmark Mix*	5.4%	6.3%	14.0%	0.11	0.18	0.50	0.53
Hedge Funds (Credit Style)	Custom HFRI Benchmark Mix*	5.3%	5.7%	9.3%	0.16	0.20	0.77	0.77
Hedge Funds (Asymmetric Style)	Custom HFRI Benchmark Mix*	5.3%	5.6%	6.3%	0.25	0.29	0.63	0.63
Real Estate Debt	Bloomberg CMBS IG	6.3%	6.6%	7.3%	0.34	0.38	0.12	0.14
Core Real Estate	NCREIF Property	7.2%	7.9%	11.7%	0.29	0.35	-	-
Value-Add Real Estate	NCREIF Property + 200bps	9.2%	10.2%	14.4%	0.38	0.44	-	-
Opportunistic Real Estate	NCREIF Property + 300bps	10.2%	12.0%	19.8%	0.32	0.41	-	-
REITs	FTSE Nareit Equity REITs	7.2%	8.8%	18.0%	0.19	0.28	0.25	0.33
Global Infrastructure	S&P Global Infrastructure	8.2%	9.5%	16.5%	0.27	0.35	0.44	0.50
Risk Parity**	S&P Risk Parity 10% Vol Index	6.9%	7.4%	10.0%	0.32	0.36	0.52	0.55
Currency Beta	MSCI Currency Factor Index	2.1%	2.2%	3.3%	-0.52	-0.48	-0.74	-0.72
Inflation		2.7%	-	-	-	-	-	-
60/40 Portfolio (Global Equity / Core Fixed)		5.7%	6.3%	11.0%	0.17	0.23	0.62	0.60

Investors wishing to produce expected geometric return forecasts for their portfolios should use the arithmetic return forecasts provided here as inputs into that calculation, rather than the single-asset-class geometric return forecasts. This is the industry standard approach but requires a complex explanation only a heavy quant could love, so we have chosen not to provide further details in this document – we will happily provide those details to any readers of this who are interested. \*To represent hedge fund styles, we use a combination of HFRI benchmarks: Equity Style = 33% HFRI Fundamental Growth, 33% HFRI Fundamental Value, 33% HFRI Activist. Credit Style = 20% HFRI Distressed/Restructuring, 20% HFRI Credit Arbitrage, 20% HFRI Fixed Income-Corporate, 20% HFRI Fixed Income-Convertible Arbitrage, 20% HFRI Fixed Income-Asset Backed. Asymmetric Style = 50% HFRI Relative Value, 50% HFRI Macro\*\*The Risk Parity forecast shown here assumes a 10% target volatility strategy. We recommend customizing this forecast to the target volatility specifications of the risk parity strategy that an investor wishes to model. Please speak with your Cerity Partners consultants for customization needs.

# 2026 vs. 2025 Return Forecast



Source: Cerity Partners, 2026 Capital Market Assumptions relative to 2025 Capital Market Assumptions

# Strategic Asset Allocation

# Mean variance analysis

## #1: Using original CMA's

Cerity Partners 2026 CMA's (10 Yr)						
	Current Policy					
	2026	Proposed Policy	Return (g)	Return (a)	Standard Deviation	Sharpe Ratio (g)
Global Equity	34.0	34.0	6.0	7.3	16.6	0.13
<b>Total Equity</b>	<b>34.0</b>	<b>34.0</b>				
Core Fixed Income	4.0	4.0	4.7	4.8	4.9	0.18
US Treasury	3.0	3.0	4.2	4.4	7.1	0.06
US Long Treasury	4.0	2.0	4.7	5.6	13.4	0.07
Short-Term Gov't/Credit	4.0	4.0	4.2	4.3	3.6	0.11
Bank Loans	2.5	2.5	6.1	6.5	8.7	0.26
Emerging Market Debt (Hard)	2.5	2.5	7.4	7.8	10.5	0.35
Securitized Credit	5.0	5.0	5.1	5.2	4.0	0.35
<b>Total Fixed Income</b>	<b>25.0</b>	<b>23.0</b>				
Commodities	5.0	5.0	6.4	7.7	15.8	0.17
Core Real Estate	7.0	7.0	7.2	7.9	11.7	0.29
Private Real Assets	5.0	5.0	9.2	10.2	14.4	0.38
<b>Total Real Assets</b>	<b>17.0</b>	<b>17.0</b>				
Hedge Fund	10.0	12.0	5.1	5.4	7.5	0.17
Alpha Pool	2.5	2.5				
Private Equity (Direct)	6.0	6.0	9.0	11.9	26.0	0.20
Private Credit	8.0	8.0	7.7	8.5	13.3	0.29
<b>Total Non-Public Investments</b>	<b>26.5</b>	<b>28.5</b>				
Cash	-2.5	-2.5	3.7	3.7	1.1	-
<b>Total Allocation</b>	<b>100</b>	<b>100</b>				
<b>Mean Variance Analysis</b>						
<b>Forecast 10 Year Return</b>	<b>6.9</b>	<b>6.9</b>				
Standard Deviation	10.5	10.6				
Return/Std. Deviation	0.7	0.7				
1st percentile ret. 1 year	-14.7	-14.9				
Sharpe Ratio (g)	0.30	0.30				

- › The proposed policy mix modestly reduces Treasury exposure in favor of Hedge Fund exposure.
- › Based on Verus original CMA's, the analysis shows a slight increase in expected risk with no measurable improvement in expected return.

Source: MPI, Cerity Partners

# Mean variance analysis

#2: Updated analysis with correlations set to 2021-2024 and modeling hedge funds as asymmetric

Cerity Partners 2026 CMA's (10 Yr)						
	Current Policy 2026	Proposed Policy	Return (g)	Return (a)	Standard Deviation	Sharpe Ratio (g)
Global Equity	34.0	34.0	6.0	7.3	16.6	0.13
<b>Total Equity</b>	<b>34.0</b>	<b>34.0</b>				
Core Fixed Income	4.0	4.0	4.7	4.8	4.9	0.18
US Treasury	3.0	3.0	4.2	4.4	7.1	0.06
US Long Treasury	4.0	2.0	4.7	5.6	13.4	0.07
Short-Term Gov't/Credit	4.0	4.0	4.2	4.3	3.6	0.11
Bank Loans	2.5	2.5	6.1	6.5	8.7	0.26
Emerging Market Debt (Hard)	2.5	2.5	7.4	7.8	10.5	0.35
Securitized Credit	5.0	5.0	5.1	5.2	4.0	0.35
<b>Total Fixed Income</b>	<b>25.0</b>	<b>23.0</b>				
Commodities	5.0	5.0	6.4	7.7	15.8	0.17
Core Real Estate	7.0	7.0	7.2	7.9	11.7	0.29
Private Real Assets	5.0	5.0	9.2	10.2	14.4	0.38
<b>Total Real Assets</b>	<b>17.0</b>	<b>17.0</b>				
Hedge Fund (Asymmetric)	10.0	12.0	5.3	5.6	6.3	0.25
Alpha Pool	2.5	2.5				
Private Equity (Direct)	6.0	6.0	9.0	11.9	26.0	0.20
Private Credit	8.0	8.0	7.7	8.5	13.3	0.29
<b>Total Non-Public Investments</b>	<b>26.5</b>	<b>28.5</b>				
Cash	-2.5	-2.5	3.7	3.7	1.1	-
<b>Total Allocation</b>	<b>100</b>	<b>100</b>				
<b>Mean Variance Analysis</b>						
<b>Forecast 10 Year Return</b>	<b>6.9</b>	<b>6.9</b>				
Standard Deviation	10.2	10.1				
Return/Std. Deviation	0.7	0.7				
1st percentile ret. 1 year	-14.3	-14.1				
Sharpe Ratio (g)	0.32	0.32				

- › Adjusting the Hedge Fund CMA to better reflect KCERA's implementation approach provides a more favorable expected outcome.

Source: MPI, Cerity Partners

# Recommended SAA targets and allowable ranges

Cerity Partners and KCERA Investment Staff recommend adopting the Proposed Policy targets and ranges.

Asset Class	Proposed Policy	Range
Domestic		12 - 29%
International Developed		5 - 19%
Emerging Markets		0 - 10%
<b>Global Public Equity</b>	<b>34.0</b>	<b>24- 46%</b>
Core Fixed Income	4.0	
US Treasury	3.0	
US Long Treasury	2.0	
Short-Term Gov't/Credit	4.0	
<b>TOTAL CORE</b>	<b>13.0</b>	<b>8 - 23%</b>
Bank Loans	2.5	
Emerging Market Debt (Hard)	2.5	
Securitized Credit	5.0	
<b>TOTAL CREDIT</b>	<b>10.0</b>	<b>5 - 15%</b>
<b>Total Fixed Income</b>	<b>23.0</b>	<b>13 - 33%</b>
Commodities	5.0	0 - 9%
Core Real Estate	7.0	2 - 10%
Private Real Assets	5.0	0 - 10%
<b>Total Real Assets</b>	<b>17.0</b>	
Hedge Fund	12.0	7 - 17%
Alpha Pool	2.5	0 - 5%
Private Equity	6.0	0 - 11%
Private Credit	8.0	0 - 13%
<b>Total Non-Public Investments</b>	<b>28.5</b>	
Cash	-2.5	

# Appendix

# 10-year return & risk assumptions

Asset Class	Index Proxy	Ten Year Return Forecast		Standard Deviation Forecast	Sharpe Ratio Forecast (g)	Sharpe Ratio Forecast (a)	10-Year Historical Sharpe Ratio (g)	10-Year Historical Sharpe Ratio (a)
		Geometric	Arithmetic					
<b>Equities</b>								
U.S. Large	S&P 500	5.4%	6.5%	15.5%	0.10	0.17	0.86	0.88
U.S. Small	Russell 2000	6.4%	8.4%	21.2%	0.12	0.22	0.37	0.45
International Developed	MSCI EAFE	6.8%	8.2%	17.4%	0.17	0.25	0.44	0.50
International Small	MSCI EAFE Small Cap	9.4%	11.4%	21.2%	0.26	0.36	0.35	0.42
Emerging Markets	MSCI EM	6.7%	9.3%	24.2%	0.12	0.23	0.38	0.45
Global Equity	MSCI ACWI	6.0%	7.3%	16.6%	0.13	0.21	0.67	0.70
Global Equity ex USA	MSCI ACWI ex USA	6.9%	8.6%	19.2%	0.16	0.25	0.42	0.47
Private Equity	CA Private Equity	8.0%	10.9%	26.0%	0.16	0.27	-	-
Private Equity Direct	CA Private Equity	9.0%	11.9%	26.0%	0.20	0.31	-	-
Private Equity (FoF)	CA Private Equity	7.0%	10.0%	26.0%	0.12	0.24	-	-
<b>Fixed Income</b>								
Cash	30 Day T-Bills	3.7%	3.7%	1.1%	-	-	-	-
U.S. TIPS	Bloomberg U.S. TIPS 5-10	4.5%	4.7%	5.5%	0.13	0.16	0.18	0.20
Non-U.S. Inflation Linked Bonds	Bbg World Govt. Inf Linked Bond ex U.S.	4.1%	3.7%	7.3%	0.04	-0.01	-0.04	-0.01
U.S. Treasury	Bloomberg Treasury 7-10 Year	4.2%	4.4%	7.1%	0.06	0.08	-0.15	-0.11
Long U.S. Treasury	Bloomberg Treasury 20+ Year	4.7%	5.6%	13.4%	0.07	0.13	-0.19	-0.13
Global Sovereign ex U.S.	Bloomberg Global Treasury ex U.S.	2.7%	3.2%	9.9%	-0.11	-0.06	-0.26	-0.21
Global Aggregate	Bloomberg Global Aggregate	3.8%	4.0%	6.6%	0.00	0.03	-0.15	-0.11
Core Fixed Income	Bloomberg U.S. Aggregate Bond	4.7%	4.8%	4.9%	0.18	0.20	-0.05	-0.02
Core Plus Fixed Income	Bloomberg U.S. Universal	4.8%	4.9%	4.6%	0.22	0.24	0.04	0.06
Investment Grade Corp. Credit	Bloomberg U.S. Corporate Investment Grade	4.8%	5.1%	8.3%	0.12	0.16	0.15	0.18
Short-Term Gov't/Credit	Bloomberg U.S. Gov't/Credit 1-3 Year	4.2%	4.3%	3.6%	0.11	0.14	-0.10	-0.09
Short-Term Credit	Bloomberg Credit 1-3 Year	4.4%	4.5%	3.6%	0.17	0.19	0.23	0.24
Intermediate Credit	Bloomberg U.S. Intermediate Credit	4.6%	4.8%	5.9%	0.14	0.17	0.21	0.22
Long-Term Credit	Bloomberg Long U.S. Credit	4.7%	5.3%	11.0%	0.08	0.14	0.11	0.16
High Yield Corp. Credit	Bloomberg U.S. Corporate High Yield	5.7%	6.2%	10.7%	0.18	0.22	0.55	0.56
Bank Loans	Morningstar LSTA US Leveraged Loan	6.1%	6.5%	8.7%	0.26	0.31	0.62	0.63
Global Credit	Bloomberg Global Credit	4.3%	4.6%	7.7%	0.06	0.10	0.13	0.16
Emerging Markets Debt (Hard)	JPM EMBI Global Diversified	7.4%	7.8%	10.5%	0.35	0.38	0.23	0.27
Emerging Markets Debt (Local)	JPM GBI-EM Global Diversified	5.6%	6.3%	12.1%	0.16	0.21	0.13	0.19
Securitized Credit	Bbg U.S. Securitized: MBS, ABS, and CMBS	5.1%	5.2%	4.0%	0.35	0.35	-0.12	-0.09
Multi-Asset Credit	50/50 (High Yield / Bank Loans)	5.9%	6.4%	9.3%	0.23	0.27	-	-

Investors wishing to produce expected geometric return forecasts for their portfolios should use the arithmetic return forecasts provided here as inputs into that calculation, rather than the single-asset-class geometric return forecasts. This is the industry standard approach, but requires a complex explanation only a heavy quant could love, so we have chosen not to provide further details in this document – we will happily provide those details to any readers of this who are interested.

# 10-year return & risk assumptions

Asset Class	Index Proxy	Ten Year Return Forecast		Standard Deviation Forecast	Sharpe Ratio Forecast (g)	Sharpe Ratio Forecast (a)	10-Year Historical Sharpe Ratio (g)	10-Year Historical Sharpe Ratio (a)
		Geometric	Arithmetic					
<b>Fixed Income (continued)</b>								
Private Credit	Morningstar LSTA US Leveraged Loan	7.7%	8.5%	13.3%	0.29	0.35	-	-
Private Credit (Direct Lending - Unlevered)	Morningstar LSTA US Leveraged Loan	6.3%	6.7%	8.7%	0.29	0.33	-	-
Private Credit (Direct Lending - Levered)	Morningstar LSTA US Leveraged Loan	7.4%	8.1%	12.3%	0.29	0.35	-	-
Private Credit (Credit Opportunities)	Morningstar LSTA US Leveraged Loan	8.4%	9.6%	16.0%	0.29	0.36	-	-
Private Credit (Junior Capital / Mezzanine)	Morningstar LSTA US Leveraged Loan	7.8%	8.7%	14.0%	0.29	0.35	-	-
Private Credit (Distressed)	Morningstar LSTA US Leveraged Loan	8.6%	12.2%	29.1%	0.16	0.29	-	-
<b>Other</b>								
Commodities	Bloomberg Commodity	6.4%	7.7%	15.8%	0.17	0.25	0.14	0.20
Hedge Funds	HFRI Fund Weighted Composite	5.1%	5.4%	7.5%	0.17	0.21	0.70	0.70
Hedge Fund of Funds	HFRI Fund of Funds Composite	4.1%	4.4%	7.5%	0.04	0.08	0.50	0.51
Hedge Funds (Equity Style)	Custom HFRI Benchmark Mix*	5.4%	6.3%	14.0%	0.11	0.18	0.50	0.53
Hedge Funds (Credit Style)	Custom HFRI Benchmark Mix*	5.3%	5.7%	9.3%	0.16	0.20	0.77	0.77
Hedge Funds (Asymmetric Style)	Custom HFRI Benchmark Mix*	5.3%	5.6%	6.3%	0.25	0.29	0.63	0.63
Real Estate Debt	Bloomberg CMBS IG	6.3%	6.6%	7.3%	0.34	0.38	0.12	0.14
Core Real Estate	NCREIF Property	7.2%	7.9%	11.7%	0.29	0.35	-	-
Value-Add Real Estate	NCREIF Property + 200bps	9.2%	10.2%	14.4%	0.38	0.44	-	-
Opportunistic Real Estate	NCREIF Property + 300bps	10.2%	12.0%	19.8%	0.32	0.41	-	-
REITs	FTSE Nareit Equity REITs	7.2%	8.8%	18.0%	0.19	0.28	0.25	0.33
Global Infrastructure	S&P Global Infrastructure	8.2%	9.5%	16.5%	0.27	0.35	0.44	0.50
Risk Parity**	S&P Risk Parity 10% Vol Index	6.9%	7.4%	10.0%	0.32	0.36	0.52	0.55
Currency Beta	MSCI Currency Factor Index	2.1%	2.2%	3.3%	-0.52	-0.48	-0.74	-0.72
Inflation		2.7%	-	-	-	-	-	-
60/40 Portfolio (Global Equity / Core Fixed)		5.7%	6.3%	11.0%	0.17	0.23	0.62	0.60

Investors wishing to produce expected geometric return forecasts for their portfolios should use the arithmetic return forecasts provided here as inputs into that calculation, rather than the single-asset-class geometric return forecasts. This is the industry standard approach, but requires a complex explanation only a heavy quant could love, so we have chosen not to provide further details in this document – we will happily provide those details to any readers of this who are interested. \*To represent hedge fund styles, we use a combination of HFRI benchmarks: Equity Style = 33% HFRI Fundamental Growth, 33% HFRI Fundamental Value, 33% HFRI Activist. Credit Style = 20% HFRI Distressed/Restructuring, 20% HFRI Credit Arbitrage, 20% HFRI Fixed Income-Corporate, 20% HFRI Fixed Income-Convertible Arbitrage, 20% HFRI Fixed Income-Asset Backed. Asymmetric Style = 50% HFRI Relative Value, 50% HFRI Macro\*\*The Risk Parity forecast shown here assumes a 10% target volatility strategy. We recommend customizing this forecast to the target volatility specifications of the risk parity strategy that an investor wishes to model. Please speak with your Cerity Partners consultants for customization needs.

# Modeling Assumptions #1

<u>Cerity Partners CMA Mapping</u>	<u>KCERA Asset Class</u>	<u>Notes</u>
Global Equity	TOTAL EQUITY	
US Treasury	7-10 Year UST	
US Long Treasury	20+ Treasury	
Short-Term Gov't/Credit	Short-term IG	
Core Plus Fixed Income	Core Plus (PIMCO)	
Core Fixed Income	Core Fixed Income (Mellon Agg)	
Securitized Credit	Total Securitized	
Bank Loans	Total Bank Loans	
Emerging Market Debt	Total EMD	Current mix is a blend of Hard/Local. Other mixes are hard currency only
Commodities	TOTAL COMMODITIES	
Hedge Fund	TOTAL HEDGE FUND	Modeled as Hedge Fund
Alpha Pool (Hedge Fund)	TOTAL ALPHA POOL	Modeled as Hedge Fund
Core Real Estate	TOTAL CORE REAL ESTATE	
Value Add Real Estate	TOTAL PRIVATE REAL ASSET	Private Real Assets are proxied to Value add RE
Private Equity (Direct)	TOTAL PRIVATE EQUITY	
Private Credit	TOTAL PRIVATE CREDIT	Private credit is modeled as: 45% Direct Lending, 45% Credit Opportunities, and 10% Distressed
Opportunistic	TOTAL OPPORTUNISTIC	Opportunistic is shown in the current mix only. The manager Sixth Street TAO Partners is mapped to Credit Opportunities and the remaining opportunistic managers are mapped to global equities
Cash	TOTAL CASH	

# Correlation assumptions

	Cash	US Large	US Small	Intl Large	Intl Small	EM	Global Equity	PE	US TIPS	US Treasury	Global Sovereign ex-US	US Core	Core Plus	Short-Term Gov't/Credit	Short-Term Credit	Long-Term Credit	US HY	Bank Loans	Global Credit	EMD USD	EMD Local	Commodities	Hedge Funds	Real Estate	REITs	Infrastructure	Currency Beta	Risk Parity	
Cash	1.0																												
US Large	0.0	1.0																											
US Small	-0.1	0.9	1.0																										
Intl Large	0.0	0.8	0.8	1.0																									
Intl Small	0.0	0.8	0.8	1.0	1.0																								
EM	0.0	0.7	0.6	0.8	0.8	1.0																							
Global Equity	0.0	1.0	0.9	0.9	0.9	0.8	1.0																						
PE	0.0	0.7	0.6	0.5	0.5	0.5	0.7	1.0																					
US TIPS	0.0	0.5	0.4	0.5	0.5	0.4	0.5	0.1	1.0																				
US Treasury	0.2	0.2	0.1	0.2	0.2	0.2	0.2	-0.1	0.8	1.0																			
Global Sovereign ex-US	0.1	0.4	0.3	0.5	0.6	0.6	0.5	0.1	0.7	0.7	1.0																		
US Core	0.2	0.4	0.3	0.4	0.4	0.4	0.4	0.1	0.8	0.9	0.8	1.0																	
Core Plus	0.1	0.5	0.4	0.5	0.5	0.5	0.5	0.1	0.9	0.9	0.8	1.0	1.0																
Short-Term Gov't/Credit	0.4	0.2	0.1	0.3	0.3	0.3	0.3	0.0	0.7	0.8	0.7	0.9	0.8	1.0															
Short-Term Credit	0.2	0.4	0.4	0.5	0.6	0.5	0.5	0.1	0.7	0.6	0.7	0.8	0.9	0.9	1.0														
Long-Term Credit	0.0	0.6	0.5	0.6	0.6	0.6	0.6	0.2	0.8	0.7	0.8	0.9	0.9	0.7	0.8	1.0													
US HY	0.0	0.8	0.8	0.8	0.8	0.7	0.8	0.4	0.6	0.2	0.5	0.5	0.6	0.4	0.7	0.7	1.0												
Bank Loans	0.0	0.6	0.7	0.6	0.7	0.6	0.6	0.3	0.3	-0.1	0.2	0.2	0.3	0.1	0.5	0.4	0.8	1.0											
Global Credit	0.0	0.6	0.6	0.8	0.8	0.7	0.7	0.2	0.8	0.6	0.8	0.8	0.9	0.7	0.9	0.9	0.8	0.6	1.0										
EMD USD	0.1	0.7	0.6	0.7	0.7	0.7	0.7	0.4	0.6	0.4	0.7	0.7	0.7	0.5	0.7	0.8	0.8	0.7	0.9	1.0									
EMD Local	0.1	0.5	0.4	0.7	0.7	0.8	0.7	0.4	0.5	0.3	0.7	0.5	0.6	0.4	0.6	0.7	0.7	0.5	0.8	0.8	1.0								
Commodities	-0.1	0.4	0.4	0.4	0.4	0.5	0.4	0.3	0.2	-0.2	0.1	0.0	0.0	-0.1	0.1	0.1	0.5	0.5	0.3	0.3	0.4	1.0							
Hedge Funds	-0.1	0.8	0.9	0.8	0.8	0.7	0.8	0.4	0.4	0.0	0.3	0.3	0.4	0.1	0.5	0.5	0.8	0.7	0.7	0.7	0.5	0.5	1.0						
Real Estate	-0.4	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.0	0.1	0.1	0.2	0.0	0.2	0.2	0.3	0.1	0.3	0.3	0.1	0.2	0.4	1.0					
REITs	-0.1	0.8	0.8	0.7	0.7	0.6	0.8	0.5	0.6	0.3	0.5	0.5	0.6	0.3	0.5	0.7	0.7	0.6	0.7	0.7	0.5	0.4	0.7	0.3	1.0				
Infrastructure	0.0	0.8	0.7	0.8	0.8	0.7	0.8	0.5	0.5	0.2	0.5	0.4	0.5	0.3	0.6	0.6	0.8	0.7	0.7	0.8	0.7	0.5	0.7	0.2	0.8	1.0			
Currency Beta	0.0	-0.1	-0.2	-0.2	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.2	-0.1	-0.2	1.0		
Risk Parity	0.0	0.8	0.7	0.8	0.8	0.7	0.8	0.5	0.7	0.5	0.6	0.6	0.7	0.5	0.7	0.7	0.8	0.6	0.8	0.8	0.6	0.5	0.7	0.3	0.8	0.8	-0.1	1.0	

Note: as of 9/30/25 - Correlation assumptions are based on the last ten years. Private Equity and Private Real Estate correlations are especially difficult to model due to appraisal-based pricing and lag issues that exist in the data. For Private Equity we use Bloomberg's Private Equity factor estimates to calculate correlation to other assets. For Private Real Estate we de-lag stated quarterly returns to better estimate correlations to other assets.

# Modeling Assumptions #2

Verus CMA Mapping	KCERA Asset Class	Notes
Global Equity	TOTAL EQUITY	
US Treasury	7-10 Year UST	
US Long Treasury	20+ Treasury	
Short-Term Gov't/Credit	Short-term IG	
Core Plus Fixed Income	Core Plus (PIMCO)	
Core Fixed Income	Core Fixed Income (Mellon Agg)	
Securitized Credit	Total Securitized	
Bank Loans	Total Bank Loans	
Emerging Market Debt	Total EMD	Current mix is a blend of Hard/Local. Other mixes are hard currency only
Commodities	TOTAL COMMODITIES	
Hedge Fund	TOTAL HEDGE FUND	Modeled as Asymmetric Hedge Funds
Alpha Pool (Hedge Fund)	TOTAL ALPHA POOL	Modeled as Asymmetric Hedge Funds
Core Real Estate	TOTAL CORE REAL ESTATE	
Value Add Real Estate	TOTAL PRIVATE REAL ASSET	Private Real Assets are proxied to Value add RE
Private Equity (Direct)	TOTAL PRIVATE EQUITY	
Private Credit	TOTAL PRIVATE CREDIT	Private credit is modeled as: 45% Direct Lending, 45% Credit Opportunities, and 10% Distressed
Opportunistic	TOTAL OPPORTUNISTIC	Opportunistic is shown in the current mix only. The manager Sixth Street TAO Partners is mapped to Credit Opportunities and the remaining opportunistic managers are mapped to global equities
Cash	TOTAL CASH	





# Chief Executive Officer's Report

Presented by: Dominic Brown, Chief Executive Officer

May 2026



## Office Update

- Disability Files Pending: Pre-2025: 4    2025:11    2026: 4    Hearing: 7    Writ: 1
- Construction Update: Staff investigating feasibility of other building upgrades
- Kern360 implementation delayed to March 2027 (Payroll and Human Capital)
- New General Ledger program being implemented due to prior one reaching end-of-life
- KCERA Payroll Educational Sessions with Plan Sponsor leaders/personnel April 16 and 28



# Operations Activity

## Member Services

- 44 new retirements processed
- 86 death benefits processed
- 43 service purchase calculations
- 66 retirement estimates
- 73 new active members
- 71 terminations
- 48 in-person appointments
- 131 walk-ins
- 495 phone calls
- 265 emails

## Accounting & Reporting

- Service Purchases <30 days
- Monthly pension payroll nearly \$39M for over 9,400 members (42 checks)
- Budget prep beginning

## Information Technology

- We are lending support to Kern360 for testing
- Disaster recovery box completed & stored offsite



# Member Outreach & Education

## Recent:

- 4/02 Lamont Jobfest
- 4/02 KC Courts New Employee Orientation
- 4/16 Payroll Education #1
- 4/23 KC New Employee Orientation
- 4/28 Payroll Education #2
- 4/29 Kern Medical New Employee Orientation
- 05/01 KC Employees' Gold Tournament

## Upcoming:

- 5/08 Department of Human Services Resource Fair
- 5/13 REOKC Luncheon
- 5/13 KC Probation New Employee Orientation
- 5/14 KC New Employee Orientation
- 5/21 Shafter Job Fest
- 5/27 Kern Medical New Employee Orientation
- 6/03 Kern Behavior Health New Employee Orientation



# Upcoming Events

- Investment Committee – No meetings scheduled at this time
- Finance Committee – Meeting scheduled June 2 to discuss Interest Crediting and '26-27 Budget
- Administrative Committee – No meetings scheduled at this time
- Board of Retirement – Next regular monthly meeting will be June 10





# CIO REPORT

May 2026

Presented by:  
**Daryn Miller, CFA**  
Chief Investment Officer



# Positioning

## ACTUAL VS POLICY TARGET

Asset Class	Actual	Policy Target	Delta
Public Equities	34.7%	34.0%	0.7%
Fixed Income	21.7%	25.0%	-3.3%
Core	11.4%	15.0%	-3.6%
Credit	10.2%	10.0%	0.2%
Commodities	6.0%	5.0%	1.0%
Hedge Funds	10.0%	10.0%	0.0%
Alpha Pool	2.4%	2.5%	-0.1%
Core Real Estate	5.8%	7.0%	-1.2%
Private Real Assets	4.1%	5.0%	-0.9%
Private Equity	5.4%	6.0%	-0.7%
Private Credit	6.4%	8.0%	-1.6%
Opportunistic	1.8%	0.0%	1.8%
Cash	2.0%	-2.5%	4.5%
Total	100.0%	100.0%	0.0%

Public Equity: slight overweight vs. policy target, primarily due to strong market returns.

Core Fixed Income: underweight vs. policy target.

Exposure to Core Fixed Income has been primarily reallocated to Cash and Opportunistic. We maintain our view that positive economic growth, stickier inflation, and the fiscal backdrop, create an environment for higher yields.

Credit: slight overweight to Securitized credit on return opportunity.

Commodities: modest overweight primarily due to strong performance. Given geopolitical events, the commodity portfolio is providing a hedge to other risk assets.

Cash: overweight position, taking advantage of weighted average cash returns of 4-5%. In addition, we hold a higher level of cash given plans for funding several new investments in May.

# Rebalancing

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## APRIL ACTIVITY

- Public Equity
  - Buy 40M Global Equity Exposure (Parametric)



Public Equity: In March, Staff decreased exposure to Global Public Equity following regional developments in the Middle East and assessment of implications for financial markets.

Staff purchased back a portion of the short position; Staff notes that while the situation in Iran is not resolved, some of the left tail risk has been reduced; at the time of the trade, the addition of Global Equity Beta brought the Public Equity exposure close to Policy target.

# Delegation

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

**\$40M**



## **Ares Pathfinder Fund III - \$40M**

Ares will pursue asset-based finance opportunities across the alternative credit universe in sectors that are often overlooked or misunderstood by traditional lenders. The Manager expects a portfolio of 30-50 investments that emphasizes downside protection. This investment is a re-up and will be a part of the Plan's Private Credit allocation.

**\$30M**



## **Kayne Anderson Real Estate Partners VII - \$30M**

Kayne Anderson will pursue an opportunistic real estate strategy that allocates capital to the most attractive risk-adjusted returns rather than adhering to fixed sector targets. The Manager will have a focus on medical office, student housing, light industrials, and senior housing. This investment will be a part of the Plan's Private Real Assets allocation.

# Closed Investments

Contracting completed (all)

- Ares Pathfinder III (Private Credit) – \$40MM
- HBC Financing Partners Fund (Core Real Estate) – \$125MM
- Sculptor Real Estate MI Fund (Core Real Estate ) - \$15MM
- Warren Equity Partners V (Private Equity) - \$30MM

*Reporting Period covers 04/01/2026 to 04/30/2026*

4

FUNDS

\$210M

COMMITTED

# Investment Committee Meetings

**Next meeting TBD**

*The last IC meeting was held on April 28<sup>th</sup>*





## **Legal Report**

Jennifer Esquivel Zahry, Chief Legal Officer  
Kristen McDonald, Deputy Chief Legal Officer  
May 2026

# Litigation Update

## *Mendoza v. Board of Retirement of Ventura County Employees' Retirement Association* (2025) 117 Cal.App.5th 559

- CA Supreme Court denied petition for review
- affirmed the denial of a service-connected disability retirement based on the applicant's unreasonable refusal to undergo recommended medical treatment, and in doing so clarified that the failure-to-mitigate analysis is conducted as of the time the applicant unreasonably refuses treatment, rather than at a later point when the medical condition has worsened because of that refusal\*

\*Source: Nossaman eAlert, 4/17/2026

# Litigation Update

*Los Angeles County Employees' Retirement Association v. County of Los Angeles*, review granted October 16, 2024, S286264

- scheduled oral argument May 6, 2026
- addresses the scope and applicability of the California Constitution's grant of plenary authority over and fiduciary responsibility for the administration of retirement systems to public retirement system boards\*

\*Source: Nossaman eAlert, 4/17/2026

# Litigation Update

*Ventura County Employees' Retirement Association v. Criminal Justice Attorney's Association Of Ventura County*, review granted April 17, 2024, S283978

- scheduled oral argument May 6, 2026
- involving application of *Alameda* decision to a subsequent dispute between a retirement system and its stakeholders over the meaning of one of the PEPRAs amendments to the definition of “compensation earnable”\*

\*Source: Nossaman eAlert, 4/17/2026

# Legislative Update

## Ongoing: In committee

- AB 1054: Establish DROP (Deferred Retirement Option Program) Legislation within PERS for Highway Patrol and Firefighters.
- AB 1383: Amended. If using PEPRAs tier formulas for safety, would be using same PEPRAs tier 430(b) compensation limits for staff as current, not previously-proposed higher 415 limit instead.
- 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.

# Legislative Update

## Ongoing: In committee

- AB 1619: proposal to increase Board of Retirement Trustee per diem from \$100 to \$320, subject to Board of Supervisors adoption.
- AB 2780: SACRS-sponsored omnibus bill
  - Only active members can run for and vote for 2<sup>nd</sup>, 3<sup>rd</sup>, 7<sup>th</sup> 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

# Legislative Update

## Ongoing: In committee

- SB 1319: amend Gov. Code § 7928.710 (Public Records Act requests)
  - Re-referred to Committee on Appropriations
  - Adds to the information public pension plans must disclose in response to Public Records Act requests for information regarding “alternative investments.”

# SB 1319

- Name of each general partner or manager and persons with a direct or indirect interest in the general partner or manager
- The total amount of commitments made by all investors
- The total amount of cash contributions made by all investors
- Comparison of investment vs public market
- Information and fees for investments that remain active beyond original term
- Info about financial terms for continuation funds, asset rollover or transfer
- Info about investments that create work for people
- Info about debt investments



# California Supreme Court Considers Key Public Pension System Fiduciary Governance Cases

04.17.2026 | By [Ashley K. Dunning](#)

On April 15, 2026, the California Supreme Court issued three important decisions for those who are interested in public pension system governance topics and related litigation:

- The Court scheduled oral argument in the widely watched case *Los Angeles County Employees Retirement Ass'n v. County of Los Angeles, et al.* (S286264) (*LACERA*) for 9 am on Wednesday, May 6 in San Francisco. The *LACERA* case addresses the scope and applicability of the California Constitution's grant of plenary authority over and fiduciary responsibility for the administration of retirement systems to public retirement system boards.
- The Court also scheduled oral argument in another case of importance to county retirement systems in California, *Ventura County Employees' Retirement Ass'n v. Criminal Justice Attorney's Ass'n of Ventura County* (S283978) (*CJAAVC*) at 1:30 pm, also on Wednesday, May 6, in San Francisco. We last wrote about the *CJAAVC* case here. The *CJAAVC* case is the Court's first involving application of its seminal decision *Alameda County Deputy Sheriffs' Assoc., et al. v. Alameda County Employees' Retirement Association, et al.* (2020) 9 Cal.5th 1032 to a subsequent dispute between a retirement system and its stakeholders over the meaning of one of the Public Employees' Pension Reform Act of 2013 (PEPRA) amendments to the definition of "compensation earnable".
- The Court *denied* a Petition for Review in a third important public retirement system case, *Mendoza v. Board of Retirement of Ventura County Employees' Retirement Association*, which applied the common law mitigation doctrine, sometimes described as the doctrine of avoidable consequences, in the disability retirement context. This denial leaves the published decision of the Second District Court of Appeal, *Mendoza v. VCERA* (B327347) (*Mendoza*), unchanged. *Mendoza* affirmed the denial of a service-connected disability retirement based on the applicant's unreasonable refusal to undergo recommended medical treatment, and in doing so clarified that the failure-to-mitigate analysis is conducted as of the time the applicant unreasonably refuses treatment, rather than at a later point when the medical condition has worsened because of that refusal.

Live links to oral argument are to appear 30 minutes prior to oral argument here: [Webcast Library](#) | Supreme Court of California. Also, except in unusual circumstances, the Supreme Court issues decisions within ninety (90) days of oral argument, and thus decisions in the first two of the above listed cases are expected to be

rendered by early August 2026.

**Ashley Dunning**, co-chair of the Pensions, Benefits & Investments (PB&I) Group, and **Alex Westerfield**, a partner in the PB&I Group, represent VCERA in the CJAAVC litigation, and they, with **Michael Price**, an associate in the PB&I Group, submitted an amicus brief on behalf of eight (8) public retirement systems who supported VCERA in the Mendoza litigation.



TO: State Association of County Retirement Systems  
FROM: Cara Martinson, Capitol Advocacy  
Laurie Johnson, LJ Consulting & Advocacy  
DATE: April 6, 2026  
  
**RE: Legislative Update – April**

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The Legislature has returned from its spring recess and is entering the busy April policy committee phase of the legislative session, following the introduction of bills and several weeks of initial committee hearings. As is typical at this stage in the legislative calendar, committees are advancing or holding measures in advance of key policy committee and fiscal deadlines in May.

Concurrently, budget subcommittees are actively reviewing the Governor’s January budget proposal and beginning to develop spending priorities ahead of the May Revision, expected in mid-May. This period represents a critical juncture during which policy priorities and fiscal constraints begin to converge, shaping both the advancement of policy measures through the Appropriations Committees and broader negotiations over the final state budget. Affordability, AI, Data Centers, health care and housing affordability continue to dominate policy conversations.

The gubernatorial election is also entering a more active phase as candidates from both parties prepare for the June 2nd primary. The broader political environment is increasingly influenced by this election cycle, with campaign activity accelerating as candidates raise funds, and stake out positions on policy issues with key stakeholder groups. The gubernatorial field is notably crowded this cycle, particularly on the Democratic side, with multiple high-profile candidates entering the open-seat race. This concentration of Democratic contenders is expected to fragment the vote in the primary, creating a highly competitive environment under California’s top- two system. Buckle-up for a busy summer!

The following is an update on bills that SACRS is actively following:

## II. Legislative Update:

- **AB 1054 (Gipson)** - This bill would establish the Deferred Retirement Option Program (DROP) as a voluntary program within PERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill 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: This bill passed out the Assembly and is awaiting action in the Senate.
- Position: No Position/Watch
- **AB 1383 (McKinnor)** – The bill was heard in the Assembly PERS Committee and advanced out of the Appropriations Committee in January after taking several amendments. The bill includes the following provisions:
  - Adjust, on and after January 1, 2027, the pensionable compensation limit to the Social Security compensation limit. The prior version of the bill would have increased the pensionable compensation limit to the higher IRC 415(b) threshold.
  - Lower the retirement age on a prospective basis from age 57 to 55 for three existing safety DB retirement formulas, and
  - Authorize a public employer to create a fourth PEPRA safety DB retirement formula of three percent (3%) at age 55, to be applied prospectively.
  - Amendments this year removed a provision that would have permitted collective bargaining over the 50-50 normal cost sharing requirement.
  - Status: This bill advanced out of the Assembly and is now awaiting action in the Senate
  - Position: Neutral (as recommended by SACRS Legislative Committee)
- **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 now 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 Assembly and is awaiting action in the Senate.
  - Position: No position/watch



- **AB 1601 (Rogers)** – This bill would permit the county Board of Supervisors for Sonoma County 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 has been set for hearing in the Assembly PERS Committee on 4/8.
  - Position: Neutral (as recommended by SACRS Legislative Committee)
  
- **AB 1619 (Valencia)** – This bill would allow 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.
  - Status: This bill has been referred to the Assembly PERS Committee
  - Position: Neutral (as recommended by SACRS Legislative Committee)
  
- **AB 1660 (Schiavo)** – This bill would 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.
  - Status: This bill passed out of the Assembly Judiciary Committee and is awaiting action in the Assembly Appropriations Committee
  - Position: Pending
  
- **AB 1762 (Gonzalez)** – This bill extends Public Employees' Medical and Hospital Care Act (PEMHCA) authorization contract for health benefits to the City of Indio for employees hired from January 1, 2025, onward. It sets conditions such as collective bargaining agreements and requires at least five years of service for any benefit eligibility. The bill applies only to retirees after the approval of the memorandum of understanding and mandates that the City of Indio provide necessary notifications and information.
  - Status: This bill has been referred to the Assembly PERS Committee
  - 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 the Assembly and is awaiting action in the Senate.
  - Position: No position/watch
- **AB 2336 (Macedo)** – This bill would, for taxable years beginning on or after January 1, 2026, and before January 1, 2031, exclude from gross income the first \$25,000 of overtime pay received by a taxpayer during the taxable year. The bill would also exclude from gross income the first \$25,000 received by a taxpayer as proceeds from a defined benefit plan.
    - Status: This bill is will be heard in the Assembly PERS Committee on 4/13
    - 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 has been referred to the Assembly PERS Committee
      - Position: Support
  - **SB 1187 (Durazo)** – This bill would define "majority" in the Brown Act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body.



- Status: This bill has been referred to the Senate Local Government Committee
  - No position/watch
- **SB 1207 (Laird)** – This bill makes various changes to the CA Conversation Corps and would allow Cal PERS members to receive service credits for service as a Conservation Corps member, similar to service credits allowed for service in the Peace Corps or AmeriCorps.
  - Status: This bill is awaiting Committee referral
  - No position/watch
- **SB 1319 (Durazo)** – This bill expands requirements for public disclosure of alternative investment information, including a comparison of how the alternative investment performed versus what the public fund would have earned if it had invested the same amount in a comparable public market index, adjusted for factors like risk, liquidity, and expenses. The bill also requires disclosure of the identity of the enterprise or activity in which the investment is made, the geographic locations where the enterprise or activity takes place, and the number and classifications of employees at each such location.
  - Status: This bill is awaiting policy committee referral
  - Position: Pending
- **SB 1407 (Archuletta)** – Current law allows up to \$20,000 of federal military retirement pay and certain Survivor Benefit Plan annuity payments to be excluded from taxable income for qualifying taxpayers between 2025 and 2030. This bill would remove the income limits and the \$20,000 cap, extend the exclusion through 2037, and require reporting on the tax expenditure.
  - Status: This bill will be heard in the Senate Revenue & Taxation Committee on 4/8.
  - Position: No position/watch

Contact:

If you have any questions, contact Cara Martinson at [cmartinson@capitoladvocacy.com](mailto:cmartinson@capitoladvocacy.com), or Laurie Johnson at [lauriejconsult@gmail.com](mailto:lauriejconsult@gmail.com).

AMENDED IN SENATE APRIL 15, 2026  
AMENDED IN SENATE MARCH 25, 2026

**SENATE BILL**

**No. 1319**

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**Introduced by Senators Durazo and Cortese**

February 20, 2026

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An act to amend Section 7928.710 of the Government Code, relating to public records.

LEGISLATIVE COUNSEL'S DIGEST

SB 1319, as amended, Durazo. California Public Records Act: public investment funds.

The California Public Records Act (act) requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. The act exempts from disclosure certain records regarding alternative investments, as defined, *investments in which public investment funds, as defined, invest. funds invest, including records containing information regarding the portfolio positions in which alternative investment funds invest.* The act, however, requires certain information contained in those records to be disclosed, including, among other things, the name, address, and vintage year of each alternative investment vehicle. *The act defines various terms for these purposes.*

This bill would additionally require the disclosure of certain additional information, including, among other things, ~~a comparison of the results from the alternative investment vehicle against the performance the public investment fund would have experienced from investing the same amount in a public market index of corresponding assets traded in the public securities markets, after controlling for risk, liquidity, and expense.~~ *the name of each general partner or manager of each*

*alternative investment vehicle and of each person with a direct or indirect interest in the general partner or manager. The bill would except this information contained in those records subject to disclosure, as provided, from the records containing information regarding the portfolio positions described above that are exempt from disclosure. By placing additional duties and responsibilities upon local agencies in connection with requests for inspection of records, the bill would impose a state-mandated local program.*

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 7928.710 of the Government Code is  
2 amended to read:  
3 7928.710. (a) For purposes of this section, the following  
4 definitions apply:  
5 (1) “Alternative investment” means an investment in a private  
6 equity fund, venture fund, hedge fund, or absolute return fund.  
7 (2) “Alternative investment vehicle” means the limited  
8 partnership, limited liability company, or similar legal structure  
9 through which the public investment fund invests in portfolio  
10 companies.  
11 (3) “Portfolio positions” means individual portfolio investments  
12 made by the alternative investment vehicles.  
13 (4) “Public investment fund” means any public pension or  
14 retirement system, any public endowment or foundation, or a public  
15 bank, as defined in Section 57600, or the venture capital program

1 pursuant to Article 12 (commencing with Section 63089.99) of  
2 Chapter 6 of Division 1 of Title 6.7 of the Government Code.

3 (b) Notwithstanding any provision of this division or other law,  
4 the following records regarding alternative investments in which  
5 public investment funds invest are not subject to disclosure  
6 pursuant to this division, unless the information has already been  
7 publicly released by the keeper of the information:

8 (1) Due diligence materials that are proprietary to the public  
9 investment fund or the alternative investment vehicle.

10 (2) Quarterly and annual financial statements of alternative  
11 investment vehicles.

12 (3) Meeting materials of alternative investment vehicles.

13 (4) ~~Records—~~*Except as provided in subdivision (c), records*  
14 containing information regarding the portfolio positions in which  
15 alternative investment funds invest.

16 (5) Capital call and distribution notices.

17 (6) Alternative investment agreements and all related documents.

18 (c) Notwithstanding subdivision (b), the following information  
19 contained in records described in subdivision (b) regarding  
20 alternative investments in which public investment funds invest  
21 is subject to disclosure pursuant to this division and shall not be  
22 considered a trade secret exempt from disclosure:

23 (1) The name, address, and vintage year of each alternative  
24 investment ~~vehicle~~; *vehicle, and the name of each general partner*  
25 *or manager of the alternative investment vehicle and of each person*  
26 *with a direct or indirect interest in the general partner or manager.*

27 (2) The dollar amount of the commitment made to each  
28 alternative investment vehicle by the public investment fund since  
29 ~~inception~~; *inception, and the total amount of commitments made*  
30 *by all investors to the alternative investment vehicle.*

31 (3) The dollar amount of cash contributions made by the public  
32 investment fund to each alternative investment vehicle since  
33 ~~inception~~; *inception, and the total amount of cash contributions*  
34 *made by all investors to the alternative investment vehicle.*

35 (4) The dollar amount, on a fiscal year-end basis, of cash  
36 distributions received by the public investment fund from each  
37 alternative investment vehicle.

38 (5) The dollar amount, on a fiscal year-end basis, of cash  
39 distributions received by the public investment fund plus remaining

1 value of partnership assets attributable to the public investment  
2 fund’s investment in each alternative investment vehicle.

3 (6) The net internal rate of return of each alternative investment  
4 vehicle since inception.

5 (7) The investment multiple of each alternative investment  
6 vehicle since inception.

7 (8) The dollar amount of the total management fees and costs  
8 paid on an annual fiscal year-end basis, by the public investment  
9 fund to each alternative investment vehicle.

10 (9) The dollar amount of cash profit received by public  
11 investment funds from each alternative investment vehicle on a  
12 fiscal year-end basis.

13 (10) A comparison of the results from the alternative investment  
14 vehicle against the performance the public investment fund would  
15 have experienced from investing the same amount in a public  
16 market index of corresponding assets traded in the public securities  
17 markets, after controlling for risk, liquidity, and expense. *The index*  
18 *shall be chosen at the time the public investment fund commits to*  
19 *the alternative investment vehicle.*

20 (11) *For each alternative investment vehicle that remains active*  
21 *beyond the end of its originally stated term, the basis for continued*  
22 *operation, the current value of assets of the alternative investment*  
23 *vehicle, and the amount of any management fees, carried interest,*  
24 *or other expenses continuing to be charged to the fund on an*  
25 *annual fiscal year-end basis.*

26 (12) *Any continuation fund, asset rollover or transfer, or similar*  
27 *transaction involving assets previously held by the alternative*  
28 *investment vehicle, including the financial terms of any such*  
29 *continuation fund or transaction, management fees, and the*  
30 *valuations of the assets involved in the transaction.*

31 ~~(11)~~

32 (13) With respect to an alternative investment vehicle which  
33 has an objective of creating, acquiring, or developing an enterprise  
34 or activity in which natural persons are engaged to perform work,  
35 the identity of the enterprise or activity in which the investment  
36 is made, the geographic locations where the enterprise or activity  
37 takes place, and the number and classifications of employees at  
38 each such location, using the United States Bureau of Labor  
39 Statistics’ 2018 Standard Occupational Classification system.

1     *(14) With respect to alternative investment vehicles with debt*  
2 *investments, the number and aggregate dollar value of loans valued*  
3 *by the alternative investment vehicle at less than 75 percent of*  
4 *face value if originated by the alternative investment vehicle, or*  
5 *less than 75 percent of cost to the alternative investment vehicle*  
6 *if purchased, and a list of third-party rating agencies hired by the*  
7 *alternative investment vehicle to assign ratings to the loans.*

8     SEC. 2. The Legislature finds and declares that Section 1 of  
9 this act, which amends Section 7928.710 of the Government Code,  
10 furthers, within the meaning of paragraph (7) of subdivision (b)  
11 of Section 3 of Article I of the California Constitution, the purposes  
12 of that constitutional section as it relates to the right of public  
13 access to the meetings of local public bodies or the writings of  
14 local public officials and local agencies. Pursuant to paragraph (7)  
15 of subdivision (b) of Section 3 of Article I of the California  
16 Constitution, the Legislature makes the following findings:

17     It is in the public interest, and furthers the purposes of paragraph  
18 (7) of subdivision (b) of Section 3 of Article I of the California  
19 Constitution, to ensure that certain alternative investment vehicle  
20 information with respect to the activities of public investment  
21 funds is available to the public while balancing the protection of  
22 trade secrets.

23     SEC. 3. No reimbursement is required by this act pursuant to  
24 Section 6 of Article XIII B of the California Constitution because  
25 the only costs that may be incurred by a local agency or school  
26 district under this act would result from a legislative mandate that  
27 is within the scope of paragraph (7) of subdivision (b) of Section  
28 3 of Article I of the California Constitution.



April 17, 2026

The Honorable Lola Smallwood-Cuevas, Chair  
Senate Labor, Public Employment and Retirement Committee  
1021 O Street, Suite 6740  
Sacramento, CA 95814

**Subject: SB 1319 (Cortese/Durazo) – OPPOSE (As Amended 4/15/26)**

Dear Senator Smallwood-Cuevas:

The State Association of County Retirement Systems (SACRS) respectfully opposes SB 1319. This bill would significantly impact the ability of retirement systems operating under the County Employees' Retirement Law of 1937 (1937 Act) to prudently manage their investment programs and fulfill their constitutional fiduciary duties.

SACRS represents 20 county retirement systems that collectively manage more than \$300 billion in assets on behalf of public employees and retirees. While these systems vary in size and resources, all share the obligation to invest trust assets solely in the interest of providing promised retirement benefits. SB 1319's new disclosure requirements create significant practical and fiduciary challenges.

**Disclosure of Proprietary and Confidential Information**

SB 1319 requires expanded disclosure of alternative investment data, including performance comparisons and information related to underlying portfolio companies and other investors. While the bill maintains existing confidentiality protections, in practice, these requirements risk exposing sensitive information that retirement systems are contractually obligated to protect.

Retirement systems do not control underlying portfolio companies, yet the bill requires disclosure of detailed workforce and operational data from those entities. Alternative investment managers restrict the dissemination of fund and portfolio data through confidentiality agreements. Mandated disclosure may place retirement systems in conflict with those agreements, jeopardize relationships with managers, and limit access to high-performing funds—particularly in competitive markets such as private equity.

**Administrative Burden and Impact on Smaller Systems**

The bill also creates significant administrative challenges, especially for smaller systems with limited staff and resources. Producing standardized comparisons of private investments to public market benchmarks “after controlling for risk, liquidity, and



expense” requires complex modeling, subjective assumptions, and data that systems often do not control.

Our retirement systems invest through pooled vehicles and rely on external managers, making compliance difficult and potentially costly. These added burdens would fall disproportionately on smaller systems and could reduce their ability to participate in certain investment strategies, limiting diversification and increasing risk.

### **Impairment of Fiduciary Duty**

SB 1319 also risks impairing the fiduciary duty of retirement boards under Article XVI, Section 17 of the California Constitution. By imposing requirements that may restrict investment opportunities, increase costs, or elevate public reporting considerations over investment merit, the bill introduces factors unrelated to maximizing risk-adjusted returns.

### **Conclusion**

SACRS supports transparency and has long complied with robust disclosure requirements under existing law. However, SB 1319 creates risks to investment access, increases administrative burdens, and interferes with the fiduciary responsibilities of retirement boards.

For these reasons, SACRS respectfully urges your “NO” vote on SB 1319. Should you have any questions, please do not hesitate to contact us.

Sincerely,

*Adele Lopez Tagaloa*

Adele Lopez Tagaloa  
SACRS President, and Member, Board of Retirement, Orange County Employees’ Retirement System

cc: Senator Dave Cortese  
Senator Maria Elena Durazo  
Members, Senate Labor, Public Employment and Retirement Committee



# SENATOR CORTESE & SENATOR DURAZO

## SB 1319

### *Private Equity Sunshine Act*

#### SUMMARY

Public pension funds invest the retirement savings of workers. Those funds should be subject to clear, comparable reporting. SB 1319 increases transparency for public pension investments in private equity and similar funds.

Today, key information about these investments is missing. Decision-makers, including pension boards, state officials, and the public, cannot easily determine whether these investments outperform public markets or how they affect workers. This matters because these decisions determine the security of retirement benefits and the use of large amounts of public capital.

SB 1319 ensures policymakers, workers, and the public can evaluate how these investments perform, what they cost, and where they are invested.

#### BACKGROUND

In 2016, AB 2833 required disclosure of fees, expenses, and carried interest for alternative investments made by California public pension funds. That law addressed hidden costs paid by public pension funds.

In California, 80 public investment funds collectively manage over \$1.4 trillion in retirement assets. These public investment funds allocate an increasing share of their assets to alternative investments, including private equity, real assets, private debt, and hedge funds. For example, as of December 31, 2025, CalPERS, the largest, had allocated \$212 billion, or 35 percent of its total portfolio, in alternative investments. Unlike public securities, these investments are not subject to standardized federal disclosure

requirements. As a result, information is limited, inconsistent, and difficult to compare.

Current law provides some transparency, but key gaps remain. There is no required comparison showing whether private investments outperform public market alternatives after accounting for significant fees charged by private equity firms. Without that comparison, it is difficult to determine whether higher costs and risks are justified.

There is also limited visibility into the companies owned through these investments. Private equity firms can control or influence company operations through ownership stakes, including decisions about management, staffing, and business practices. Workers are often in the dark about who ultimately owns or controls the company they work for, or how those decisions are made.

Public pension funds are making long-term investment decisions using worker-earned funds without complete, comparable information on performance, cost, and workforce impact.

#### THIS BILL

The Private Equity Sunshine Act builds on existing law to provide meaningful, comparable transparency.

- ✓ Requires a direct comparison of after-fee private equity returns with public market benchmarks.
- ✓ Requires reasonable disclosure of reductions in asset values for private credit investments.
- ✓ Requires disclosure of the companies controlled through these investments.
- ✓ Requires disclosure of where those companies operate.
- ✓ Requires disclosure of the number and types of workers at those companies.

- ✓ Maintains existing protections for proprietary and confidential business information.

This bill provides standardized, decision-useful information on investment performance, ownership, and workforce impact.

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### **SUPPORT**

- United Farm and Commercial Workers (UFCW, sponsor)
- UNITE HERE Local 11 (sponsor)
- California Federation of Labor Unions

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### **FOR MORE INFORMATION**

Bridget Kolakosky  
Office of Senator Dave Cortese  
(916) 651-4015  
[Bridget.Kolakosky@sen.ca.gov](mailto:Bridget.Kolakosky@sen.ca.gov)





# KCERA Compensation Policy/ Fiduciary Considerations

**Presented by:**

**Julie Becker, Partner**

**Benita Falls Harper, Associate Partner, Aon**

**May 6, 2026**



Fiduciary services provided by Aon Consulting, Inc.

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# ERISA Duty of Loyalty – Exclusive Benefit Rule

A fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and —

For the exclusive purpose of:

- Providing benefits to participants and their beneficiaries
- Defraying reasonable expenses of administering the plan

ERISA § 404(a)(1)

# KCERA Duty of Loyalty – Exclusive Benefit Rule

- “...The assets of a public pension or retirement system are trust funds... ” California Constitution Article XVI, Sec. 17 (a).
- Duty of Loyalty – “The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board’s duty to its participants and their beneficiaries shall take precedence over any other duty.” California Constitution Article XVI, Sec. 17 (b).

# KCERA Duty of Loyalty — Exclusive Benefit Rule

- The board and its officers and employees shall discharge their duties with respect to the system:
  - (a) Solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. California Government Code 31595.



# Duty of Loyalty – Independence



It is important for a pension fund board to be independent.



Independence is often measured by a board's ability to:

- Procurement Authority
- Budgetary Authority
- Personnel authority – hire, evaluate, compensate, and terminate staff



If non-fiduciaries are able to exert control over a board, the duties of loyalty and prudence could be compromised.

# Duty of Loyalty – Independence



The duty of loyalty demands independence from:

- The appointing body
- The plan sponsor
- Taxpayers
- The general public
- Sub-groups of the participants

# Staff Compensation: Administrative Expense of the System

KCERA assets are held in trust to:

- Pay benefits to members and beneficiaries
- Defray the reasonable expenses of administering the system.

Under trust law principles, to utilize plan assets to pay expenses, those expenses must be **necessary** to administer and invest for the system and must be **reasonable** in amount.

Staff compensation meets this standard when:

- Positions are required to carry out KCERA's statutory and fiduciary responsibilities
- Pay levels are:
  - Benchmarked to comparable public retirement systems and relevant labor markets
  - Aligned with responsibilities, experience, and performance

# Staff Compensation: Necessary and Reasonable

KCERA is a multi-employer defined benefit system with complex responsibilities (benefits, funding, investments, etc.). Pursuant to California Government Code Section 31522.1, the board may appoint administrative, technical, and clerical staff personnel as are required to accomplish the necessary work of the boards.

All KCERA employees are employees of Kern County and are included in the salary ordinance or resolution adopted by the Board of Supervisors for the compensation of county officers and employees. All KCERA employees are subject to Kern County Civil Service or merit system rules, except for its at-will employees, who shall be directed by, serve at the pleasure of, and may be dismissed at the will of the Board of Retirement. California Government Code 31522.2-31522.4.



# Staff Compensation: Necessary and Reasonable

According to the CEO Charter:

The CEO is responsible for hiring, directing, and terminating all personnel of KCERA. This includes but is not limited to selecting and terminating the Chief Operations Officer, Chief Investment Officer, and Chief Legal Officer.



# Staff Compensation: Necessary and Reasonable

The Board has recognized that staff compensation is a necessary administrative expense of the system, as recognized by the “staffing-salaries and benefits” lines in KCERA’s Schedule of Administrative Expenses, and Board review and approval of the budget.

Additionally, this recognition is supported through the Board-adopted KCERA Compensation Policy.

# Staff Roles as Necessary System Administrative Functions

KCERA staff (including CEO, executive team, and other staff) oversee and perform the system's core administrative and investment functions, such as:

- Benefit administration and member services
- Accounting and financial reporting
- Investment management and oversight

# Staff Roles as Necessary System Administrative Functions

- Actuarial and funding support
- IT, cybersecurity, records management, and data privacy
- Communications, compliance, and governance support

**These activities are exclusively for KCERA operations, not for general county business.**

**By their nature, these roles are plan/system administrative functions.**

# KCERA Compensation Policy

## Market-Based and Fiduciary Focused Approach

The Board adopted Compensation Policy clarifies that staff compensation is a planned, Board-directed component of KCERA's administrative framework, and outlines the process to address reasonableness of those expenses.

Paying market-competitive compensation helps KCERA recruit and **retain** qualified personnel, supports strong benefits administration and investment outcomes, and helps manage long-term employer contribution levels by promoting effective, professional management of the fund.

# KCERA Compensation Policy

## Market-Based and Fiduciary Focused Approach

### Market alignment

- Regular compensation studies (no less than every 5 years; 3 years optimal)
- Focus on other public retirement systems with similar size and operations; may also consider corporate plans, endowments, foundations where they compete for similar talent
- Analyze comparable jobs at comparable employers (e.g., by members served, assets under management)

### Fiduciary lens

- Salary recommendations must be consistent with and in furtherance of the Board's fiduciary duties in administering the retirement system
- Goal is to follow market trends and ensure salary adjustments keep KCERA competitive, not lagging

# KCERA Compensation Policy

1

Establishes a formal structure for staff compensation and staffing

2

Goal is to competitively position KCERA to attract and retain the human capital needed to carry out its mission

3

Emphasizes accountability, transparency, and cost-effective administration

4

Intended to comply with applicable law and KCERA's mission

# Compensation Strategy

Salaries structured to be market-competitive	CEO presents; Board of Retirement reviews	Individual pay based on experience, education, skills, and performance	Regular, consistent review to reduce salary lag
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# Policy Objectives



Strengthen workforce and improve retention



Attract new talent



Motivate employees and maintain internal equity



Reduce salary lag and respond to market shifts



Administered consistent with law and peer public retirement systems

# Use of Compensation Studies

- Used to assess market competitiveness and trends
- Focus on comparable public retirement systems
- Analyze similar jobs at similarly situated employers
- Consider geography, employer size, and competing labor markets
- Inform guidelines and potential salary adjustments



# Market Study Parameters



# Roles

## **KCERA Board:**

- Adopts and reviews the Compensation Policy (at least every five years)
- Reviews salary structure and market adjustments
- Approves the budget that includes staffing costs as administrative expenses

## **CEO:**

- Recommends salary structures and adjustments consistent with fiduciary duties and market data
- Implements the Policy for all staff, ensuring internal equity and alignment with KCERA's mission

## **County relationship:**

- All KCERA employees are employees of Kern County and included in the County's salary ordinance or resolution
- All KCERA employees are subject to County civil service/merit rules, except at-will employees who serve at the pleasure of the Board

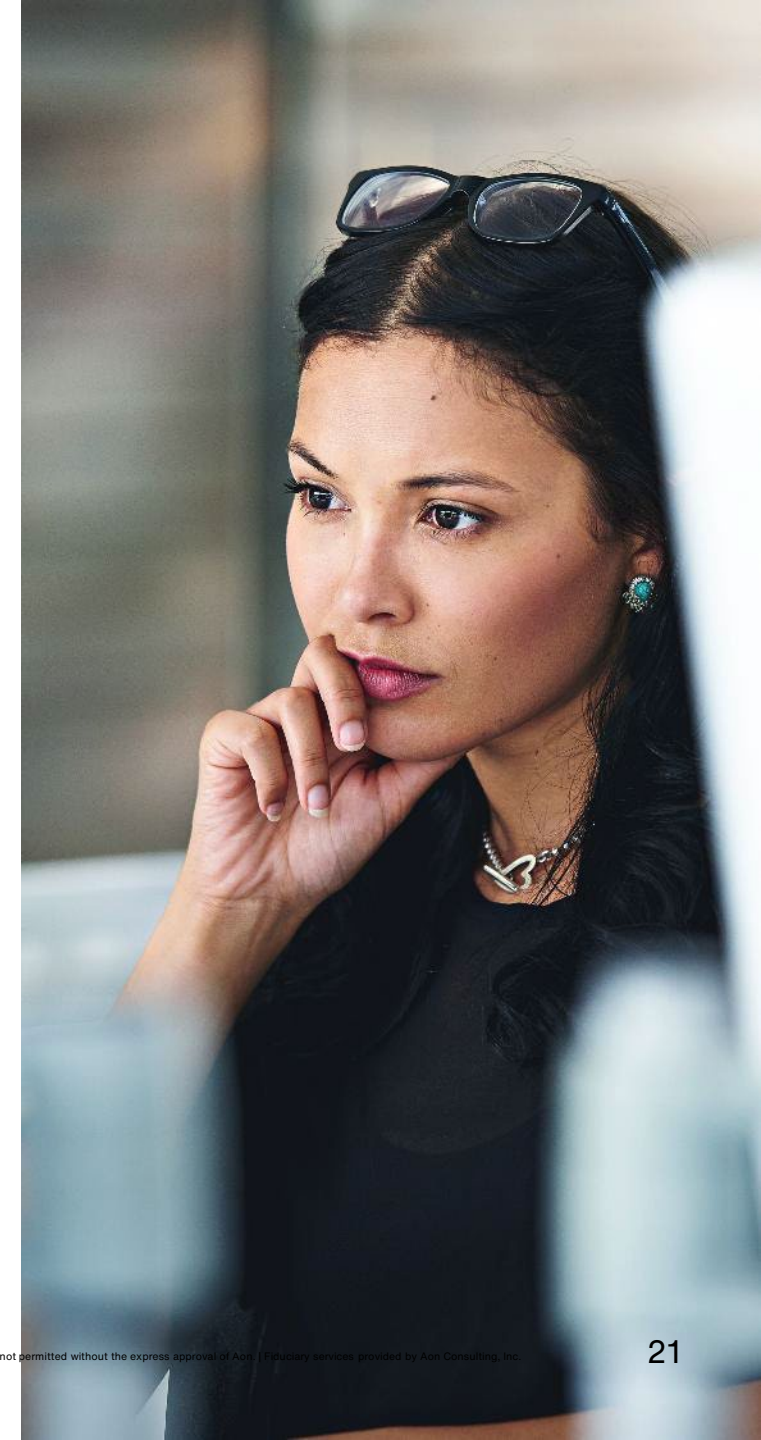
# Staff Compensation Policy and Practices

Board retains oversight of administrative costs, including staff compensation, through:

- Annual budget review and approval
- Regular reporting of administrative and investment expenses in financial statements

Compensation practices include:

- Use of job descriptions tied to KCERA-specific duties
- Periodic market and peer benchmarking for key roles
- Compliance with applicable open meeting, public compensation, and disclosure requirements.

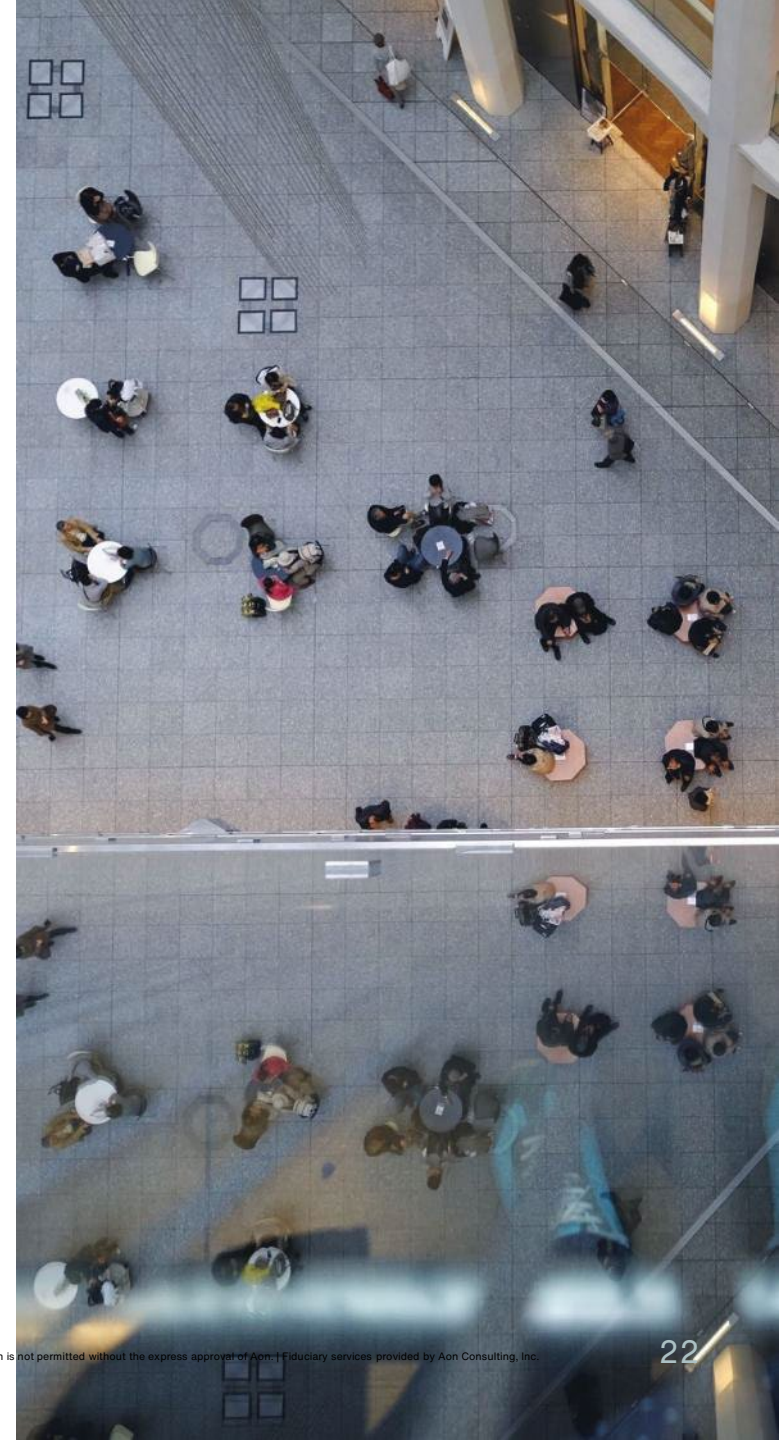


# Staff Compensation Policy and Practices

## KCERA Compensation Policy:

- Recognizes staff pay as mission-critical, market-tested, and fiduciary-aligned
- Provides clear basis for treating staff salaries and benefits as reasonable administrative expenses of the system
- Supports transparent, defensible use of plan assets to fund the staff needed to administer benefits and prudently invest the fund over the long term

These practices demonstrate the staff compensation charged to KCERA is necessary, reasonable, and well-governed.



# Legal Disclosures and Disclaimers

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## **COMPENSATION POLICY**

### **PURPOSE**

- 1) The purpose of this policy is to establish a formal compensation directive by the Board of Retirement that identifies personnel needs for KCERA, including methodology of job classification, staff size, compensation, and other personnel-related items that are integral to KCERA's successful operation. The goal is to competitively position KCERA to attract and retain the human capital necessary to successfully carry out the mission of the organization, while maintaining accountability and transparency with stakeholders and ensuring cost-effective administration. This policy is intended to be consistent with and not in conflict with applicable law.

### **STRATEGY**

- 2) Salaries are structured to be competitive as recommended by the Chief Executive Officer (CEO) and reviewed by the Board of Retirement (Board), with individual base salaries dependent upon an employee's experience, education, knowledge, skills, and overall job performance. This policy seeks to lessen any lag in addressing salaries and provide regular and consistent review of the salary structure.
- 3) Policy objectives include:
  - a) Bolster the workforce and enhance retention
  - b) Attract new talent
  - c) Motivate employees and maintain internal equity
  - d) Lessen the likelihood of salary lag
  - e) Nimbly react to market shifts
- 4) Policy objectives should be accomplished with adherence to all applicable laws and consistent with other relevant public retirement systems. This policy should be administered with the aim to effectively manage both the human and fiscal resources that support KCERA's mission and values.
- 5) Compensation studies will be utilized to determine KCERA's competitiveness with market practices. Labor markets fluctuate in response to the readiness of qualified workers for particular positions, as well as economic ups and downs. These changes diverge, depending upon the geographic regions, industry, and employer types. A compensation study should provide KCERA with the necessary data to compensate

without undue guesswork, better anticipate market fluctuations, create peer awareness, and provide transparency to the process.

- 6) Compensation studies should:
  - a) Collect and analyze salary and benefits data from employers similar to KCERA, meaning other public retirement systems, focusing on those with organizational and operational likeness.
  - b) Analyze comparable jobs within comparable employers.
  - c) Develop any necessary guidelines deriving from the study.
  - d) Provide a comprehensive analysis to compensate employees in a manner that promotes attracting and retaining talent necessary to successfully execute mission.
- 7) The CEO will make recommendations consistent with and in furtherance of the fiduciary duties of the Board in administering the retirement system, and in accordance with applicable law. Trends in the market should be considered, as significant salary changes do not usually occur year to year. The goal of the market study is to follow market trends and ensure salary adjustments accurately reflect the required salary to maintain a competitive position relative to the market and within KCERA.
- 8) The state-wide geographic vicinity of KCERA to other employers figures strongly in identifying the viable competitors in the same labor pool. It can be a strong identifier of those employers that directly compete with KCERA to recruit and retain personnel. Likewise, the economic fluctuations associated with a geographic area can be considered.
- 9) Comparisons to employers operating in other segments of the marketplace, such as corporate pension plans, or endowments and foundations, may be useful, as those employers may compete for employees with the same skills as those at KCERA.
- 10) Employer size should be viewed as an important factor in the compensation study. Choosing similarly situated employers, for example members served or assets under management, makes it more likely to find like positions within each organization to compare.
- 11) To keep ahead of market fluctuations and stay competitive, compensation studies will be conducted no less than every five years, with three years as the optimal time period.
- 12) Market studies will be used to note and interpret market trends and identify potential salary adjustments.

13) Pursuant to Government Code Section 31522.1, all KCERA employees are employees of Kern County and shall be included in the salary ordinance or resolution adopted by the Board of Supervisors for the compensation of county officers and employees. All KCERA employees are subject to Kern County Civil Service or merit system rules except for its at-will employees, who shall be directed by, shall serve at the pleasure of, and may be dismissed at the will of the Board of Retirement.



**POLICY REVIEW AND HISTORY**

- 1) This policy shall be reviewed at least every five years.
- 2) This policy was:
  - a) Adopted by the Board on September 11, 2024.