

## 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

Tyler Whitezell, Chair  
Phil Franey, Vice-Chair  
Jeanine Adams  
David Couch  
Juan Gonzalez  
Joseph D. Hughes  
Jordan Kaufman  
Rick Kratt  
Dustin Contreras, Alternate  
Chase Nunneley, Alternate  
Robb Seibly, Alternate  
6th Member (Vacant)

March 16, 2023

Members, Board of Retirement  
Employee Bargaining Units  
Requesting News Media  
Other Interested Parties

Subject: Meeting of the Kern County Employees' Retirement Association  
Administrative Committee

Ladies and Gentlemen:

A meeting of the Kern County Employees' Retirement Association Administrative Committee will be held on Wednesday, March 22, 2023, immediately following the Finance Committee meeting 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 (for best audio a landline is recommended) and enter ID# 867-5411-1170:

- (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/86754111170?pwd=K1RaZnNodTZjdkp5T2lzbkxRbmYrZz09>
- Passcode: 038853

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,

Dominic D. Brown  
Chief Executive Officer

Attachment

**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 §54953.2)**

Disabled individuals who need special assistance to listen to and/or participate in the teleconference 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)**

**AB 2449 REMOTE APPEARANCE(S)**

*Items 1 and/or 2 withdrawn from agenda if KCERA is aware that no trustees will have a need to appear via teleconference:*

THE FIRST TWO ITEMS ON THE AGENDA ARE RESERVED FOR TRUSTEES WHO HAVE A NEED TO APPEAR VIA TELECONFERENCE DUE TO A "JUST CAUSE" NEED OR AN "EMERGENCY CIRCUMSTANCE." TRUSTEES WHO HAVE NOTIFIED THIS COMMITTEE BEFORE AGENDA-POSTING WILL BE CALLED UPON AND WILL PROVIDE A GENERAL DESCRIPTION OF THEIR NEED TO ATTEND VIA TELECONFERENCE AS ALLOWED BY LAW. TRUSTEES WHO WERE NOT ABLE TO NOTIFY THE BOARD IN ADVANCE OF POSTING AND HAVE A NEED TO ATTEND VIA TELECONFERENCE WILL STATE THEIR NOTIFICATION OR REQUEST WHEN CALLED UPON TO DO SO. ALL TRUSTEES APPEARING VIA TELECONFERENCE WILL NEED TO DISCLOSE ANY ADULT PERSON(S) PRESENT IN THE ROOM OF THEIR REMOTE LOCATION AND THEIR RELATIONSHIP TO SUCH PERSON(S). TRUSTEES APPEARING REMOTELY ARE REMINDED TO KEEP THEIR CAMERA ON THROUGHOUT THE MEETING.

1. JUST CAUSE CIRCUMSTANCE(S):

a) The following Trustee(s) have notified the Committee of a "Just Cause" to attend this meeting via teleconference. (See Government Code § 54953).

- NONE

- b) Call for Trustee(s) who wish to notify the Committee of a “Just Cause” to attend this meeting via teleconference. (See Government Code § 54953).

2. EMERGENCY CIRCUMSTANCE(S):

- a) The following Trustee(s) have requested the Committee approve their attendance of this meeting via teleconference due to an “Emergency Circumstance.” (See Government Code § 54953).

- NONE

- b) Call for Trustee(s) requesting the Committee approve their attendance of this meeting via teleconference due to an “Emergency Circumstance”. (See Government Code § 54953).

TAKE ACTION ON REQUEST(S) FOR REMOTE APPEARANCE

3. [KCERA Governance Report for the period from July 1, 2021 – December 31, 2022](#) presented by Governance Consultants Julie Becker and Benita Harper, Aon – RECOMMEND THE BOARD OF RETIREMENT RECEIVE AND FILE
4. [Presentation on KCERA Organizational Landscape presented by Chief Executive Officer Dominic Brown](#) – HEAR PRESENTATION
5. [Presentation on Annual KCERA Human Resources Report presented by Chief Executive Officer Dominic Brown](#) – RECOMMEND THE BOARD OF RETIREMENT RECEIVE AND FILE
6. [Response to referral regarding changes to the KCERA Elections Procedures Policy](#) presented by Chief Executive Officer Dominic Brown – RECOMMEND THE BOARD OF RETIREMENT APPROVE PROPOSED CHANGES AND DIRECT STAFF TO WORK WITH KERN COUNTY ELECTIONS DIVISION TO IMPLEMENT CHANGES

**PUBLIC COMMENTS**

7. The public is provided the opportunity to comment on agenda items at the time those agenda items are discussed by the Committee. This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification and, through the Chair, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Speakers are limited to two minutes. Please state your name for the record prior to making a presentation.

**REFERRALS TO STAFF, ANNOUNCEMENTS OR REPORTS**

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

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

9. Adjournment





# **Kern County Employees' Retirement Association**

Governance Report —  
July 1, 2021 – December 31, 2022



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# Kern County Employees' Retirement Association Governance Report

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## Introduction

The Board of Trustees (“Board”) of the Kern County Employees’ Retirement Association (“KCERA”) has created a robust governance framework including the adoption of charters and policies. The charters and policies delineate roles and responsibilities and provide guidance to the various parties involved in the governance of KCERA.

The Board Governance Consultant is responsible for providing an annual review of compliance with the Board’s adopted governance policies and charters. The review does not constitute an audit, but rather a review of practice compliance with policies and charters. This Governance Report (“Report”) focuses on compliance between July 1, 2021, and December 31, 2022 (“Review Period”). Future Reports will revert to a calendar, rather than fiscal, year review.

Our Report follows the general format of prior Reports-summarizing the Board policies and setting forth our compliance findings. In formulating our compliance findings, we reviewed the applicable polices and charters, relevant board and committee minutes, and held discussions with Staff. Our review did not indicate a need for any policy or charter changes.

The adopted policies and charters are to be reviewed for any revisions at least every five years. The required five- year policy and charter in-depth review was last completed by the Board in 2021, which followed the prior review in 2016.

As the Report will show, we believe that the Board and Staff are mindful of their governance responsibilities, and all contribute to the strong governance framework at KCERA.



Trustees are encouraged to be familiar with the provisions of the policies and charters listed below.

Policies	Charters
1. Board Operations Policy	1. Board of Retirement
2. Board Communications Policy	2. Board Chair
3. Service Provider Evaluation Policy	3. Vice Chair
4. Evaluation Period Policy	4. Committee Chair
5. Monitoring and Reporting Policy	5. Administrative Committee
6. Chief Executive Officer Evaluation Policy	6. Finance Committee
7. Chief Executive Officer Succession Policy	7. Investment Committee
8. Trustee Education Policy	8. Nominating Committee
9. Trustee Travel Policy	9. Chief Executive Officer
10. Due Diligence and Service Provider Selection Policy	10. Secretary to the Board
11. Code of Conduct	
12. Board Performance Evaluation Policy	

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# The Board Operations Policy

## Summary

### Purpose

- a) The Board Operations Policy outlines Board administration based upon State law and accompanying Regulations (formerly Bylaws).

### Board Officers

- b) The Board annually elects a Board Chair and Vice Chair.
- c) A nominating committee will be formed at the regular board meeting in October. The nominating committee shall recommend a nominee each for Chair and Vice Chair to the full Board.
- d) The nominating committee presents its slate of nominees to the Board at the December meeting. The Board Chair will also accept other nominations, which may be made by any member of the Board. The Board shall subsequently elect a Board Chair and a Vice Chair at this meeting.
- e) The elected Chair and Vice Chair shall serve one-year terms.
- f) Any Trustee may be elected to the position of Board Chair or Board Vice-Chair for up to two consecutive terms, before vacating the position for at least one year.
- g) If the Chair is unable to complete his or her term, the Vice-Chair will be the successor.
- h) If the Vice-Chair is unable to complete his or her term, the Board will elect a new Vice-Chair for the balance of the term at the next regular board meeting.
- i) Should the Chair or Vice-Chair be unavailable to chair a meeting, then the most recent past Chair who is available and serving on the Board will assume the role of the Chair for the meeting in question.

### Committees

- j) In consultation with the Chief Executive Officer, the Board may approve the establishment of standing and ad hoc committees.
- k) The Board will approve a charter for each standing committee.
- l) Except for the Nominating Committee, standing committees will be composed of four regular members and one committee alternate member.
- m) Committee members, alternates, and chairs will be appointed by the incoming Board Chair at the first regular meeting following the board officer elections. The Nominating Committee will

consist of two members designated by the Board Chair and two members designated by the full Board. Committee members are designated annually at a regular meeting in October.

- n) In determining committee appointments, the Chair will consider a) Trustees' area of expertise and experience; b) Trustees' varying interests; and c) the need to rotate Trustees such that Trustees acquire exposure to various functions.
- o) The Board may assign or delegate to any committee the task of reviewing policies and decisions and providing recommendations for Board consideration. The Board reserves the option to adopt a decision or policy without considering committee analysis and recommendations if the Board determines that it is prudent and appropriate based on the circumstances.

## **Meetings**

- p) Regular meetings of the Board are to be held on the second Wednesday of each month at 8:30 a.m.
- q) If necessitated, the Chief Executive Officer, in coordination with the Chair, may reschedule a Board meeting. Any scheduled committee meeting may be cancelled by the committee chair in consultation with the Chief Executive Officer. If the committee chair is unavailable, the Chief Executive Officer will consult with the committee member who is both available and has the longest tenure on the Board to discuss cancelling the meeting.
- r) Special meetings may only be called, as provided in California Government Code Section 54956.
- s) If the Chair or Vice-Chair is unavailable to chair a meeting, the most recent past Chair who is a current serving Board member will assume the role of the Chair for that meeting.

## **Committee Meetings**

- t) At its first meeting each year, standing committees will establish a forward yearly schedule of meetings and agendas, and provide such schedules to the Board for review. The Administrative, Finance, and Investment Committees will meet on a scheduled or ad hoc basis at the discretion of the Chief Executive Officer, Board Chair, the relevant committee, or Chair of the relevant committee.
- u) If the committee chair is unavailable to attend a meeting, the committee chair may designate another committee member to serve as committee chair in his or her absence, failing which the remaining committee members may appoint a committee chair from among themselves.

## **Agendas and Meeting Materials**

- v) The Secretary to the Board (Chief Executive Officer) will prepare, distribute, and post a written agenda for all regular meetings of the Board and standing committees. The agenda will be

posted in accordance with the Brown Act and materials distributed to Trustees generally five days prior to the meeting. Committee meeting agendas will be posted 72 hours prior to a committee meeting. Committee materials will generally be distributed no later than the day before the meeting.

## Meeting Practices

- w) Board and committee meetings are governed by the Board Operations policy, including the Simplified Rules of Order (Appendix A of policy), the Regulations, and open meeting laws and other applicable laws.
  - i. Any question regarding the conduct of a meeting not addressed by these laws is to be determined by the Board Chair or applicable committee chair. Any determinations will only apply to the meeting in question. Should a Board member seek reconsideration of any decision that resulted from the original determination, they may do so in accordance with Appendix A of this policy.
  - ii. A Board quorum is five Trustees, and five concurring votes among Trustees is necessary for a decision.
  - iii. Quorum for committee meetings will consist of three appointed members of the committee. A committee alternate will attend a committee meeting to satisfy a quorum when necessary. Committee chairs may designate an additional temporary member to achieve quorum for a committee.
  - iv. Minutes will be recorded for all Board and committee meetings and presented for approval at the next regular meeting of the Board or committee.

## Board Policies

- x) The Board will abide by all board policies unless imprudent to do so. Material deviations in policy will be noted in the minutes along with the reasons for the deviation, and the Board may direct the Chief Executive Officer to review the policy in question. Minor deviations in procedures are not required to be noted in the minutes.

## Aon Compliance Comments

- 1. Consistent with policy:
  - a. The Board elected a Chair and Vice Chair in December 2021 for calendar year 2022, and in December 2022 for calendar year 2023. The Nominating Committee put forth their recommendations at both December meetings.
  - b. The 2022 committee assignments were approved at the January 2022 Board meeting.
  - c. At its October meetings in 2021 and 2022, the Board approved its 2022 and 2023 meeting schedule. The scheduling of regular Board meetings was approved by the Board in October of each year during the Review Period and occurred as approved.

- d. The scheduling of regular Board meetings was generally consistent, with minor deviations that were approved by the Board.
- e. During the Review Period, the Investment Committee Chair was absent for a meeting. The Board Chair appointed a committee chair for purposes of the meeting. The Chair of the Finance Committee was absent for a meeting, and the Board Chair served as committee chair for purposes of the meeting.
- f. Meeting agendas were posted publicly on the KCERA website at least five days in advance of the regular meeting.
- g. KCERA Administration confirmed that Trustees receive meeting agendas and materials appropriately in advance of meetings, in compliance with legal requirements.
- h. Quorum and voting rules were observed for all Board and committee meetings and all meeting minutes were presented for approval to the Board and Committee at the next regularly scheduled meeting.
- i. The last comprehensive review of Board charters and policies was accomplished in 2021, which conforms to the minimum five-year review cycle.
- j. No issues were identified for consideration.



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# The Board Communications Policy

## Summary

### Background

- a) The purpose of the Board Communications Policy is to facilitate effective communication between relevant internal and external parties.
- b) Trustees are expected to:
  - i. Comply with all applicable open meeting legislation including the Brown Act;
  - ii. Communicate with all parties in a straightforward, respectful, and constructive manner; and
  - iii. Share information of a fiduciary nature pertinent to KCERA's affairs with the Board and Management in a timely manner.
- c) Trustees are encouraged to provide advance notice to an individual regarding questions or concerns they intend to raise with that party at a board or committee meeting.

### Communications with Staff

- d) Material communications between Trustees and Staff should happen through the Chief Executive Officer, Assistant Chief Operations Officer, Chief Investment Officer, and/or Chief Legal Officer.
- e) Board or committee authorization is required prior to a Trustee making a request of Staff that requires a material expenditure of Staff time or use of external resources.

### Communication with Members

- f) Trustees will not attempt to educate or counsel Plan Members about their personal benefit entitlements, and instead, will direct Plan Members to the KCERA website or office, or directly to senior management of KCERA.
- g) Trustees will not have ex-parte communications related to a quasi-adjudicative application made to the Board.

## **Communication with Service Providers**

- h) Material communication by Trustees with service providers should be limited to board or committee meetings or arranged through Management. Any material communications between a Trustee and a service provider should be disclosed to the chair and the Chief Executive Officer.
- i) Trustees will not communicate with specified service providers during Evaluation Periods.
- j) In communicating with service providers, Trustees will refrain from disclosing privileged information that may be perceived as granting special treatment or favoritism.
- k) Trustees will refer investment opportunities received from service providers to the Chief Investment Officer and the Chief Executive Officer.

## **Communication with the Media and Other External Parties**

- l) Press releases concerning KCERA will generally be the responsibility of the Chief Executive Officer. Such releases will be shared beforehand with the Board or, if time does not permit, with the Chair.
- m) Unless authorized to do so, Trustees will not communicate on behalf of the Board nor will they make any commitments, or leave the impression of making commitments, on behalf of the Board or KCERA.
- n) Trustees communicating publicly about issues relating to KCERA are required to preface their statements with a disclaimer indicating they are expressing their own opinion and not one of KCERA.
- o) Trustees are not to use KCERA resources to communicate their personal views to Stakeholders.
- p) Trustees wishing to make a public presentation or distribute information about KCERA will provide such materials to the Chief Executive Officer or Chief Legal Officer to be reviewed prior to presentation or distribution.

## **Spokesperson Guidelines**

- q) The Chief Executive Officer is the spokesperson for KCERA and will confer with the Chair prior to communicating about significant issues.
- r) In the absence of the Chief Executive Officer, the Chief Operations Officer will serve as spokesperson for KCERA and, in turn, in the absence of the Chief Operations Officer, the Chief Legal Officer will serve as the spokesperson.
- s) As determined by the Board, the Chair may serve as spokesperson in particular situations.
- t) Spokespersons should only communicate positions that have been decided on by the Board, or that reflect the Board's official views or policies.

## Aon Compliance Comments

Aon urges periodic Trustee training regarding this topic to remind Trustees of the policy guidelines. The most recent training was conducted by the Chief Legal Officer in April 2022. Please note this policy is highly subjective, making evaluation less definitive for purposes of this report.

## Service Provider Evaluation Policy

### Summary

#### Background

- a) The following are considered “Key Service Providers:”
  - i. consulting actuary
  - ii. auditor
  - iii. investment consultants
  - iv. custodian
  - v. legal counsel

#### Guidelines

- b) A combination of subjective and objective methods of evaluation will be used to assess the performance of the Key Service Providers. Investment managers will be evaluated according to investment policies and practices that have been developed by KCERA in consultation with its investment consultants.
- c) With the exception of the auditor, Management is responsible for determining the most effective methods for evaluating Key Service Providers and for performing the evaluations and will regularly inform the Board of the methods and results.
- d) The Chair and the Chief Executive Officer may meet with the service provider in question to review evaluations and discuss any actions that may arise from the evaluation.
- e) Committee chairs may also participate in the meetings as follows:
  - i. Review of investment consultant – Investment Committee Chair
  - ii. Review of actuary – Finance Committee Chair
  - iii. Review of auditor – Finance Committee Chair
  - iv. Review of custodian – Administrative Committee Chair
  - v. Review of Legal counsel – Administrative Committee Chair
- f) The Finance Committee, consistent with its Charter, will be responsible for reviewing the engagement of the financial auditor approximately every five years with regards to performance, internal quality control procedures, fees, qualifications, and independence; and for making recommendations to the Board. In so doing, the Finance Committee may seek appropriate support from Management.

## Subjective Evaluation Methods

- g) Key Service Providers will be assessed relative to subjective criteria such as responsiveness, communications, quality of advice, and service quality.
- h) KCERA management will evaluate a given service provider using surveys, discussion guides, or other appropriate tools. The Chief Executive Officer determines which Staff members will participate in evaluating each service provider.

## Objective Evaluations

- i) Management may undertake objective evaluations of Service Providers as appropriate (e.g., to address issues such as technical proficiency, accuracy, cost effectiveness and independence). Such evaluations may involve assistance from independent third-party experts.
- j) Methods for evaluating technical proficiency may nonexclusively include the following:
  - i. Periodically retaining an actuarial auditor to audit the actuarial methods and accuracy of the consulting actuary;
  - ii. Periodically reviewing peer assessments of the financial auditor; and
  - iii. Obtaining independent evaluations of the investment consultant and the custodian.

## Key Service Providers

- k) Management will strive to periodically evaluate the independence and objectivity of Key Service Providers by requesting that Key Service Providers:
  - i. Disclose actual or potential conflicts of interest;
  - ii. Indicate compliance with industry or regulatory standards or guidelines concerning conflicts of interest (e.g., the guidelines for independence set out by the U.S. Securities and Exchange Commission concerning investment consultants); or
  - iii. Disclose any other information that may indicate an impediment to the service provider's objectivity.

## Requests for Proposals for Current Service Providers

- l) Relationships with Key Service Providers will be formally reviewed from time-to-time to determine whether an RFP process should be initiated to confirm the suitability of the current relationship or to seek an alternative supplier. The timing of such reviews will be staggered to reflect available time and resources within KCERA but should generally occur approximately every five years. In each case, following such reviews, Management will provide a recommendation to the Board as to whether an RFP or other undertaking should be initiated.
- m) In the case of audit and actuarial services, KCERA should generally issue an RFP approximately every six years.



## Aon Compliance Comments

1. All Key Service Provider relationships are required to be formally reviewed from “time-to-time” and should generally be performed every six years. Consistent with this policy, Key Service Provider relationships have been reviewed by KCERA as outlined below:

Key Service Provider	Last Formal Review	Last RFP Issued
Consulting Actuary	2022	2014
Auditor	2020	2020
Custodian	2021 (services renewed, contract extension in 2020)	2014
General Investment Consultant	2022	2020 (contract extension)
Fiduciary Counsel	2021	2012

2. The 2022 Board Self-Assessment included Board satisfaction ratings for the key service providers.
3. No issues were identified for consideration.

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## Evaluation Period Policy

### Summary

1. The Evaluation Period Policy ensures that decisions involving the selection, retention, or termination of KCERA service providers are consistent with fiduciary standards of conduct and provide fair treatment.
2. The Board shall institute an “evaluation period” when:
  - a. A request for proposals (RFP) has been issued by KCERA or a short list of candidate firms has been identified for consideration by KCERA, whichever occurs first;
  - b. Material concerns have been identified about the performance and continued suitability of a KCERA service provider; and
  - c. The Board otherwise deems it to be in the best interest of KCERA and its members and beneficiaries to do so. Use of evaluation periods shall be limited to investment managers and partners, investment consultants, legal counsel, and actuarial firms.
3. During evaluation periods:
  - a. Trustees shall not communicate with the specified service providers (except during board or committee meetings or KCERA-authorized due diligence visits) or accept gifts from the specified service providers (e.g., meals, travel, and hotel).
  - b. Notwithstanding the above, Trustees who need to communicate with such service providers for reasons unrelated to KCERA business shall disclose such need to the Board prior to such communications, or, when circumstances do not permit timely disclosure to the Board, the Trustee shall provide disclosure of the intended communication to the Chief Executive Officer and to the Chair or Vice-Chair.
  - c. KCERA Staff may communicate with service providers only in context of normal due diligence. Face-to-face meetings between Staff and the specified service providers shall take place in normal office settings.
4. Evaluation periods shall cease when a service provider has been appointed by the Board, when the search process in question has ended, or when the evaluation period is otherwise ended by action of the Board.
5. This policy shall be incorporated into RFPs and other similar documents.
6. Service providers that breach this policy may be terminated or disqualified from the search process, while Trustees who breach this policy may be sanctioned in accordance with the KCERA Code of Conduct.

### Aon Compliance Comments

1. Consistent with the policy:
  - a. Evaluation periods were initiated for service providers when an RFP was issued during the Review Period. Service providers covered by the evaluation periods included

governance consultant, consulting actuary, general consultant, and investment managers.

- b. The Board has been consistent in its ratification of the establishment of evaluation periods.
- c. No issues were identified for consideration.

## Monitoring and Reporting Policy

### Summary

- a) The Board will be provided with routine reports in the following key areas: i. Governance; ii. Investments and Funding; and iii. Administration and Operations.
- b) Appendix I accompanies this policy and provides a list of specific routine reporting requirements.
- c) Requests by Trustees for additional routine reports shall require Board approval and an amendment to Appendix 1 of the Monitoring & Reporting Policy.

### Aon Compliance Comments

- 1. Consistent with the policy, the Board received the following routine reports during the Review Period:
  - a. Governance:
    - i. Board Performance Evaluation;
    - ii. Chief Executive Officer (ED) Evaluation;
    - iii. Annual Governance Report; and
    - iv. Trustee Education Report.
  - b. Investments and Funding:
    - i. Monthly Investments and Quarterly Investment Performance Reports;
    - ii. Rebalancing Report;
    - iii. Asset allocation, budget status, cash flow position and investment fees status report;
    - iv. Investment Manager Compliance Report;
    - v. Report of the CIO;
    - vi. Proxy Voting;
    - vii. Securities Lending;
    - viii. Class Action Securities Litigation and Proceeds Report;
    - ix. Securities Lending Earnings Summary Report;
    - x. Actuarial Valuation;
    - xi. Actuarial Experience Study;
    - xii. Actuarial Audit; and
    - xiii. Due Diligence reports
  - c. Administration and Operations:
    - i. Benefits & Activities Report;

- ii. Strategic/Business Plan Status Report;
- iii. Budget Variance;
- iv. External Financial Audit; (independent auditor's report)
- v. Comprehensive Annual Financial Report (CAFR);
- vi. Cost Effectiveness Report;
- vii. Report on Special Pays Codes
- viii. Reports of the Chief Executive Officer and General Counsel; viii. Corrections of Errors in Benefit Payments;
- ix. Due Diligence Schedule;
- x. Reports on Internal Controls; and
- xi. Disabilities Reports

- 2. No issues were identified for consideration.



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# Chief Executive Officer Performance Evaluation Policy

## Summary

- a) The Board, with input from all Trustees, is responsible for annually evaluating the Chief Executive Officer's performance. The Administrative Committee will coordinate the evaluation process.

## Evaluation Criteria

- b) The Chief Executive Officer will meet with the Administrative Committee to review the performance criteria to be used in the upcoming evaluation period. All evaluation criteria shall be recommended for Board approval.
- c) The evaluation will be based on the following minimum criteria:
  - i. Board satisfaction with the Chief Executive Officer's general leadership, management, and administrative skills, as assessed by a survey administered to all Trustees;
  - ii. Objective criteria established by the Board (e.g., service quality targets, implementation of specified initiatives);
  - iii. Any special, one-time criteria covering unique issues or circumstances.
- d) Evaluation criteria will generally be objective and measurable and pertain only to outcomes over which the Chief Executive Officer has a high degree of control.

## Evaluation Process

- e) The Chief Executive Officer will provide Trustees with an Evaluation Package to assist in the Board's evaluation of the Chief Executive Officer's performance. This package will include: i. all agreed-upon criteria; ii. the Chief Executive Officer's own assessment of his or her performance; and iii. the Chief Executive Officer Performance Evaluation survey. This material is to be treated confidentially.
- f) The Administrative Committee has the authority to approve changes to the Chief Executive Officer Performance Evaluation survey.
- g) Trustees will complete the Chief Executive Officer Performance Evaluation survey, the results of which shall be tabulated by the Administrative Committee or a designated third-party.
- h) The Administrative Committee shall meet in executive session to review the results of the survey and prepare a summary of results and recommendations.

- i) The Chair of the Administrative Committee will report to the Board on its evaluation. The meeting will be held in executive session and the Chief Executive Officer will be invited to attend. Following this meeting, the Chief Executive Officer may meet with individual Trustees to discuss specific comments or concerns raised during the evaluation.

## Aon Compliance Comments

1. Aon revised the prior year's Chief Executive Officer Evaluation Survey and issued the Chief Executive Officer Evaluation Packet and Survey for 2022 on October 26, 2022. Ten Trustees completed the survey by the November 7 deadline.
2. The Survey addressed the following topic areas:
  - a. Leadership Skills;
  - b. Administration/Management;
  - c. Support to the Board;
  - d. Stakeholder Relations;
  - e. Communication Skills; and
  - f. Personal Skills/Knowledge/Professionalism.
2. Survey respondents had the opportunity to provide written comments throughout the Chief Executive Officer Evaluation Survey.
3. On November 8, 2022, Aon provided the Survey results to Chair of Admin Committee and Chief Executive Officer.
4. The Administrative Committee met on November 16, 2022, to review the results of the 2022 Chief Executive Officer Performance Evaluation survey which was reviewed by the full Board on December 14, 2022.
5. The Administrative Committee also met on and March 23, 2022, to review the criteria and weights for the upcoming fiscal year for recommendation to the Board. The Board subsequently approved the criteria in April 2022.
6. No issues were identified for consideration.

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# Chief Executive Officer Succession Policy

## Summary

### Provisions

- a) The Chief Executive Officer is responsible for developing an internal Succession Plan for key Staff positions, including provisions that would apply in the event of concurrent vacancies of Chief Executive Officer and Chief Operations Officer. The Chief Executive Officer is to periodically review the plan with the Chair of the Administrative Committee and provide an annual verbal report to the Administrative Committee.
- b) The Board established the position of Chief Operations Officer to ensure support to, and continuity, the Chief Executive Officer. The Chief Operations Officer is to be familiar with all aspects of KCERA administration to help ensure support and continuity to the Chief Executive Officer.
- c) The Chief Executive Officer and the Chief Operations Officer should avoid traveling long distances together, as feasible.
- d) In the event of the Chief Executive Officer's inability to carry out duties due to illness or incapacity and is unable to appoint an Acting Chief Executive Officer, the Chief Operations Officer shall assume the role as Acting Chief Executive Officer until either the Chief Executive Director is able to resume duties, or upon determination of the Board.
- e) If there is a vacancy of the Chief Executive Officer, the Chief Operations Officer shall be the Acting Chief Executive Officer until the Board selects a successor or until the Board determines otherwise. Alternatively, the Board may appoint the Chief Operations Officer as interim Chief Executive Officer.
- f) If there is a vacancy or the Chief Executive Officers provides a resignation or retirement notice, the Board shall promptly meet to determine if there will be a search process and how it will be conducted.
- g) If a Board member who has been off the Board for more than one year and wishes to apply for the Chief Executive Officer provision, the guidelines set forth in the Policy must be followed.

## Aon Compliance Comments

- 1. The Chief Executive Director reported on Staffing issues during each of his Board meeting reports during the Review Period,
- 2. Additionally, after the Board discussion of development of new positions for future use by KCERA during the June 8, 2022, Board meeting, the Board referred the matter to the

Administrative Committee to develop a process regarding new positions and return to the Board to consideration and approval. The Administrative Committee discussed during its September 19, 2022, meeting and directed Staff to initiate creation of selected structure delegating position development to the Chief Executive Director, and to bring back the necessary charter revisions to the Administrative Committee. At its November 16, 2022, meeting, the Administrative Committee approved those charter changes for recommendation to the full Board. The Board approved the charter changes at its December 14, 2022, meeting, with the direction to add the relevant human resources report to the Consent Agenda.

3. No issues were identified for consideration.

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# Trustee Education Policy

## Summary

### Requirement

- a) Trustees are required to have at least twenty-four hours of Trustee education within the first two years of assuming office, and every two years thereafter.
- b) Trustees must obtain Board approval when seeking to expend KCERA funds on educational activities.
- c) Trustees are permitted to attend up to six External Educational Programs every two years. External Education Programs include education sponsored by third parties, including conferences, workshops, and seminars.
- d) Trustees must complete an Education Program Attendance Report after attending an external Education Program or receiving on-line education.
- e) Management maintains records of Trustee compliance with the policy and provides a semi-annual report. The semi-annual reports are posted on the KCERA website.

### Orientation

- f) New Board member orientation is to take place within forty-five days of joining the Board, with follow up orientation/discussions with the Chief Executive Officer within six months.
- g) New Trustees are encouraged to attend Board/Committee meetings in advance of meetings as an observer.
- h) Within the first forty-five days, Trustees should be assigned a Trustee mentor, tour the KCERA offices, be introduced to all members of management and Staff, and be provided with briefings by the Chair and/or Chief Executive Officer and legal Staff.
- i) New Trustees are encouraged to attend the CALAPRS “Basic Principles of Pension Management” during their first year. New Trustees are also to be provided with the Trustee Handbook and relevant documentation, as delineated in the Policy.

### Qualifying Education

- j) There are a variety of ways that satisfy the required education, including new Trustee orientation sessions, External Education programs, in-house continuing education, on-line or



computer-based education programs, academic or self-study programs, as well as credits from educational activities required to maintain a Trustee's related professional designation.

- k) Trustees are encouraged to attend one External Education Program annually, one multi-day external program every two years, as well as internal education and education necessary to fulfill assigned committee duties.
- l) Appropriate topics for education may include, but are not limited to fiduciary responsibilities, ethics, investments and investment program management, actuarial matters, benefits administration including disability evaluation, and governance.
- m) For those educational activities that do not require the expenditure of KCERA funds, the Chair and Chief Executive Officer will determine if the activity counts towards the educational requirements.
- n) The Policy also promotes the sharing of educational opportunities by Management and Trustees.

## Aon Compliance Comments

1. Consistent with the policy:
  - a. Several in-house education sessions were provided to the Board and standing committees during Board meetings. Appendix B lists the sessions provided during the review period.
  - b. Three new Trustees joined the Board during the review period. Staff provided the required orientation during the first forty-five days with a second session within six months thereafter. Staff operated pursuant to an orientation plan and provided new Trustees with the required documentation and briefings by key senior Staff.
  - c. The Education Compliance Reports ended December 2022 and December 2023 indicate that:
    - i. Four Trustees had education cycle January 2020-December 2021. One Trustee was short of the required 24 hours.
    - ii. Three Trustees has education cycle January 2021-December 2022. One Trustee was short of the required hours.
    - iii. Although not required, all but one Trustee attended a yearly External Education Program.
2. Trustees are encouraged to ensure they are completing the required educational hours through the various educational opportunities available to them.

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## Trustee Travel Policy

### Summary

- a) Trustees shall seek to obtain pre-approval by the Board for travel. Trustees shall only be reimbursed if approved by the Board.
- b) KCERA Trustees should be mindful of anticipated costs. KCERA will only pay for, or reimburse travel or business-related expenses directly to Trustees, excluding family or acquaintances.
- c) Travel arrangements must be made through the office of the Chief Executive Officer.
- d) The Chief Executive Officer is required to recommend to the Board a travel policy to Staff that is generally in line with the Trustee Travel Policy guidelines.

### Aon Compliance Comments

- 1. During the Review period, Trustees obtained Board pre-approval for education related travel, and made travel arrangements through the Chief Executive Officer's office. Our review does not include an audit of travel expenses which is not within the scope of our review.
- 2. No issues were identified for consideration.

---

# Due Diligence and Service Provider Selection Policy

## Summary

### Guidelines

- a) The Board or its committees play an active role in the selection of those services providers that advise or work with the Board directly, serve as an independent check on KCERA operations, or may have a material impact on KCERA's performance. Examples of such services providers include the actuary, independent fiduciary counsel, financial auditor, and investment managers.
- b) The Policy provides the Chief Executive Officer with autonomy and authority to select service providers that do not fall within the parameters outlined above to be selected by the Board or committee.
- c) In cases where the Board or committee appoints a service provider, Staff will provide adequate background information, analysis with their recommendation. Staff may employ consultants and advisors in performing any due diligence related to the recommendations. With respect to investment manager recommendations, Staff shall provide any drawbacks of finalist firms that were not recommended.

### Due Diligence

- d) Staff or consultants are required to conduct follow-up on-site due diligence at set frequencies, for example, the investment consultant every five years, investment managers every three years, and other service providers as deemed necessary.
- e) Staff is also required to provide the Board with a three-year calendar of scheduled on-site due diligence visits, as well as a summary report on the results of each visit.
- f) Every investment manager that the Staff and consultant recommend to the Board must have undergone on-site due diligence visits conducted jointly by the CIO and Investment Consultant, with outline exceptions.
- g) Investment Staff may conduct on-site due diligence meetings for ongoing oversight and to further understanding of the manager's products, methods, or capabilities.
- h) In cases where Staff has authority to appoint a service provider, Staff must ensure all due diligence is performed in accordance with applicable policies and procedures.

## Aon Compliance Comments

1. Consistent with the policy:
  - a) The Board approved thirteen investment funds and managers, fiduciary counsel, governance consultant, actuarial consultant, and general investment consultant. In all cases, the Board considered committee and Staff recommendations.
  - b) Staff confirmed that the investment consultants perform on-site due diligence for investment managers at least triennially.
  - c) Due to the pandemic, Staff conducted virtual due diligence of Albourne America in November 2021. Staff conducted an onsite due diligence of Verus Advisory in November 2022. According to the Due Diligence Schedules provided to the Board during the Review Period, planned onsite due diligence are scheduled for Cambridge Associates in 2024, and Albourne America and Verus Advisory in 2026.
2. No issues were identified for consideration.

## Code of Conduct

### Summary

- a) Trustees are expected to act with decorum, integrity and professionalism, and refrain from behavior or activity that may reflect poorly on the image of KCERA or the Board. Trustees have a duty to comply with all Board policies and rules, as well as applicable laws, including fiduciary standards. Trustees are expected to make good faith efforts to attend Board and committee meetings on which they serve, be prepared, and engaged in all meetings. Trustees should also build and maintain knowledge necessary to meet their fiduciary responsibilities.
- b) If a Trustee fails to attend 75% of all Board meetings and/or 75% of committee meeting on which they serve, the Trustee's attendance shall be reviewed.
- c) If a Trustee believes the conduct of a fellow Trustee falls short of the Code of Conduct expectations, the Trustee should discuss with the fellow Trustee or ask the Chair or Vice-Chair to address the matter or ask that the issue be placed on the Board's agenda for consideration.
- d) The Policy lists the potential actions the Board may take if the Board determines the conduct of the Trustee falls short of the Code of Conduct expectations but must first provide the Trustee an opportunity to respond to the Board at a board meeting.

### Aon Compliance Comments

1. The scope of our Review does not enable a compliance check on individual Trustees' compliance with the provisions of the Code of Conduct. Trustees are urged to be familiar with the provisions of the Code of Conduct.
2. During the Review Period, One Trustee did not meet the 75% minimum attendance requirement for Board meetings. However, all Trustees met the minimum attendance requirement for committee meetings.
3. Other than the one board meeting attendance finding described above, there were no issues noted for consideration. Please see *Appendix A* for a summary of Trustee attendance.

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## Board Performance Evaluation Policy

### Summary

1. For the purposes of continually developing and improving its own effectiveness, the Board engages in an annual self-evaluation limited to its operations and decision-making practices.
  - a. The Administrative Committee is responsible for coordinating the process and making any resulting recommendations from the self-evaluation.
  - b. The self-assessment is administered by a third-party designated by the Administrative Committee or the Chief Executive Officer. The survey is anonymous, and no ratings or comments are attributed to any board member.
  - c. The process is a survey administered to Board members followed by optional individual interviews with each board member.
  - d. The third-party provides the Administrative Committee with a summary of the survey and any interview results. The Administrative Committee Chair shall facilitate discussion and either share with the Board or direct the third-party administrator to report the results for consideration by the Board.

### Aon Compliance Comments

1. Consistent with the Policy:
  - a. In February 2022, the Administrative Committee reviewed and approved revisions to the 2022 Self-Assessment and Educational Needs Assessment.
  - b. The Board Self-Assessment and Education Needs Assessment was administered by Aon through Survey Monkey. Nine Trustees participated. The survey addressed, among other things, fiduciary responsibility and conflicts, governance, transparency, roles and responsibilities, performance measures and compliance, knowledge and skills, access to information, risk management and compliance, meeting effectiveness, key vendors, and board education.
  - c. Board members were invited to participate in voluntary post-survey interviews.
  - d. The Administrative Committee reviewed the results of the survey at its April 22, 2022, meeting. On May 4, 2022, the full Board reviewed the results. In June 2002, the Board was provided with a summary memorandum reflecting the survey results discussions.
2. No issues were identified for consideration.

## Appendix A

### Current Trustees — Attendance Summary

#### Board Meetings- July 1, 2021-December 31, 2022

Trustee	Total meetings	Total meetings attended	Total Meetings Missed
Adams	13	13	0
Contreras	13	9	4
Couch	20	18	2
Franey	20	17	3
Gonzalez	20	18	2
Hughes	20	18	2
Kaufman	20	16	4
Kratt	20	20	0
Nunneley	20	16	4
Seibly	20	19	1
Whitezell	20	19	1

Trustee	Total meetings	Total meetings attended	Total Meetings Missed
Adams	5	5	0
Contreras	5	5	0
Couch	10	8	2
Franey	12	11	1
Gonzalez	14	13	1
Hughes	10	8	2
Kaufman	11	9	2
Kratt	11	10	1
Nunneley	4	3	1
Seibly	7	7	0
Whitezell	13	12	1

## Appendix B

### In-House Education

Topic	Date	Educational Hour Credit
<b>Investment Committee</b>		
Trustee Education regarding Capital Efficiency - Investment Committee	12/14/21	0.5
<b>Board</b>		
Trustee Education regarding Venture Capital	12/8/2021	0.35
Trustee Education regarding Capital Efficiency Program and Potential Changes	2/9/2022	0.7
Trustee Education regarding Disability	3/3/2022	1.5
Trustee Education regarding Fiduciary Responsibility and Governance	3/9/2022	0.78
Trustee Education regarding Board Communication Policy	5/4/2022	0.38
Trustee Education regarding Tail Risk Hedging	5/4/2022	0.58
Further Trustee Education regarding Tail Risk Hedging	6/8/2022	0.62
Trustee Education regarding Cybersecurity	10/12/2022	1.0
Trustee Education regarding KCERA Benefit History	10/12/2022	0.88
Trustee Education regarding the Attorney Client Relationship	10/12/2022	0.63
Trustee Education regarding the KCERA Securities Litigation Policy	10/12/2022	0.20
Trustee Education regarding the KCERA Declining Employer Payroll	10/12/2022	0.417
Trustee Education regarding Amendments to Brown Act Teleconferencing Requirements	11/2/2022	0.46
Trustee Education regarding Due Process and KCERA's Administrative Appeals	12/8/2022	0.33





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## Member Services Functions

- Reciprocity
- Member Counseling
- Decedents
- Disability
- Member Record Audits
- Reception

## Accounting & Reporting Functions

- Active Payroll Maintenance
- Enrollments (New Hires)
- Terminations-Refunds
- Service Purchases

# Why are we backlogged on service purchases?

- Turnover in Staff
- Difficulty in Recruiting Staff
- *Alameda* Project
- Our employers have used more extra-help, significantly increasing opportunities for purchases
- 75% of calculations don't result in purchases
- Efforts to Correct
  - Built Calculator in Member Portal
  - Sent Letters to Members to prioritize backlog and utilize Portal tool
  - Restructured internal staffing to utilize Accounting & Reporting resources



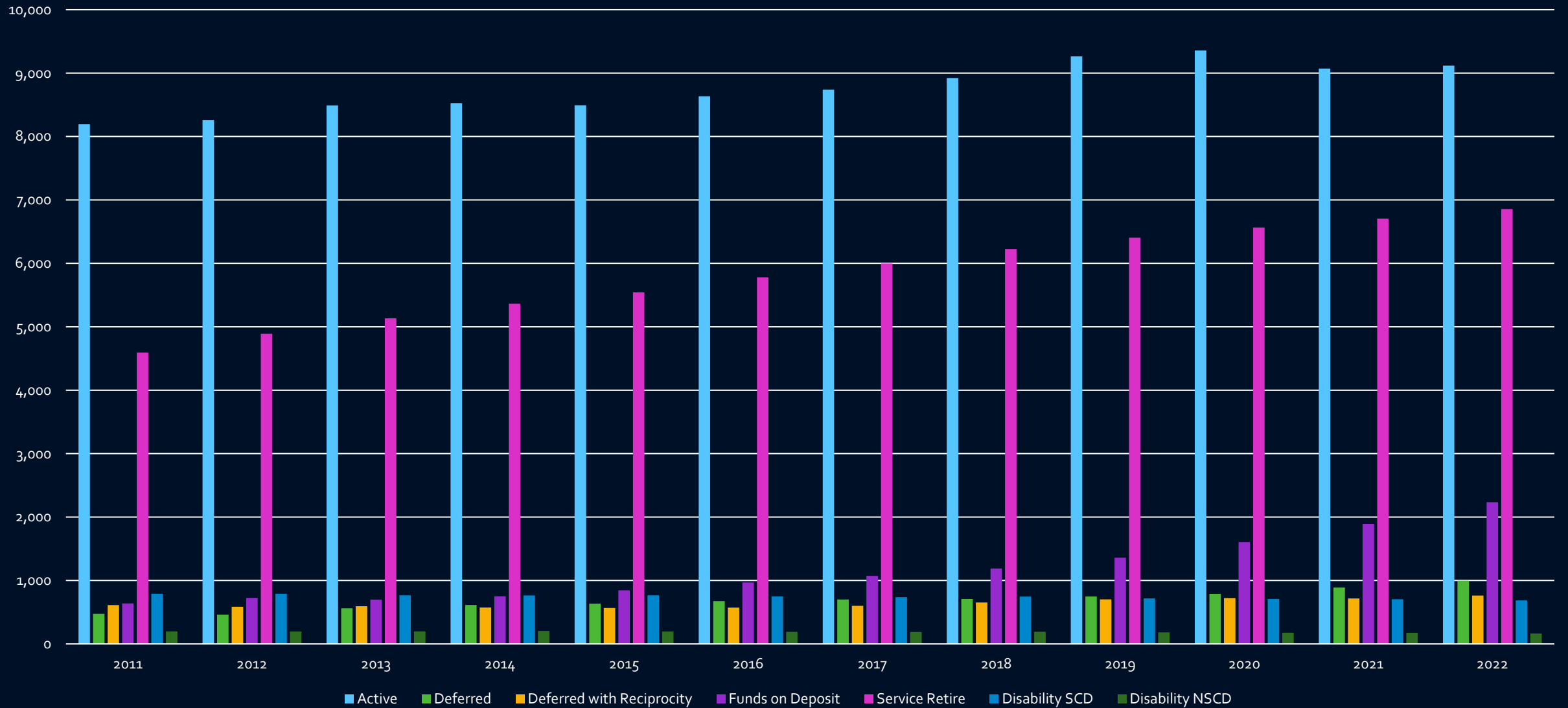
# Procurement Update

- Planned or currently issued RFPs for this calendar year:
  - Risk Analytics
  - Japan Equity
  - Audit Services
- New and amended contracts:
  - GASB 68 Audit Services
  - Northern Trust

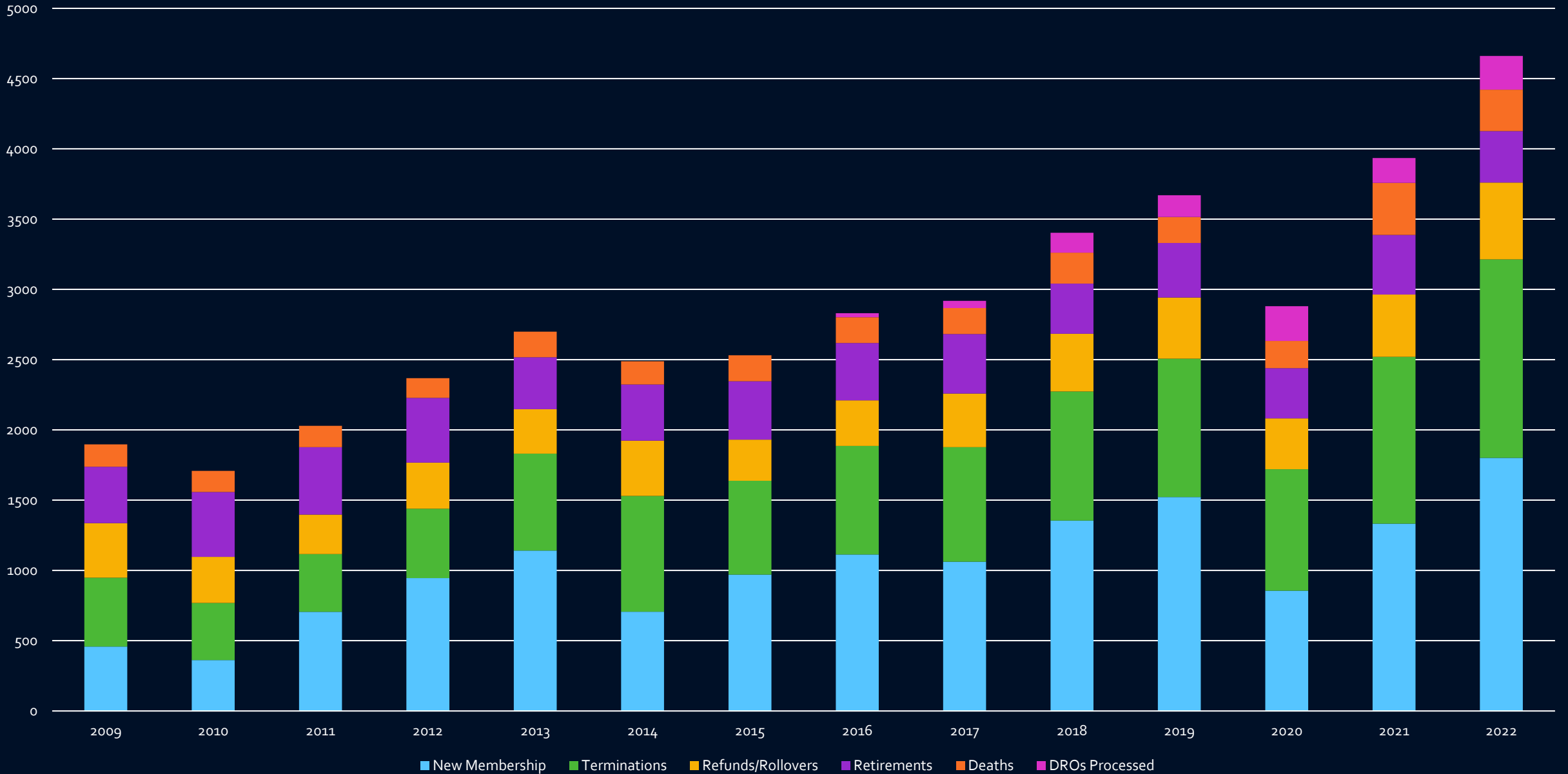
# Other Data

- Reciprocity as of June 30, 2022
  - Incoming – 311
  - Outgoing – 716
  - Both In and Out (or Out and In) – 123
- Members eligible to retire as of March 15, 2023
  - Active – 1,768
  - Deferred-Vested – 238
  - Deferred-Vested with Reciprocity – 132
  - Terminated-non-vested with Reciprocity – 137
  - Supplemental Disability – 1
  - Retiree Return to Work – 8
- Pension payroll stats as of February 28, 2023
  - Electronic Funds Transfer – 9,005
  - Paper checks – 51
  - Members residing outside US – 14
  - Pensioners requiring paper remittance – 979
- Member Portal users as of March 15, 2023
  - Members – 10,073
  - Beneficiaries and Alternate Payees – 445

# Member Census

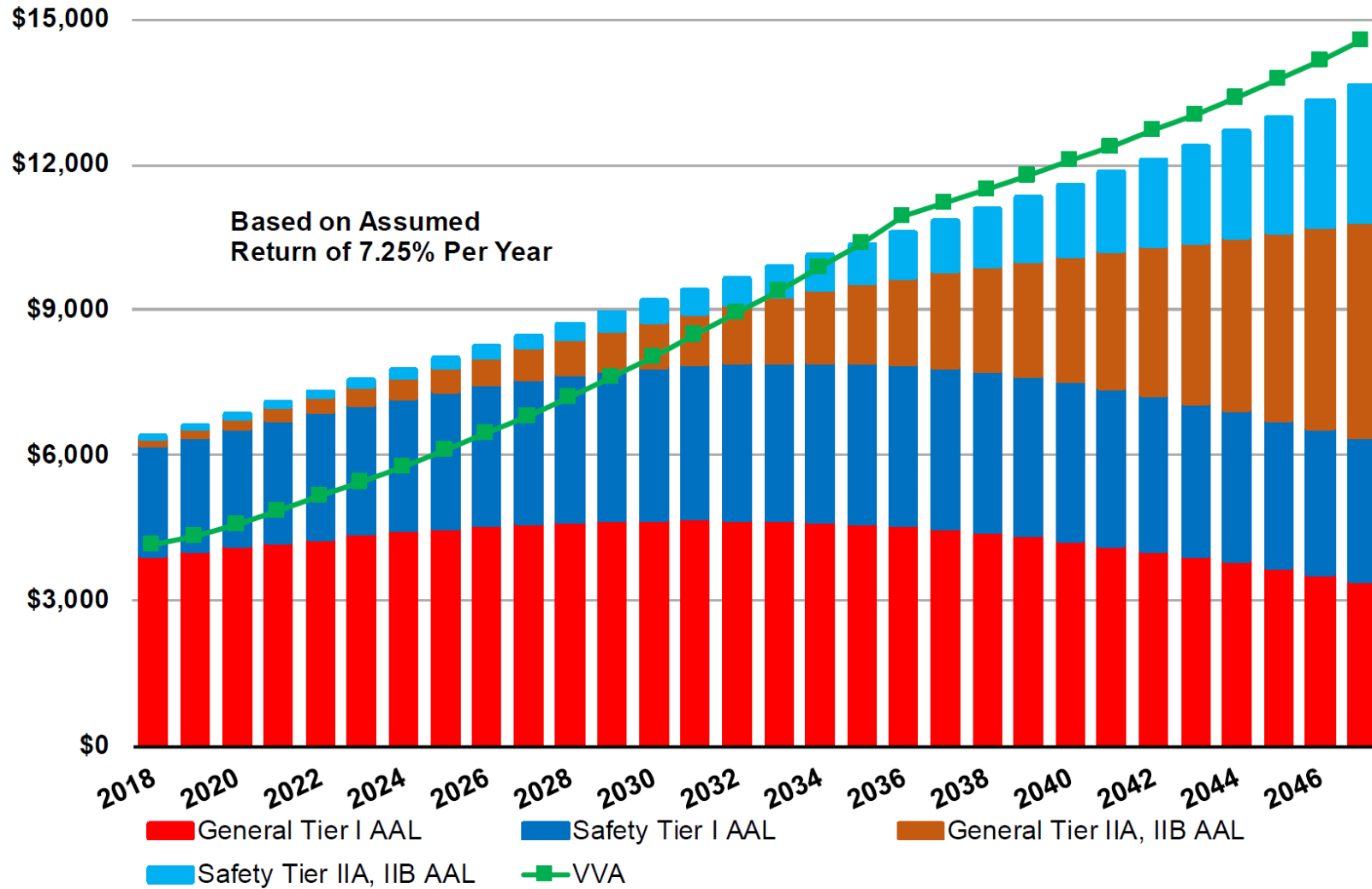


# Member Activity by Year

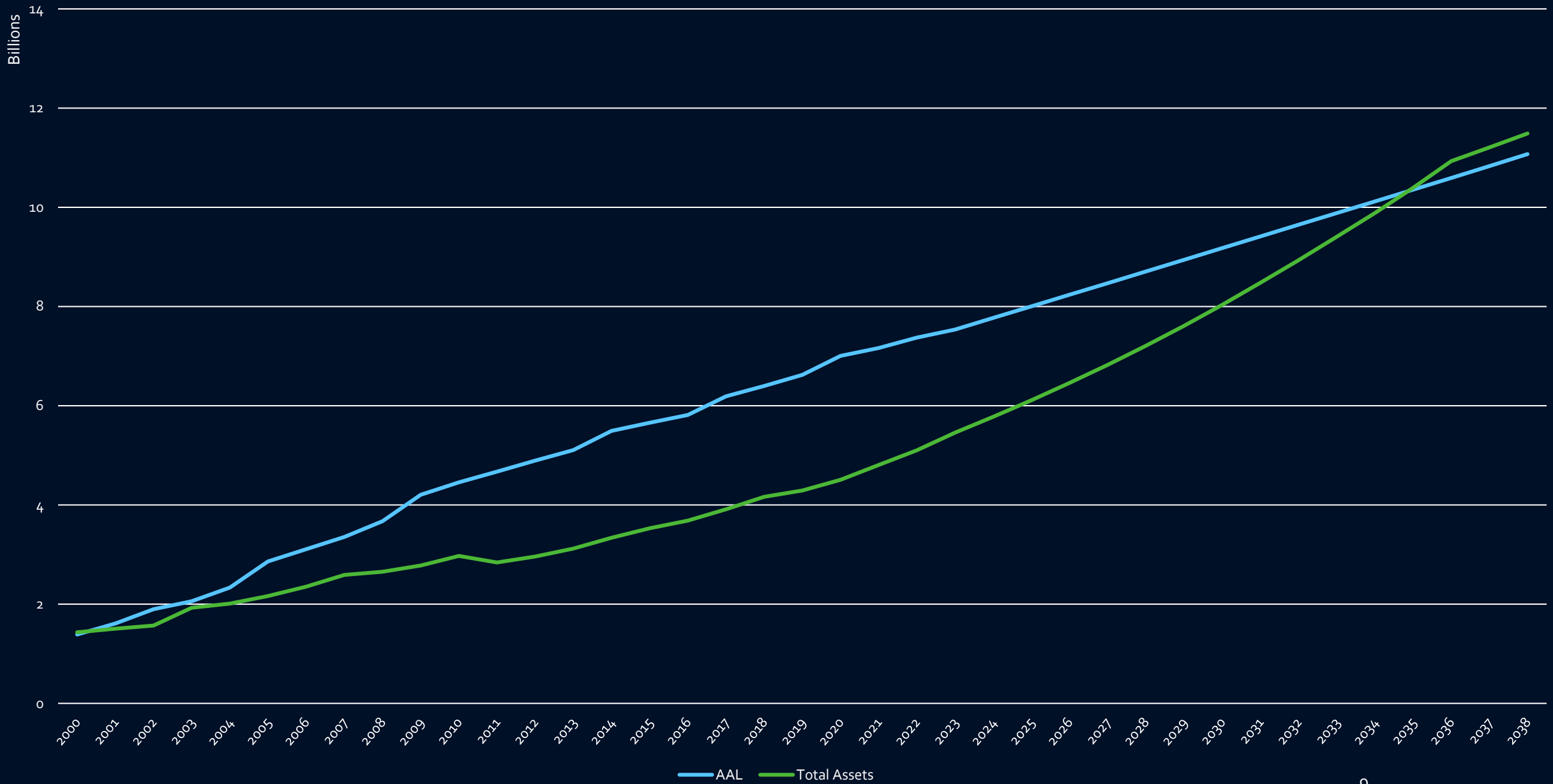




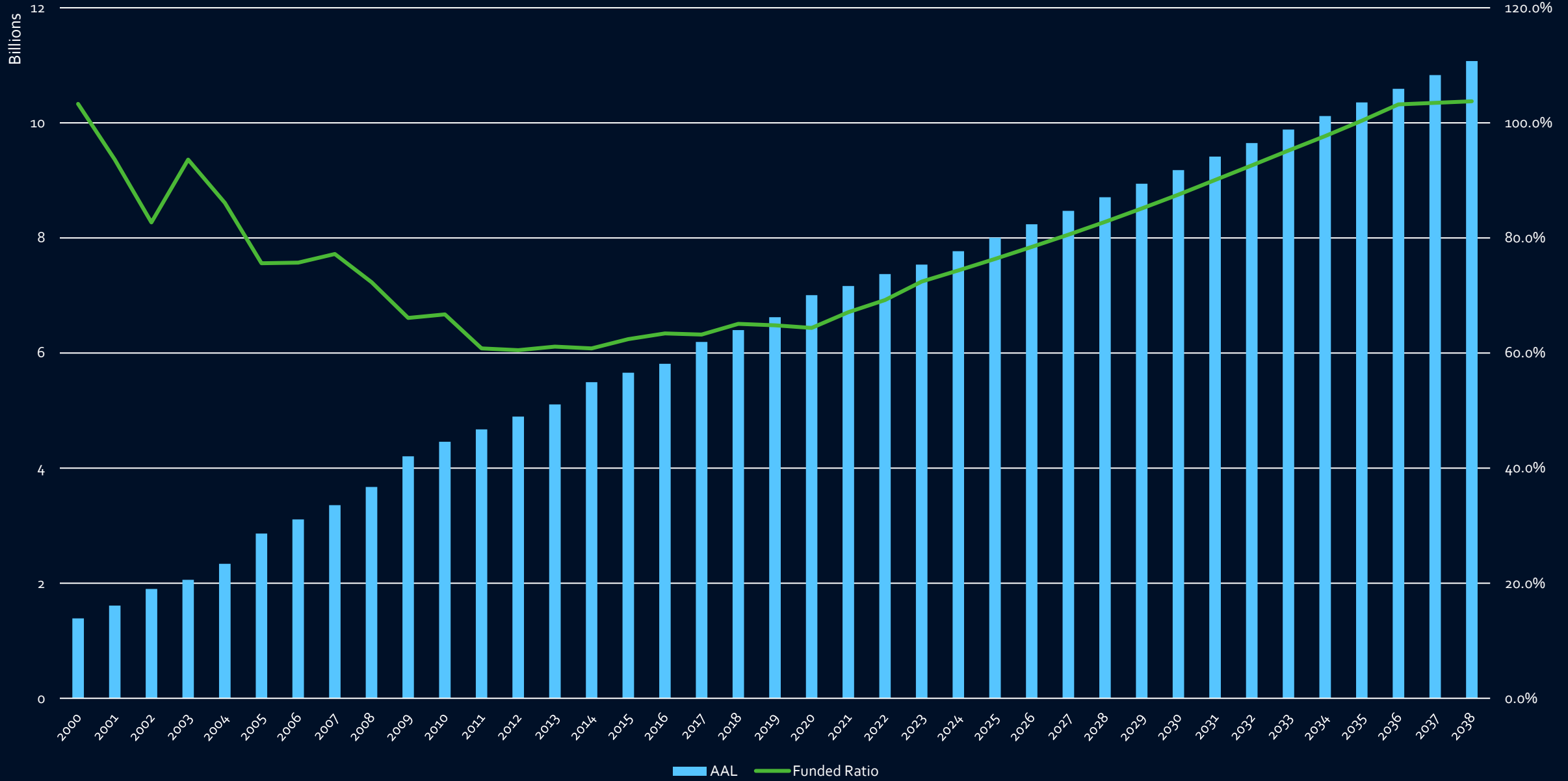
### Projected Valuation Value of Assets and Actuarial Accrued Liability (\$ Millions)



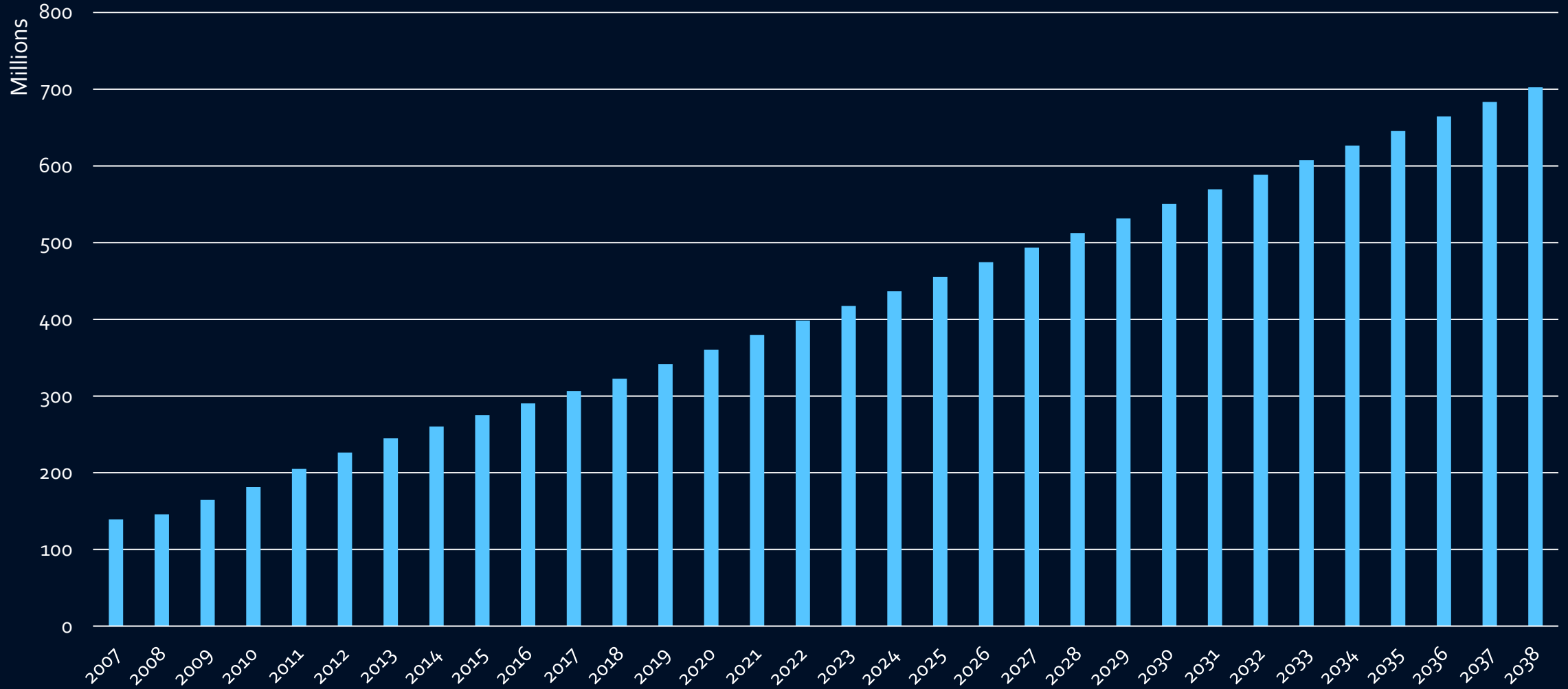
# Total Liability vs. Total Assets



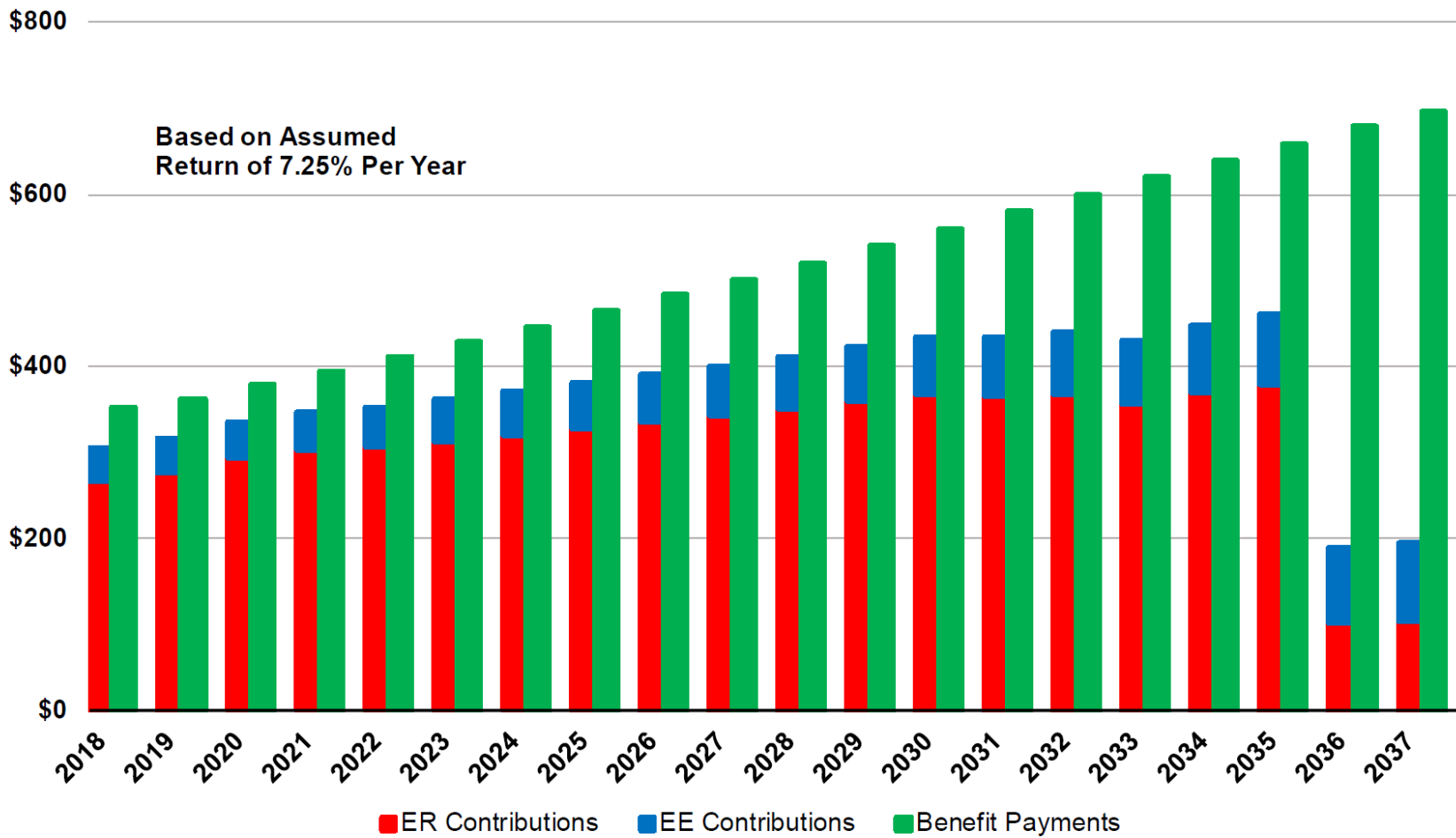
# Total Liability vs. Funded Ratio



## Benefits Paid by Year



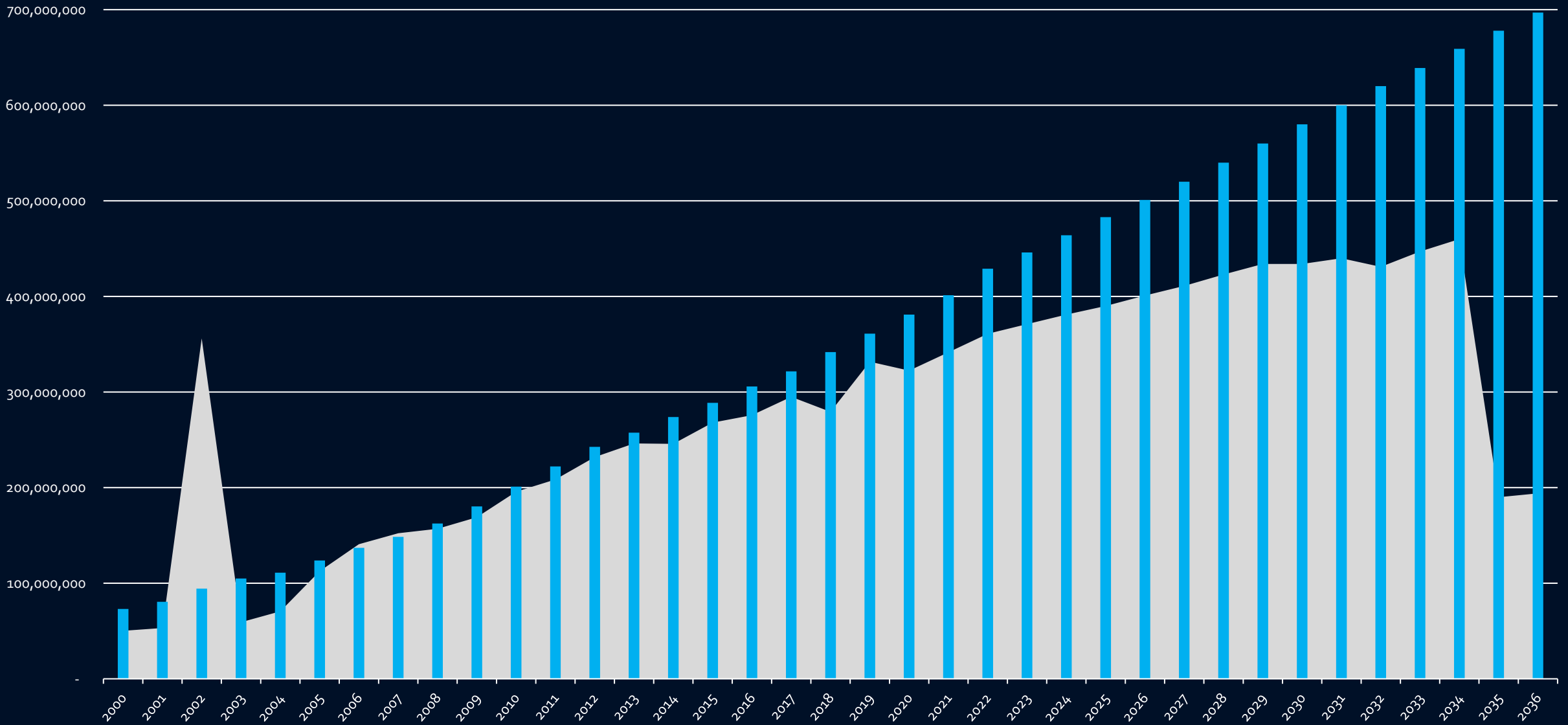
## Comparison of Projected Contributions versus Benefit Payments (\$ Millions)



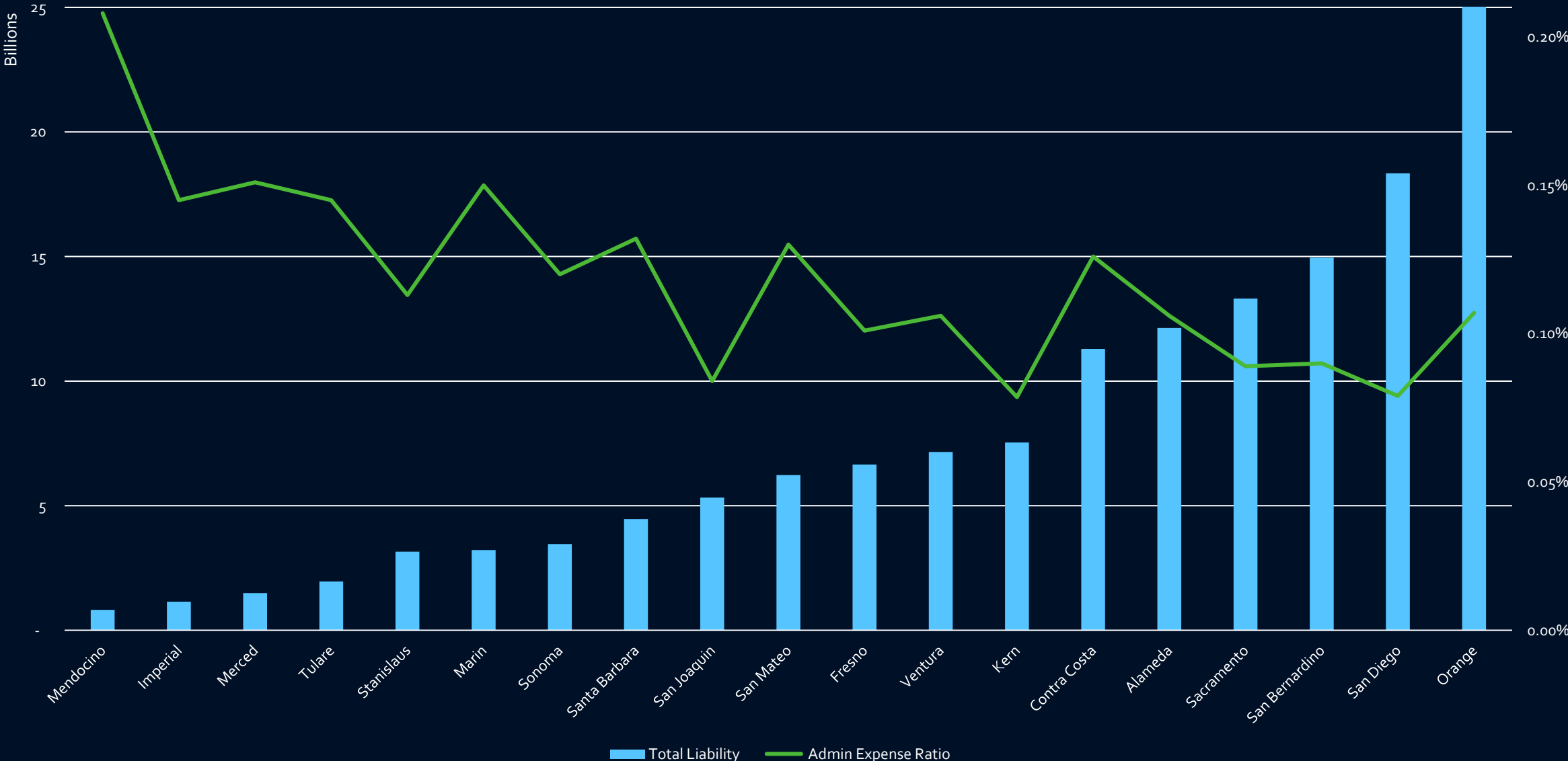
Note: The plan is paying the Normal Cost only starting with the June 30, 2035 valuation.

# Contributions vs. Payments

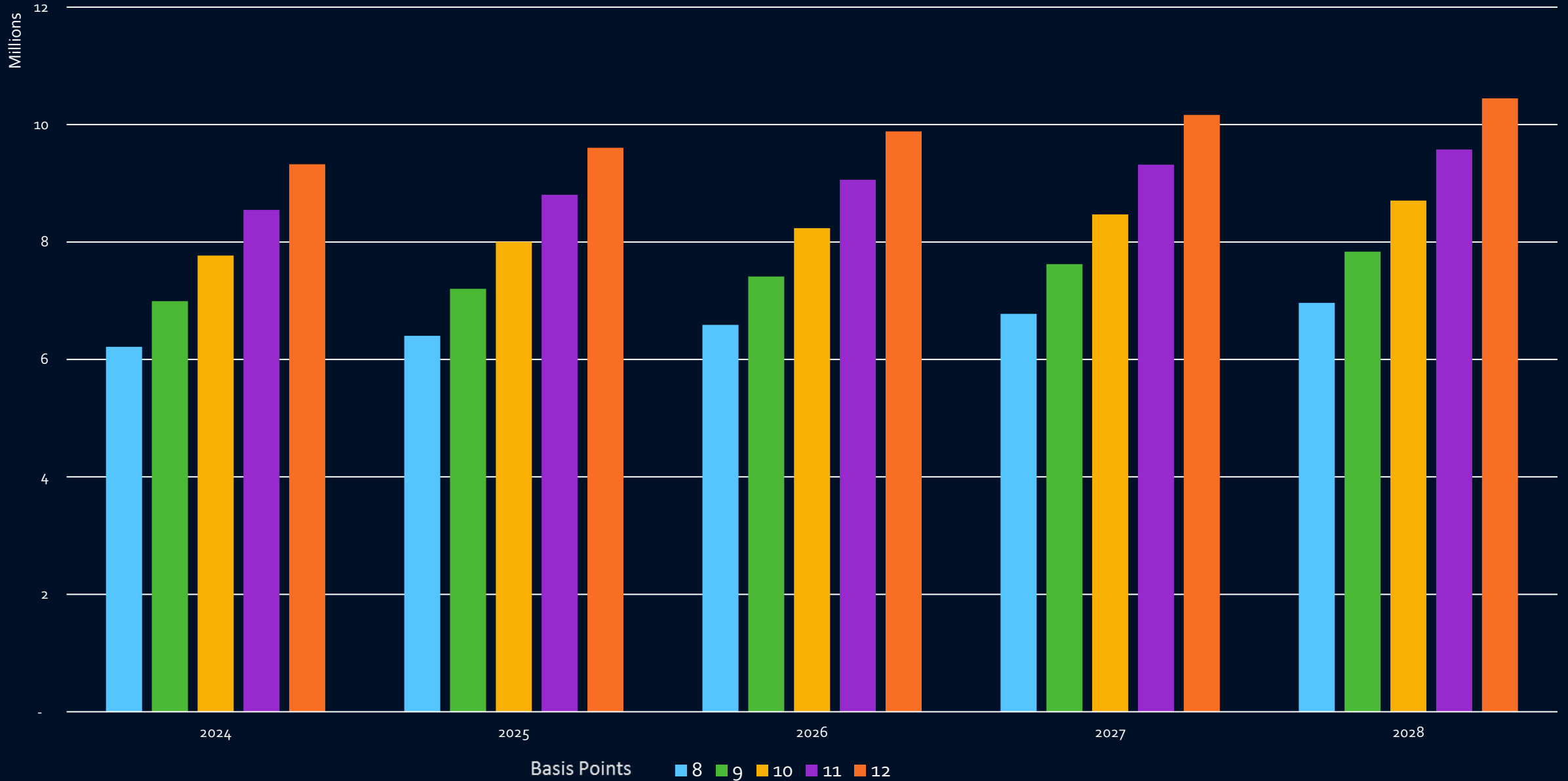
■ Contributions ■ Payments



### Total Liability vs. Admin Expense Ratio

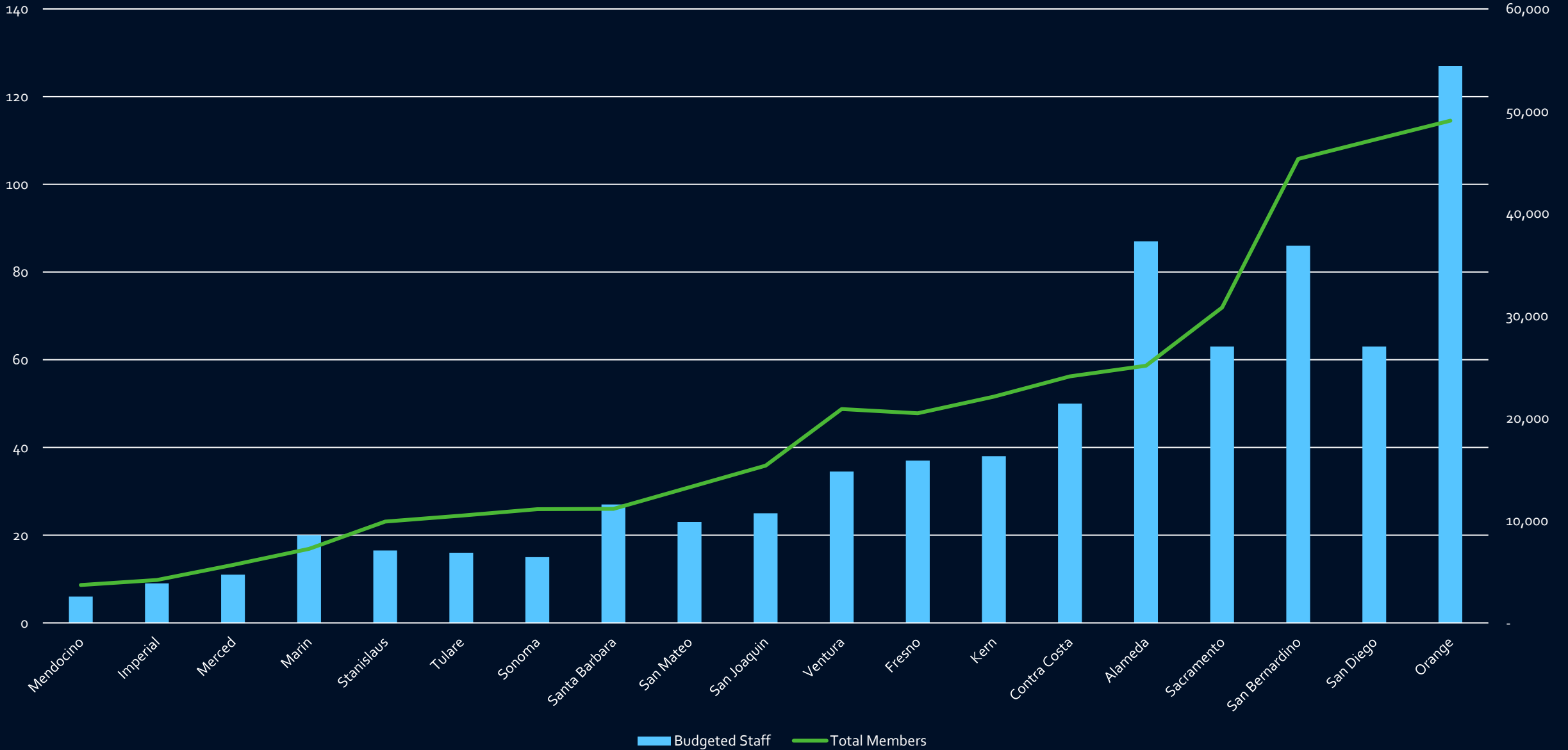


# Admin Expense Estimates





# Staff vs Membership



# Human Resources Report



March 22, 2023  
Dominic D. Brown, CEO



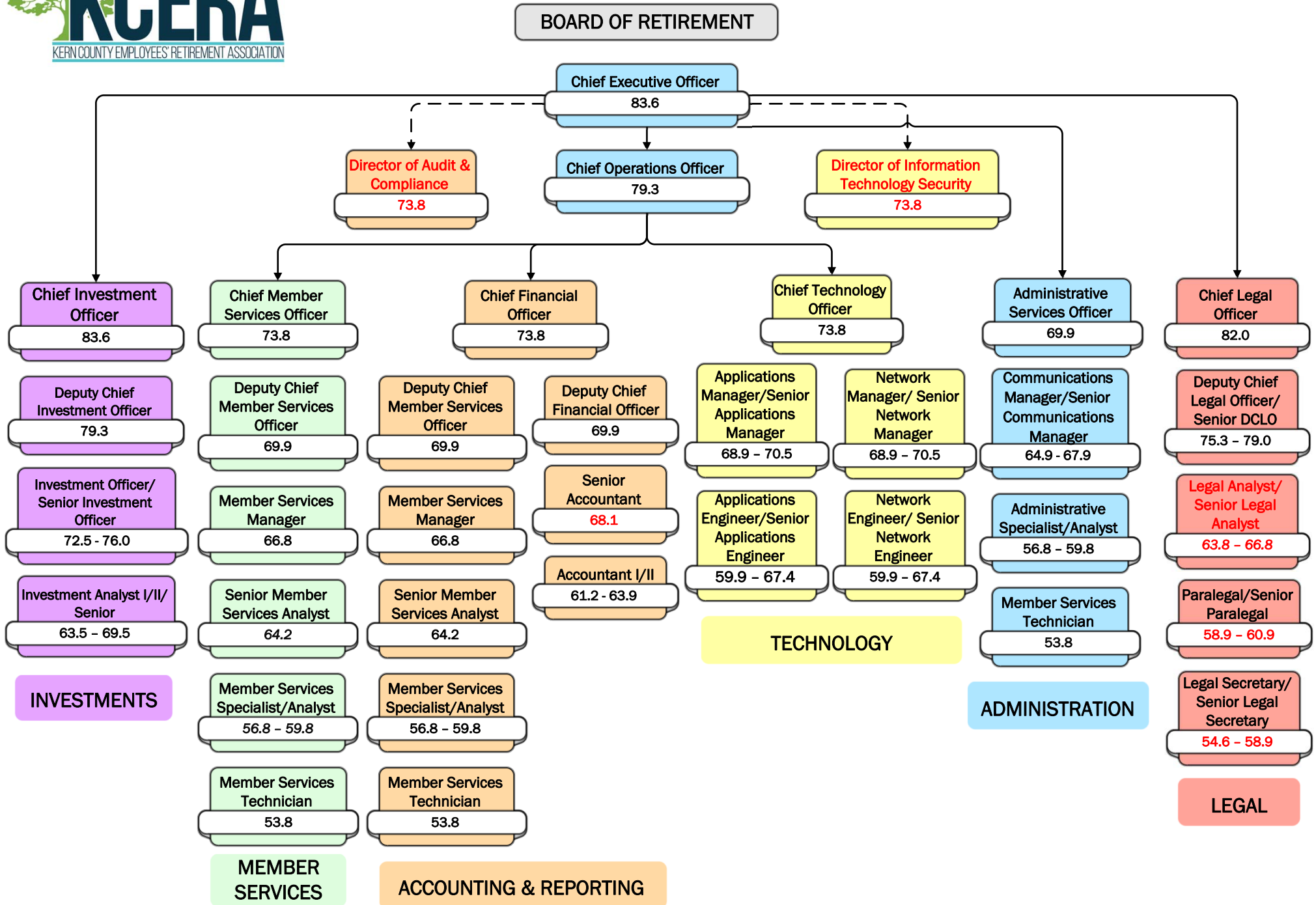
*KCERA's mission is to prudently administer retirement benefits, invest the assets of the Association, and provide quality membership services to eligible public employees, retirees, and their beneficiaries.*



## For Review and Discussion

### THE INAUGURAL HUMAN RESOURCES REPORT

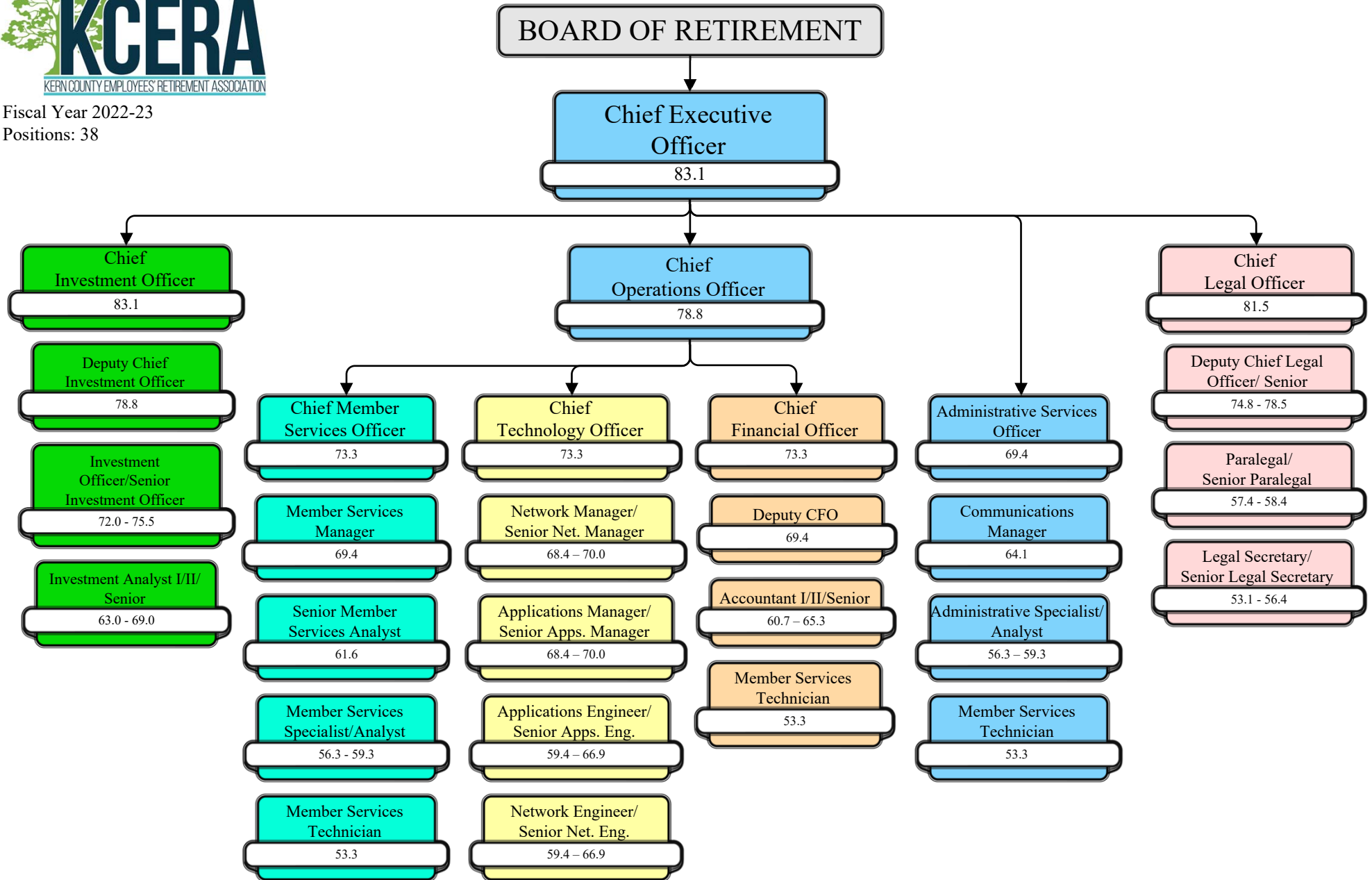
This is the first report since adoption of the amendment to the Administrative Committee Charter addressing staffing protocols. The report is intended to outline any staffing issues identified by the Chief Executive Officer as affecting KCERA's current and future ability to fulfill its Mission Statement. It may include the need for additional staffing, the development of new positions and job specifications, changes to existing staffing structure (organizational chart), staffing risks and opportunities, and staff succession plans. The report will also describe current measures and future plans to address the identified staffing issues.



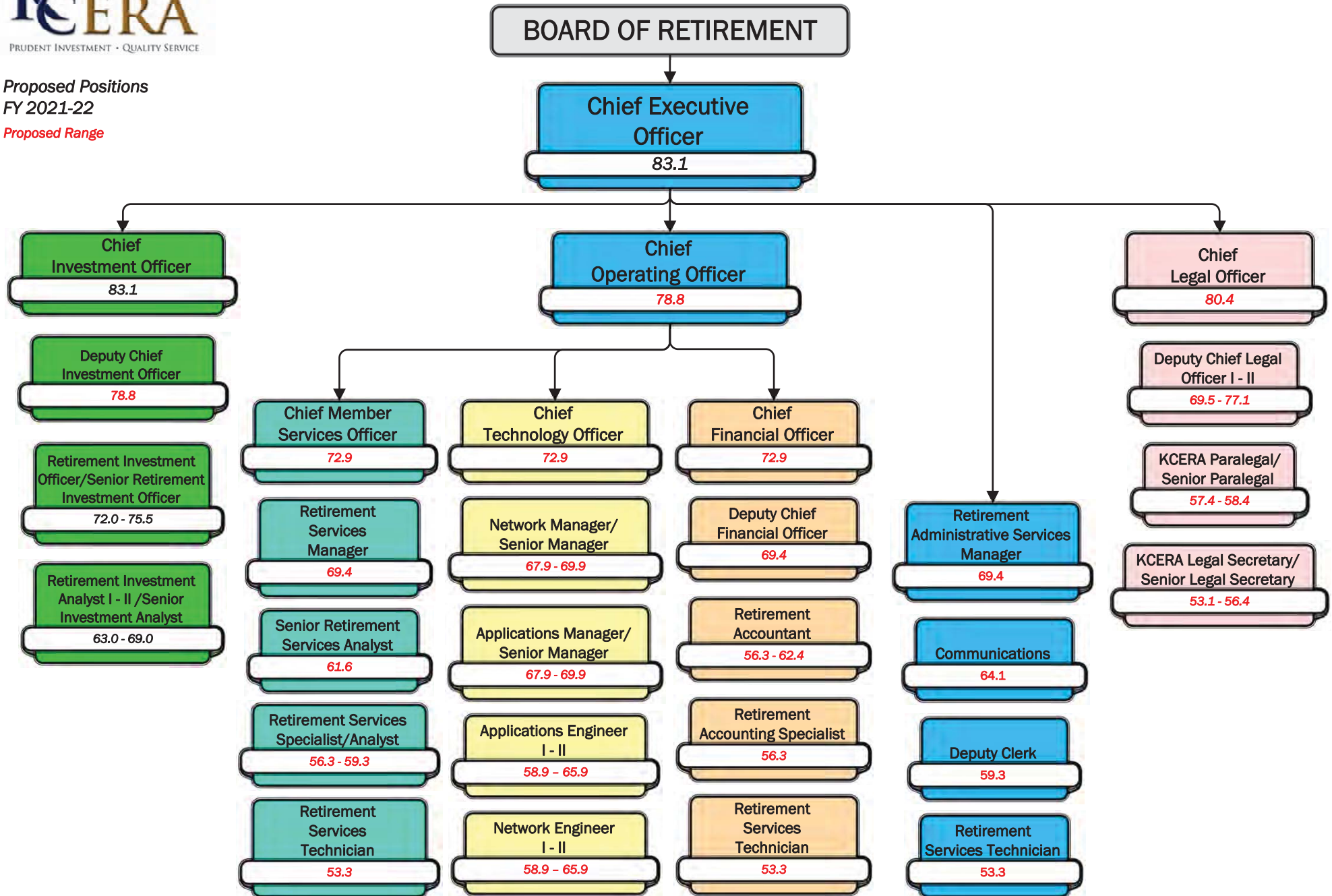


Fiscal Year 2022-23

Positions: 38



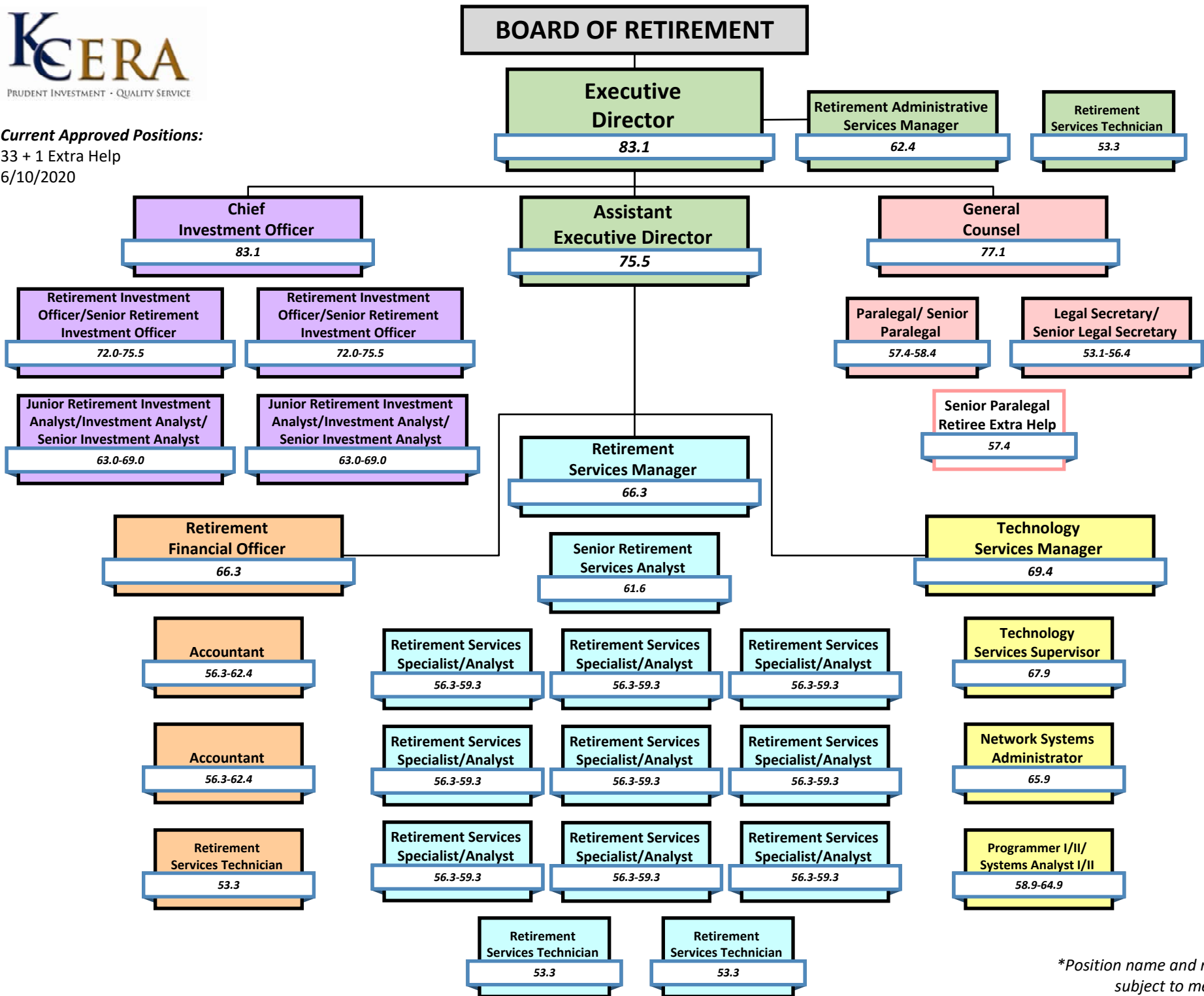




**Current Approved Positions:**

33 + 1 Extra Help

6/10/2020

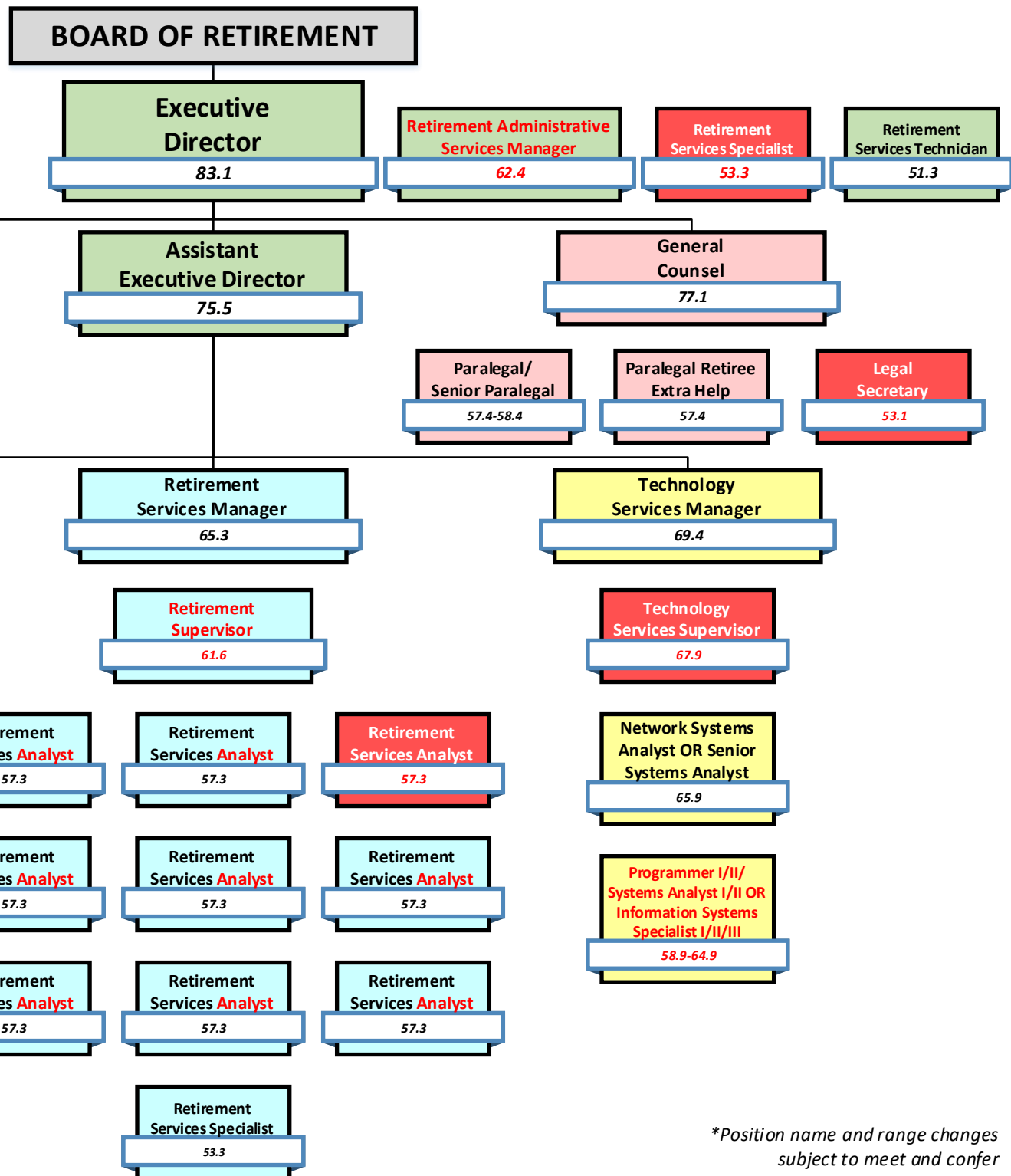


*\*Position name and range changes subject to meet and confer*

**Proposed Draft\***

Positions: 32

5/23/2019

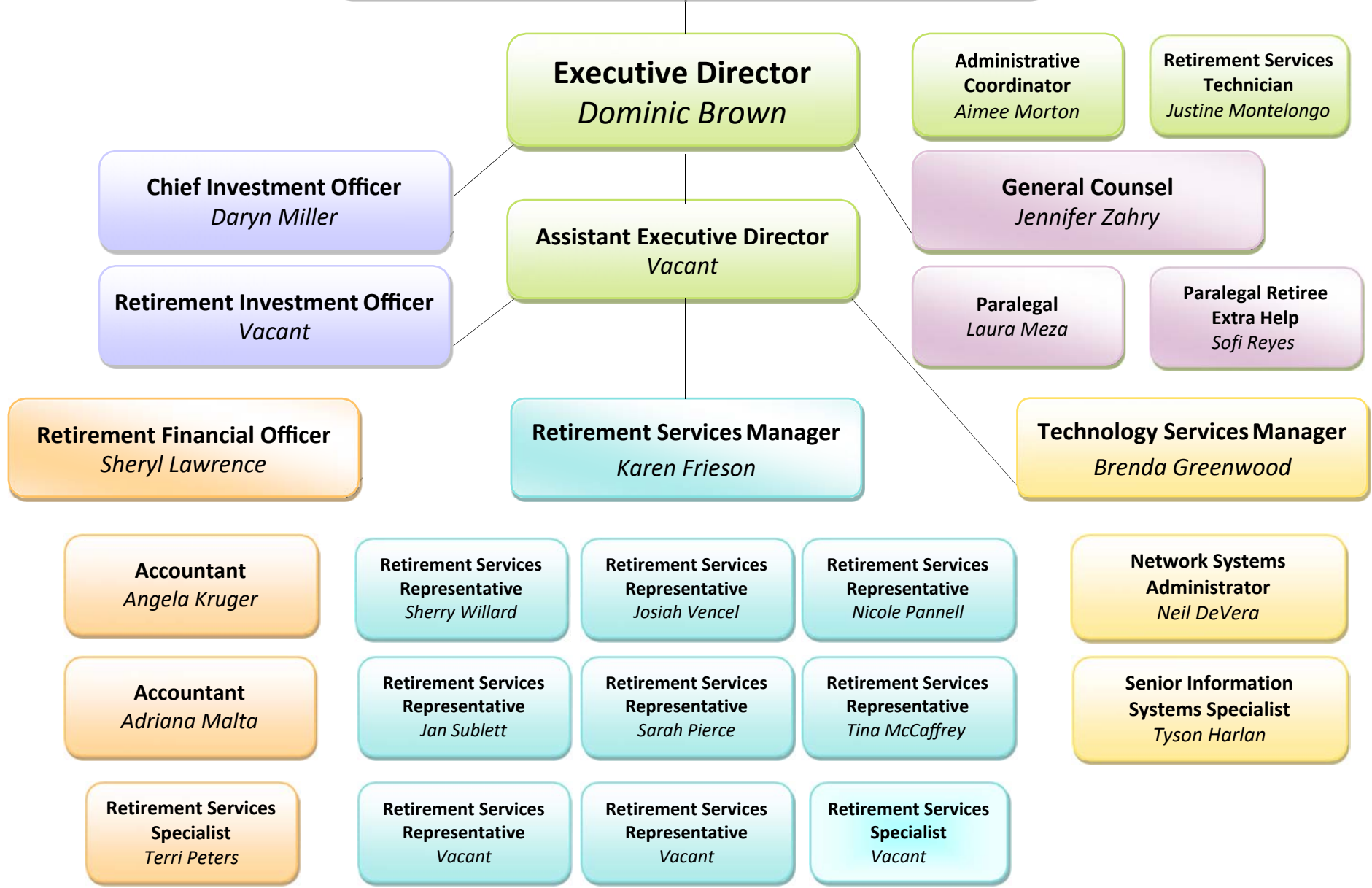


*\*Position name and range changes subject to meet and confer*



Proposed for Fiscal Year 2018-19  
KCERA Positions: 26

# Board of Retirement



**PROPOSED KCERA SALARY SCHEDULE  
FISCAL YEAR 2023-24**

	<b>Position</b>	<b>Range</b>	<b>Minimum</b>	<b>Maximum</b>
Management	KCERA Chief Executive Officer	83.6	177,394	212,002
	KCERA Chief Investment Officer	83.6	177,394	212,002
	KCERA Chief Legal Officer	82.0	163,788	195,742
	KCERA Chief Operating Officer	79.3	143,153	171,081
	KCERA Deputy Chief Investment Officer	79.3	143,153	171,081
	KCERA Senior Deputy Chief Legal Officer	79.0	141,027	168,540
	KCERA Senior Investment Officer	76.0	121,429	145,118
	KCERA Deputy Chief Legal Officer	75.3	117,262	140,139
	KCERA Chief Financial Officer	73.8	108,810	130,038
	KCERA Chief Technology Officer	73.8	108,810	130,038
	KCERA Chief Member Services Officer	73.8	108,810	130,038
	KCERA Director of Audit and Compliance*	73.8	108,810	130,038
	KCERA Director of Information Technology Security*	73.8	108,810	130,038
	KCERA Investment Officer	72.5	101,979	121,874
	KCERA Senior Network Manager	70.5	92,297	110,303
	KCERA Senior Applications Manager	70.5	92,297	110,303
	KCERA Administrative Services Officer	69.9	89,576	107,051
	KCERA Deputy Chief Financial Officer	69.9	89,576	107,051
	KCERA Deputy Chief Member Services Officer	69.9	89,576	107,051
	KCERA Deputy Director of Audit and Compliance*	69.9	89,576	107,051
	KCERA Senior Investment Analyst	69.5	87,806	104,936
	KCERA Network Manager	68.9	85,218	101,843
	KCERA Applications Manager	68.9	85,218	101,843
	KCERA Senior Communications Manager	67.9	81,072	96,888
	KCERA Member Services Manager	66.8	76,744	91,716
	KCERA Investment Analyst II	66.5	75,604	90,354
	KCERA Communications Manager	64.9	69,805	83,424
	KCERA Investment Analyst I	63.5	65,097	77,797
Represented	KCERA Senior Accountant*	68.1	81,885	97,860
	KCERA Senior Network Engineer	67.4	79,075	94,502
	KCERA Senior Applications Engineer	67.4	79,075	94,502
	KCERA Senior Legal Analyst*	66.8	76,744	91,716
	KCERA Senior Member Services Analyst	64.2	67,410	80,561
	KCERA Accountant II	63.9	66,409	79,365
	KCERA Legal Analyst*	63.8	66,079	78,970
	KCERA Accountant I	61.2	58,042	69,366
	KCERA Senior Paralegal*	60.9	57,180	68,335
	KCERA Network Engineer	59.9	54,398	65,011
	KCERA Applications Engineer	59.9	54,398	65,011
	KCERA Member Services Analyst	59.8	54,128	64,687
	KCERA Administrative Analyst	59.8	54,128	64,687
	KCERA Paralegal*	58.9	51,752	61,848
	KCERA Senior Legal Secretary*	58.9	51,752	61,848
	KCERA Member Services Specialist	56.8	46,605	55,698
	KCERA Administrative Specialist	56.8	46,605	55,698
	KCERA Member Services Technician	53.8	40,129	47,958
KCERA Legal Secretary*	54.6	41,762	49,910	

\*Proposed name change, range, or new position.

**PROPOSED KCERA POSITIONS  
FISCAL YEAR 2023-24**

Position	Range	Position Limit	Section Limit
Chief Executive Officer	83.6	1	6
Chief Operations Officer	79.3	1	
Administrative Services Officer	69.9	1	
Senior Communications Manager	67.9	1	
Communications Manager	64.9		
Administrative Analyst	59.8	2	
Administrative Specialist	56.8		
Member Services Technician	53.8		

Chief Investment Officer	83.6	1	5
Deputy Chief Investment Officer	79.3	1	
Senior Retirement Investment Officer	76.0	3	
Retirement Investment Officer	72.5		
Senior Retirement Investment Analyst	69.5	3	
Retirement Investment Analyst II	66.5		
Retirement Investment Analyst I	63.5		

Chief Legal Officer	82.0	1	5
Senior Deputy Chief Legal Officer	79.0	1	
Deputy Chief Legal Officer	75.3		
Senior Legal Analyst	66.8	3	
Legal Analyst	63.8		
Senior Paralegal	60.9		
Paralegal	58.9	3	
Senior Legal Secretary	58.9		
Legal Secretary	54.6		

Chief Financial Officer	73.8	1	9
Director of Audit & Compliance	73.8	1	
Deputy Chief Financial Officer	69.9	1	
Senior Accountant	68.1	2	
Accountant II	63.9		
Accountant I	61.2	1	
Deputy Chief Member Services Officer	69.9		
Member Services Manager	66.8		
Senior Member Services Analyst	64.2	3	
Member Services Analyst	59.8		
Member Services Specialist	56.8	5	
Member Services Technician	53.8		

Chief Technology Officer	73.8	1	5
Director of Information Technology Security	73.8	1	
Senior Network Manager	70.5	2	
Network Manager	68.9		
Senior Applications Manager	70.5	2	
Applications Manager	68.9		
Senior Network Engineer	67.4		
Network Engineer	59.9	2	
Senior Applications Engineer	67.4		
Applications Engineer	59.9		

Chief of Member Services Officer	73.8	1	10
Deputy Chief Member Services Officer	69.9	1	
Member Services Manager	66.8	1	
Senior Member Services Analyst	64.2	3	
Member Services Analyst	59.8		
Member Services Specialist	56.8	6	
Member Services Technician	53.8		

\*Proposed name change, range, or new position.

Total 40

## KCERA Proposed Certification Pays

Positions	Certifications												
	CPA	CPFO	CFE	CISA	CIA	CMA	CISSP	PMP	CFA	CAIA	CEBS	SHRM-CP	SHRM-SCP
<b>CEO &amp; COO</b>													
KCERA Chief Executive Officer	CPA	CPFO	CFE	CISA	CIA	CMA	CISSP	PMP	CFA	CAIA	CEBS	SHRM-CP	SHRM-SCP
KCERA Chief Operations Officer	CPA	CPFO	CFE	CISA	CIA	CMA	CISSP	PMP	CFA	CAIA	CEBS	SHRM-CP	SHRM-SCP
<b>Administration</b>													
KCERA Administrative Services Officer											CEBS	SHRM-CP	SHRM-SCP
KCERA Administrative Specialist											CEBS	SHRM-CP	SHRM-SCP
KCERA Communications Manager											CEBS	SHRM-CP	SHRM-SCP
KCERA Senior Communications Manager											CEBS	SHRM-CP	SHRM-SCP
<b>Investment</b>													
KCERA Chief Investment Officer	CPA	CPFO							CFA	CAIA			
KCERA Deputy Chief Investment Officer	CPA	CPFO							CFA	CAIA			
KCERA Senior Investment Officer	CPA	CPFO							CFA	CAIA			
KCERA Investment Officer	CPA	CPFO							CFA	CAIA			
KCERA Senior Investment Analyst	CPA	CPFO							CFA	CAIA			
KCERA Investment Analyst II	CPA	CPFO							CFA	CAIA			
KCERA Investment Analyst I	CPA	CPFO							CFA	CAIA			
<b>Legal</b>													
KCERA Chief Legal Officer													
KCERA Senior Deputy Chief Legal Officer													
KCERA Deputy Chief Legal Officer													
KCERA Senior Paralegal													
KCERA Paralegal													
KCERA Senior Legal Secretary													
KCERA Legal Secretary													
<b>Accounting &amp; Reporting</b>													
KCERA Chief Financial Officer	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Director of Audit & Compliance	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Deputy Chief Financial Officer	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Deputy Director of Audit and Compliance	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Senior Accountant	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Accountant II	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Accountant I	CPA	CPFO	CFE	CISA	CIA	CMA			CFA				
KCERA Accounting Specialist													
<b>Member Services</b>													
KCERA Chief Member Services Officer											CEBS	SHRM-CP	SHRM-SCP
KCERA Member Services Manager											CEBS	SHRM-CP	SHRM-SCP
KCERA Senior Member Services Analyst											CEBS	SHRM-CP	SHRM-SCP
KCERA Member Services Analyst											CEBS	SHRM-CP	SHRM-SCP
KCERA Member Services Specialist											CEBS	SHRM-CP	SHRM-SCP
KCERA Member Services Technician													
<b>Information Technology</b>													
KCERA Chief Technology Officer				CISA			CISSP	PMP					
KCERA Director of Information Technology Security				CISA			CISSP	PMP					
KCERA Senior Network Manager				CISA			CISSP	PMP					
KCERA Network Manager				CISA			CISSP	PMP					
KCERA Senior Applications Manager				CISA			CISSP	PMP					
KCERA Applications Manager				CISA			CISSP	PMP					
KCERA Senior Network Engineer				CISA			CISSP	PMP					
KCERA Network Engineer				CISA			CISSP	PMP					
KCERA Senior Applications Engineer				CISA			CISSP	PMP					
KCERA Applications Engineer				CISA			CISSP	PMP					

Each certification is equal to 5% of base pay. If multiple certifications are held KCERA will only pay a maximum of 5%.

**Legend:**

**Certifications**

- CPA - Certified Public Accountant
- CPFO - Certified Public Finance Officer
- CFE - Certified Fraud Examiner
- CISA - Certified Information Systems Auditor
- CIA - Certified Internal Auditor
- CMA - Certified Management Accountant
- CISSP - Certified Information Systems Security Professional
- PMP - Project Management Professional
- CFA - Chartered Financial Analyst
- CAIA - Chartered Alternate Investment Analyst
- CEBS - Certified Employee Benefits Specialist
- SHRM-CP - Society of Human Resource Management Certified Professional
- SHRM-SCP - Society of Human Resource Management Senior Certified Professional

## Peer - Audit & Compliance

- ACERA – Chief Internal Audit
- CCCERA – Compliance Officer, Internal Auditor
- OCERS – Director Internal Audit, Internal Audit, Acct/Auditor I, II, Senior
- SBCERA – Internal Auditor, Accounting Auditing Supervisor
- SDCERA – Internal Audit Director, Internal Auditor, Fraud Hotline
- LACERA – Chief Internal Audit, Internal Auditor, Principal Internal Auditor, Senior Internal Auditor, Quality Auditor I, II, Senior



## Summary of Proposed Updates

### Classification Additions:

- Legal Analyst
- Senior Legal Analyst
- Director of Audit and Compliance
- Deputy Director of Audit and Compliance
- Director of Information Technology Security

### Range Changes:

- Senior Accountant 65.8 to 68.1
- Paralegal 57.9 to 58.9
- Senior Paralegal 58.9 to 60.9
- Legal Secretary 53.6 to 54.6
- Senior Legal Secretary 56.9 to 58.9

### Staff Additions:

- Administrative Specialist/ Analyst
- Member Services Specialist/ Analyst










**Date:** March 22, 2023

**To:** Trustees, Administrative Committee

**From:** Dominic D. Brown, Chief Executive Officer 

**Subject:** **Response to Referral – Election Procedures Policy**

**Background**

On September 14, 2022, the Board of Retirement asked Staff to consider moving KCERA's election date to avoid election noticing delays and to ease the burden on the County's Elections Division.

**Proposed Policy Edits**

The proposed changes move the Board of Retirement Election date from November to September, remove reference to an exhibit that is provided by the Elections Division, and add a 5-year review cycle to the policy. Staff has informed the Elections Division of the proposed changes and Elections has confirmed they approve of the proposed edits.

Based on the above, Staff asks your Committee to recommend the proposed changes to the Board of Retirement for approval.





PRUDENT INVESTMENT • QUALITY SERVICE

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11125 River Run Boulevard  
Bakersfield, CA 93311

Tel (661) 381-7700 • Fax (661) 381-7799  
Toll Free (877) 733-6831  
TTY Relay (800) 735-2929

## **ELECTION PROCEDURES POLICY**

The Board of Retirement delegates responsibility for conducting Board of Retirement elections in a manner set forth in these Election Procedures for Elected Positions on KCERA's Board of Retirement to the Board of Supervisors through its Chief Registrar of Voters.

### **APPLICABILITY**

1. These procedures shall govern the election of the second, third, seventh, eighth and seventh and eighth alternate members to the Kern County Employees' Retirement Association ("KCERA") Board of Retirement.

### **ELECTION DATE; COSTS; TIME REQUIREMENTS**

2. Elections shall be held on the third Tuesday in ~~September~~ November to fill the positions for terms expiring December 31 of that year. Elections shall be conducted by the Auditor-Controller-County Clerk (hereafter "elections official"). All costs associated with any election for membership on the KCERA's Board of Retirement shall be paid by the KCERA. If any day on which action is required pursuant to these procedures falls on a weekend or holiday, the election official's next scheduled work day shall be the day on which such action must occur.

### **NOTICE OF ELECTION; ELIGIBILITY OF CANDIDATES**

3. No later than the 76th day prior to the election date, written notice as to the election and candidacy filing procedures shall be given as follows:
  - a. For all members, notices shall be mailed to the last known address of such member on file with the KCERA.
  - b. For member organizations, notices shall be furnished to any organization of active or retired members.

The notice shall include a statement to the member that additional information regarding the election, including election results, will be posted on the KCERA website. The notice shall be mailed utilizing postal address correction notification

services. Upon receipt, address correction information shall be provided to the KCERA to allow for updates prior to ballot mailing.

Any active general member who is not employed in the office of the KCERA,<sup>1</sup> or any deferred general member of the KCERA, is eligible to run for the position of second or third member of the Board. To be eligible to run as a safety member, the member must be among the group defined in Government Code sections 31470.2 or 31470.4. The alternate safety member shall be that candidate for the seventh member from the group under sections 31470.2 or 31470.4, which is not represented by the seventh member who received the highest number of votes of all candidates in that group.

Candidates for the eighth member and alternate eighth member on the Board of Retirement shall be retired members of the KCERA. The alternate eighth member of the Board shall be elected separately by the retired members of the KCERA in the same manner and at the same time as the eighth member is elected.

These eligibility standards shall be deemed to be amended to comply with current provisions of the County Employees' Retirement Law of 1937 or other applicable law relating to eligibility requirements for members of the Board of Retirement, or as determined by a court of competent jurisdiction.

**NOMINATION OF CANDIDATES; FILING PERIOD;  
STATEMENT OF CANDIDATES**

4. At least 53 but not more than 69 days prior to the election date, the elections official shall receive nominations of candidates. The number of eligible members required to sign a nomination paper for the respective office is not less than 15, nor more than 20. Only those members qualified to vote in the election for the office may sign a nomination paper. No member may sign more than one nomination paper for the same office, and in the event a member does so, the member's signature shall count only on the first nomination paper filed which contains that member's signature. Any member eligible to vote at the election may circulate a nomination paper for the candidate for whom the member is eligible to vote, substantially in the following form:

*We, the undersigned members of the Kern County Employees' Retirement Association hereby nominate \_\_\_\_\_ for the office of the \_\_\_\_\_ member on the Kern County Employees' Retirement Association Board of Retirement.*

*Name of Circulator*

*Circle one: Active General Member, Active Safety Member, Deferred General Member, Retiree*

*Circulator's Employing Department or Entity*

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<sup>1</sup> Kern County Employees' Retirement Association v. Bellino (2005) 126 Cal.App.4th 781

*Affidavit of Circulator*

*I, \_\_\_\_\_, solemnly swear (or affirm) that the signatures on this nomination paper were obtained between \_\_\_\_\_, 20\_\_\_\_, and \_\_\_\_\_, 20\_\_\_\_; that I circulated the petition and I saw the signatures on this section of the nomination papers being written; and that, to the best of my information and belief, each signature is the genuine signature of the person whose name it purports to be. I declare under penalty of perjury that the foregoing is true and correct.*

\_\_\_\_\_  
*Signature of Circulator*

The circulator's affidavit may either be notarized or signed in the presence of authorized staff of the elections official. Within 10 days after the close of the nomination period, the elections official shall verify that the individuals listed on the nomination papers are eligible to sign the candidate's nomination form based on a report of eligible members provided by KCERA. Any nominee whose nomination papers do not contain an adequate number of verified members shall be so notified by the elections official, and his or her name shall not be placed on the ballot.

Each nomination petition shall include a declaration of the nominee, substantially in the following form:

*I, \_\_\_\_\_, am the above-named nominee for the office of the \_\_\_\_\_ member of the Kern County Employees' Retirement Association Board of Retirement. I am a (General, Safety, General Deferred or Retired) member of the Kern County Employees' Retirement Association and if elected I will qualify and serve to the best of my ability. I request my name be placed on the official ballot for election to the Board of Retirement for the election to be held on the \_\_\_\_\_ day of November, \_\_\_\_\_.  
I desire my name and designation to appear on the ballot as follows:  
(Name and designation).*

*I declare under penalty of perjury that the foregoing is true and correct. Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.*

\_\_\_\_\_  
*Signature of Nominee*

The nominee's declaration may either be notarized or signed in the presence of authorized staff of the elections official.

The ballot shall not contain the name of any candidate unless duly nominated as provided herein. No later than 53 days prior to the election, a candidate may also

submit a candidate's statement which shall be mailed with the ballot to each member. The statement, which shall not exceed 200 words, shall include the name and occupation, including identification of the candidate's employing department or special district, and a brief description of the candidate's education and qualifications expressed by the candidate. The statement may not make reference to any other candidate's qualifications, character, or activities, and the candidate shall declare under penalty of perjury that the contents of his or her candidate statement are true and correct. The elections official shall not cause to be printed or circulated any statement which is not so limited and declared under penalty of perjury.

No later than 40 days prior to the election, the elections official shall publish a list of all candidates who are eligible to be voted for at the election. The list of candidates shall be posted at the Elections Office and at the office of the Kern County Employees' Retirement Association.

### **EXTENSION OF FILING PERIOD IF INCUMBENT FAILS TO FILE**

5. Notwithstanding any other provision of these regulations, if nomination papers and a declaration of candidacy for an incumbent trustee is not filed by 5 p.m. on the 53<sup>rd</sup> day prior to the election, any person (other than the person who was the incumbent on the 53<sup>rd</sup> day) shall have until 5 p.m. on the 46<sup>th</sup> day before the election to file nomination papers and a declaration of candidacy as provided in paragraph 4 above. This paragraph 5 is not applicable where there is no incumbent to be elected or the incumbent is not eligible for re-election to the trustee position in which he or she holds at the time the filing period closes.

### **WITHDRAWAL**

6. A candidate may withdraw his or her declaration of candidacy no later than 53 days prior to the election date, or in the event Paragraph 5 above is applicable, 46 days prior to the election date.

### **WRITE-IN CANDIDATES**

7. A member may declare his or her candidacy as a write-in candidate no later than 14 days, nor earlier than 46 days, prior to the date of the election by filing nomination papers as provided in Rules 4 herein and a declaration of candidacy substantially in the following form, and signed under penalty of perjury:

*I, \_\_\_\_\_, am the above-named nominee for the office of the \_\_\_\_\_ member of Kern County Employees' Retirement Association Board of Retirement. I am a (General, Safety, or Retired) member of the Kern County Employees' Retirement Association and if elected I will qualify and serve to the best of my ability. I do hereby declare myself as a write-in candidate for election to the Board of Retirement of the Kern County Employees' Retirement Association as its \_\_\_\_\_ Member. If elected I*

|

*will qualify and serve to the best of my ability.*

\_\_\_\_\_  
*Signature of Write-In Nominee*

### **ELECTION RESULT IF NO MORE THAN ONE CANDIDATE**

- 8.
- a. No later than 46 days prior to the election, if only one member has filed nomination papers and a declaration of candidacy pursuant to paragraph 4 or 5 above, no election shall be held and the elections official shall prepare an appointment in lieu of election declaring such member elected to the office for which he or she was nominated. If the Seventh is appointed in lieu of election, an election may be held for the Seventh Alternate member if an eligible candidate timely files as a Write-in Candidate.
  - b. Election of Seventh Alternate Member. The elections official shall inform KCERA of any appointment in lieu of election for the Seventh Member. Once informed, KCERA shall direct a notice regarding the Write-in Candidate process to County Departments employing eligible Seventh Alternate Member candidates, eligible member candidates, and member groups representing the Seventh Alternate Member candidates.
  - c. If no eligible candidate for the Seventh Alternate position files as a Write-in Candidate, the Board of Retirement may elect not to fill the alternate member seat, or may elect to receive applications for appointment. Applications for appointment to an alternate member seat shall be placed on a Regular Board of Retirement Meeting Agenda.

### **BALLOTS; STATEMENT BY BOARD OF RETIREMENT; VOTING DEADLINE**

9. No later than 15 days prior to the election, ballots shall be prepared by the elections official and shall be mailed to each member eligible to vote. Ballots shall be mailed in forwardable envelopes utilizing postal address correction notification services. Upon receipt, address correction information shall be provided to the KCERA.

Members eligible to vote for the second and third members of the Board of Retirement are all active and deferred members of the KCERA. Only retired members are eligible to vote for the eighth member of the Board. All members designated as safety members are eligible to vote for the seventh member.

The names of all candidates who have timely filed the required nomination papers and declaration of intent to serve shall be printed on the ballot. At the option of the candidate, the title of the public service position he or she holds or from which he or she is retired may be printed immediately after or below his or her name on the ballot. In lieu of the public service position designation, a candidate may have the name of his or her appointing authority's department or division printed on the ballot. A candidate for the same seat which he or she presently holds may also

have the word "Incumbent" printed immediately after or below his or her name on the ballot. Any title or designation provided to the elections official to print on the ballot, as indicated above, shall be declared by the candidate to be true and correct under penalty of perjury.

The order in which the candidates appear on the ballot shall be determined by a random drawing conducted by the elections official. Voting instructions, ~~similar to those provided in Exhibit "A",~~ shall be included with the ballots mailed to the members. The ballot will be void and shall not be counted if the member fails to comply with voting instructions. Instead of voting for a candidate listed on the ballot, a member may cast a vote for a write-in candidate who has timely filed a valid nomination petition and declaration of candidacy by writing in the name of that member in the space provided.

In addition to the ballot, the voting instructions, and the Candidate's Statements (if any), each member shall receive a statement from the KCERA Board of Retirement substantially in the following form:

*The Board of Retirement consists of nine members and two alternates, \_\_\_\_ of whom will be selected as a result of this election. The Board manages investments of the retirement fund, which has assets of approximately \$\_\_\_\_\_. In addition, the Board makes decisions on applications for disability retirement and on many other matters vital to its members. We urge you to take the time to learn about the candidates and to vote.*

In order to be processed and counted, voted ballots must be received by the Elections Division of the Auditor-Controller-County Clerk's Office no later than 5 p.m. on the day of the election.

## **CAMPAIGN**

10. No member may use County time or resources to campaign for a member seeking election to the Board of Retirement, including dissemination of campaign information via the County's electronic communications system; provided, however, that department heads shall permit each candidate, upon request, to post reasonable campaign material on the department bulletin board. Posted items shall be no larger than 8 ½" by 11 ½". Department heads may reasonably refuse to post any offensive or defamatory material. Nothing herein shall be deemed to make any campaign material or statement or the authors thereof free or exempt from any civil or criminal action or penalty because of any false, slanderous or libelous statements offered for distribution or posting.

## **TALLY OF VOTES; TIE VOTE**

11. The elections official shall verify the names on all returned envelopes against the members' mailing list or roster and ready ballots for counting. Staff from the

Elections Office shall serve as the canvassing board. The canvassing board shall meet at 8:00 a.m. in the Elections Office on the third day of the election, no later than the 1<sup>st</sup> Thursday following the election, for the counting of ballots and determination of any questionable ballots. Any person may observe the tally of votes.

The candidate for the second, third, seventh, eighth and eighth alternate member offices who receives the highest number of votes cast for such office shall be elected to such office for the term next succeeding. In the event of a tie vote, the procedures set forth in Elections Code section 15651(a) shall be used to determine the election results. The elections results shall be filed with the Board of Retirement, and the ~~Executive Director~~ Chief Executive Officer of the KCERA shall file a certificate of the election results with the Board of Supervisors.

### **POSTING CERTIFICATE OF ELECTION RESULTS; ELECTION CONTEST; RETENTION OF BALLOTS**

12. A certificate of election results shall be posted on the KCERA's Web page and on the door at the entrance to the KCERA's office for one week commencing with the day following the day election results are certified by the elections official.

Any member of the KCERA desiring to contest the results of any election shall file a written statement of contest not later than the 30<sup>th</sup> day following the date of the election. The grounds for contest shall be those specified in California Elections Code section 16100-16101. The procedures for contests of general elections contained in the California Elections Code shall control except that the contestant and the candidate-elect whose election is being contested shall file all statements, affidavits and other papers with the Board of Retirement. The Board of Retirement shall take such action upon any election contest as it shall deem just and proper. The provisions of Code of Civil Procedure section 1094.6 (relating to limitations on time to commence proceedings in mandate) are applicable to petitions for writs of mandate filed to review final decisions of the Board on the election contest.

All envelopes containing voted ballots and all voted ballots (whether or not counted) shall be retained for 30 days in the offices of the elections official or until such further time as is required to settle any contest concerning the election.

### **SPECIAL ELECTIONS**

13. A special election shall be called by the Board of Retirement within 30 days of the occurrence of the vacancy if a vacancy occurs for any reason during the term of office of an elected board member, other than alternate members, unless the term of office will end less than 365 days from the occurrence of the vacancy; provided, however, that if the term of office will end less than 365 days from the occurrence of the vacancy, the Board may call a special election to fill such vacancy of the Board, in its discretion, determines that such action is in the best interests of the KCERA. The Board of Retirement may call a special election to fill a vacancy occurring in the office of any alternate member if the Board, in its discretion,

determines that such action is in the best interests of the KCERA.

### **RETIREMENT BOARD DISCRETION**

14. The purpose of these election procedures is to ensure an orderly, fair and impartial process for the conduct of elections of trustees to the Board of Retirement. In the event there is any ambiguity or uncertainty regarding the application of these procedures to a particular election issue, or there is no procedure specifically addressing the election issue, the Board of Retirement shall decide the issue upon application by any person, or on its own motion. In exercising its administrative discretion under these procedures, the Board shall be mindful of the purpose of these procedures and may be guided by general principles of California elections or other applicable law.

### **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 August 8, 2018.



b) Amended on [month day, year].

DRAFT

## **ELECTION PROCEDURES POLICY**

The Board of Retirement delegates responsibility for conducting Board of Retirement elections in a manner set forth in these Election Procedures for Elected Positions on KCERA's Board of Retirement to the Board of Supervisors through its Chief Registrar of Voters.

### **APPLICABILITY**

1. These procedures shall govern the election of the second, third, seventh, eighth and seventh and eighth alternate members to the Kern County Employees' Retirement Association ("KCERA") Board of Retirement.

### **ELECTION DATE; COSTS; TIME REQUIREMENTS**

2. Elections shall be held on the third Tuesday in September to fill the positions for terms expiring December 31 of that year. Elections shall be conducted by the Auditor-Controller-County Clerk (hereafter "elections official"). All costs associated with any election for membership on the KCERA's Board of Retirement shall be paid by the KCERA. If any day on which action is required pursuant to these procedures falls on a weekend or holiday, the election official's next scheduled work day shall be the day on which such action must occur.

### **NOTICE OF ELECTION; ELIGIBILITY OF CANDIDATES**

3. No later than the 76th day prior to the election date, written notice as to the election and candidacy filing procedures shall be given as follows:
  - a. For all members, notices shall be mailed to the last known address of such member on file with the KCERA.
  - b. For member organizations, notices shall be furnished to any organization of active or retired members.

The notice shall include a statement to the member that additional information regarding the election, including election results, will be posted on the KCERA website. The notice shall be mailed utilizing postal address correction notification

services. Upon receipt, address correction information shall be provided to the KCERA to allow for updates prior to ballot mailing.

Any active general member who is not employed in the office of the KCERA,<sup>1</sup> or any deferred general member of the KCERA, is eligible to run for the position of second or third member of the Board. To be eligible to run as a safety member, the member must be among the group defined in Government Code sections 31470.2 or 31470.4. The alternate safety member shall be that candidate for the seventh member from the group under sections 31470.2 or 31470.4, which is not represented by the seventh member who received the highest number of votes of all candidates in that group.

Candidates for the eighth member and alternate eighth member on the Board of Retirement shall be retired members of the KCERA. The alternate eighth member of the Board shall be elected separately by the retired members of the KCERA in the same manner and at the same time as the eighth member is elected.

These eligibility standards shall be deemed to be amended to comply with current provisions of the County Employees' Retirement Law of 1937 or other applicable law relating to eligibility requirements for members of the Board of Retirement, or as determined by a court of competent jurisdiction.

**NOMINATION OF CANDIDATES; FILING PERIOD;  
STATEMENT OF CANDIDATES**

4. At least 53 but not more than 69 days prior to the election date, the elections official shall receive nominations of candidates. The number of eligible members required to sign a nomination paper for the respective office is not less than 15, nor more than 20. Only those members qualified to vote in the election for the office may sign a nomination paper. No member may sign more than one nomination paper for the same office, and in the event a member does so, the member's signature shall count only on the first nomination paper filed which contains that member's signature. Any member eligible to vote at the election may circulate a nomination paper for the candidate for whom the member is eligible to vote, substantially in the following form:

*We, the undersigned members of the Kern County Employees' Retirement Association hereby nominate \_\_\_\_\_ for the office of the \_\_\_\_\_ member on the Kern County Employees' Retirement Association Board of Retirement.*

*Name of Circulator*

*Circle one: Active General Member, Active Safety Member, Deferred General Member, Retiree*

*Circulator's Employing Department or Entity*

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<sup>1</sup> Kern County Employees' Retirement Association v. Bellino (2005) 126 Cal.App.4th 781

*Affidavit of Circulator*

*I, \_\_\_\_\_, solemnly swear (or affirm) that the signatures on this nomination paper were obtained between \_\_\_\_\_, 20\_\_\_\_, and \_\_\_\_\_, 20\_\_\_\_; that I circulated the petition and I saw the signatures on this section of the nomination papers being written; and that, to the best of my information and belief, each signature is the genuine signature of the person whose name it purports to be. I declare under penalty of perjury that the foregoing is true and correct.*

\_\_\_\_\_  
*Signature of Circulator*

The circulator's affidavit may either be notarized or signed in the presence of authorized staff of the elections official. Within 10 days after the close of the nomination period, the elections official shall verify that the individuals listed on the nomination papers are eligible to sign the candidate's nomination form based on a report of eligible members provided by KCERA. Any nominee whose nomination papers do not contain an adequate number of verified members shall be so notified by the elections official, and his or her name shall not be placed on the ballot.

Each nomination petition shall include a declaration of the nominee, substantially in the following form:

*I, \_\_\_\_\_, am the above-named nominee for the office of the \_\_\_\_\_ member of the Kern County Employees' Retirement Association Board of Retirement. I am a (General, Safety, General Deferred or Retired) member of the Kern County Employees' Retirement Association and if elected I will qualify and serve to the best of my ability. I request my name be placed on the official ballot for election to the Board of Retirement for the election to be held on the \_\_\_\_\_ day of November, \_\_\_\_\_.*

*I desire my name and designation to appear on the ballot as follows:  
(Name and designation).*

*I declare under penalty of perjury that the foregoing is true and correct. Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.*

\_\_\_\_\_  
*Signature of Nominee*

The nominee's declaration may either be notarized or signed in the presence of authorized staff of the elections official.

The ballot shall not contain the name of any candidate unless duly nominated as provided herein. No later than 53 days prior to the election, a candidate may also

submit a candidate's statement which shall be mailed with the ballot to each member. The statement, which shall not exceed 200 words, shall include the name and occupation, including identification of the candidate's employing department or special district, and a brief description of the candidate's education and qualifications expressed by the candidate. The statement may not make reference to any other candidate's qualifications, character, or activities, and the candidate shall declare under penalty of perjury that the contents of his or her candidate statement are true and correct. The elections official shall not cause to be printed or circulated any statement which is not so limited and declared under penalty of perjury.

No later than 40 days prior to the election, the elections official shall publish a list of all candidates who are eligible to be voted for at the election. The list of candidates shall be posted at the Elections Office and at the office of the Kern County Employees' Retirement Association.

#### **EXTENSION OF FILING PERIOD IF INCUMBENT FAILS TO FILE**

5. Notwithstanding any other provision of these regulations, if nomination papers and a declaration of candidacy for an incumbent trustee is not filed by 5 p.m. on the 53<sup>rd</sup> day prior to the election, any person (other than the person who was the incumbent on the 53<sup>rd</sup> day) shall have until 5 p.m. on the 46<sup>th</sup> day before the election to file nomination papers and a declaration of candidacy as provided in paragraph 4 above. This paragraph 5 is not applicable where there is no incumbent to be elected or the incumbent is not eligible for re-election to the trustee position in which he or she holds at the time the filing period closes.

#### **WITHDRAWAL**

6. A candidate may withdraw his or her declaration of candidacy no later than 53 days prior to the election date, or in the event Paragraph 5 above is applicable, 46 days prior to the election date.

#### **WRITE-IN CANDIDATES**

7. A member may declare his or her candidacy as a write-in candidate no later than 14 days, nor earlier than 46 days, prior to the date of the election by filing nomination papers as provided in Rules 4 herein and a declaration of candidacy substantially in the following form, and signed under penalty of perjury:

*I, \_\_\_\_\_, am the above-named nominee for the office of the \_\_\_\_\_ member of Kern County Employees' Retirement Association Board of Retirement. I am a (General, Safety, or Retired) member of the Kern County Employees' Retirement Association and if elected I will qualify and serve to the best of my ability. I do hereby declare myself as a write-in candidate for election to the Board of Retirement of the Kern County Employees' Retirement Association as its \_\_\_\_\_ Member. If elected I*

*will qualify and serve to the best of my ability.*

---

*Signature of Write-In Nominee*

### **ELECTION RESULT IF NO MORE THAN ONE CANDIDATE**

8.
  - a. No later than 46 days prior to the election, if only one member has filed nomination papers and a declaration of candidacy pursuant to paragraph 4 or 5 above, no election shall be held and the elections official shall prepare an appointment in lieu of election declaring such member elected to the office for which he or she was nominated. If the Seventh is appointed in lieu of election, an election may be held for the Seventh Alternate member if an eligible candidate timely files as a Write-in Candidate.
  - b. Election of Seventh Alternate Member. The elections official shall inform KCERA of any appointment in lieu of election for the Seventh Member. Once informed, KCERA shall direct a notice regarding the Write-in Candidate process to County Departments employing eligible Seventh Alternate Member candidates, eligible member candidates, and member groups representing the Seventh Alternate Member candidates.
  - c. If no eligible candidate for the Seventh Alternate position files as a Write-in Candidate, the Board of Retirement may elect not to fill the alternate member seat, or may elect to receive applications for appointment. Applications for appointment to an alternate member seat shall be placed on a Regular Board of Retirement Meeting Agenda.

### **BALLOTS; STATEMENT BY BOARD OF RETIREMENT; VOTING DEADLINE**

9. No later than 15 days prior to the election, ballots shall be prepared by the elections official and shall be mailed to each member eligible to vote. Ballots shall be mailed in forwardable envelopes utilizing postal address correction notification services. Upon receipt, address correction information shall be provided to the KCERA.

Members eligible to vote for the second and third members of the Board of Retirement are all active and deferred members of the KCERA. Only retired members are eligible to vote for the eighth member of the Board. All members designated as safety members are eligible to vote for the seventh member.

The names of all candidates who have timely filed the required nomination papers and declaration of intent to serve shall be printed on the ballot. At the option of the candidate, the title of the public service position he or she holds or from which he or she is retired may be printed immediately after or below his or her name on the ballot. In lieu of the public service position designation, a candidate may have the name of his or her appointing authority's department or division printed on the ballot. A candidate for the same seat which he or she presently holds may also

have the word “Incumbent” printed immediately after or below his or her name on the ballot. Any title or designation provided to the elections official to print on the ballot, as indicated above, shall be declared by the candidate to be true and correct under penalty of perjury.

The order in which the candidates appear on the ballot shall be determined by a random drawing conducted by the elections official. Voting instructions shall be included with the ballots mailed to the members. The ballot will be void and shall not be counted if the member fails to comply with voting instructions. Instead of voting for a candidate listed on the ballot, a member may cast a vote for a write-in candidate who has timely filed a valid nomination petition and declaration of candidacy by writing in the name of that member in the space provided.

In addition to the ballot, the voting instructions, and the Candidate’s Statements (if any), each member shall receive a statement from the KCERA Board of Retirement substantially in the following form:

*The Board of Retirement consists of nine members and two alternates, \_\_\_\_ of whom will be selected as a result of this election. The Board manages investments of the retirement fund, which has assets of approximately \$\_\_\_\_\_. In addition, the Board makes decisions on applications for disability retirement and on many other matters vital to its members. We urge you to take the time to learn about the candidates and to vote.*

In order to be processed and counted, voted ballots must be received by the Elections Division of the Auditor-Controller-County Clerk’s Office no later than 5 p.m. on the day of the election.

### **CAMPAIGN**

10. No member may use County time or resources to campaign for a member seeking election to the Board of Retirement, including dissemination of campaign information via the County’s electronic communications system; provided, however, that department heads shall permit each candidate, upon request, to post reasonable campaign material on the department bulletin board. Posted items shall be no larger than 8 ½” by 11 ½”. Department heads may reasonably refuse to post any offensive or defamatory material. Nothing herein shall be deemed to make any campaign material or statement or the authors thereof free or exempt from any civil or criminal action or penalty because of any false, slanderous or libelous statements offered for distribution or posting.

### **TALLY OF VOTES; TIE VOTE**

11. The elections official shall verify the names on all returned envelopes against the members’ mailing list or roster and ready ballots for counting. Staff from the Elections Office shall serve as the canvassing board. The canvassing board shall

meet at 8:00 a.m. in the Elections Office on the third day of the election, no later than the 1<sup>st</sup> Thursday following the election, for the counting of ballots and determination of any questionable ballots. Any person may observe the tally of votes.

The candidate for the second, third, seventh, eighth and eighth alternate member offices who receives the highest number of votes cast for such office shall be elected to such office for the term next succeeding. In the event of a tie vote, the procedures set forth in Elections Code section 15651(a) shall be used to determine the election results. The elections results shall be filed with the Board of Retirement, and the Chief Executive Officer of the KCERA shall file a certificate of the election results with the Board of Supervisors.

### **POSTING CERTIFICATE OF ELECTION RESULTS; ELECTION CONTEST; RETENTION OF BALLOTS**

12. A certificate of election results shall be posted on the KCERA's Web page and on the door at the entrance to the KCERA's office for one week commencing with the day following the day election results are certified by the elections official.

Any member of the KCERA desiring to contest the results of any election shall file a written statement of contest not later than the 30<sup>th</sup> day following the date of the election. The grounds for contest shall be those specified in California Elections Code section 16100-16101. The procedures for contests of general elections contained in the California Elections Code shall control except that the contestant and the candidate-elect whose election is being contested shall file all statements, affidavits and other papers with the Board of Retirement. The Board of Retirement shall take such action upon any election contest as it shall deem just and proper. The provisions of Code of Civil Procedure section 1094.6 (relating to limitations on time to commence proceedings in mandate) are applicable to petitions for writs of mandate filed to review final decisions of the Board on the election contest.

All envelopes containing voted ballots and all voted ballots (whether or not counted) shall be retained for 30 days in the offices of the elections official or until such further time as is required to settle any contest concerning the election.

### **SPECIAL ELECTIONS**

13. A special election shall be called by the Board of Retirement within 30 days of the occurrence of the vacancy if a vacancy occurs for any reason during the term of office of an elected board member, other than alternate members, unless the term of office will end less than 365 days from the occurrence of the vacancy; provided, however, that if the term of office will end less than 365 days from the occurrence of the vacancy, the Board may call a special election to fill such vacancy of the Board, in its discretion, determines that such action is in the best interests of the KCERA. The Board of Retirement may call a special election to fill a vacancy occurring in the office of any alternate member if the Board, in its discretion, determines that such action is in the best interests of the KCERA.



## RETIREMENT BOARD DISCRETION

14. The purpose of these election procedures is to ensure an orderly, fair and impartial process for the conduct of elections of trustees to the Board of Retirement. In the event there is any ambiguity or uncertainty regarding the application of these procedures to a particular election issue, or there is no procedure specifically addressing the election issue, the Board of Retirement shall decide the issue upon application by any person, or on its own motion. In exercising its administrative discretion under these procedures, the Board shall be mindful of the purpose of these procedures and may be guided by general principles of California elections or other applicable law.

## 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 August 8, 2018.
  - b) Amended on April 12, 2023.