

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:

Phil Franey, Chair
David Couch, Vice-Chair
Jordan Kaufman
Juan Gonzalez
Joseph D. Hughes
John Sanders
Rick Kratt
Tyler Whitezell
Dustin Contreras, Alternate
Chase Nunneley, Alternate
Robb Seibly, Alternate
3rd Member (Vacant)

April 25, 2024

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

Subject: Meeting of the Kern County Employees' Retirement Association
Board of Retirement

Ladies and Gentlemen:

A meeting of the Kern County Employees' Retirement Association Board of Retirement will be held on Wednesday, May 1, 2024 at 8:30 a.m. in the KCERA Boardroom, 11125 River Run Boulevard, Bakersfield, California, 93311.

How to Participate: Listen to or View the Board Meeting

To listen to the live audio of the Board meeting, please dial one of the following numbers (*landline recommended for best audio*) and enter ID# 857 7853 5749:

- (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/85778535749?pwd=bUZYNzhhcCtSbW11V1RaaEd4bVlFZz09>
- Passcode: 446878

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.

Sincerely,

Dominic D. Brown
Chief Executive Officer

Attachments

AGENDA:

All agenda item supporting documentation is available for public review on KCERA's website at 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 meeting of the Board of Retirement may request assistance by calling (661) 381-7700 or sending an email to 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)

SALUTE TO FLAG / MOMENT OF SILENCE

AB 2449 REMOTE APPEARANCE(S)

Items 1 and/or 2 withdrawn from agenda if no trustee(s) request to appear remotely:

1. JUST CAUSE CIRCUMSTANCE(S):
 - a) The following Trustee(s) have notified the Board 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 Board of a “Just Cause” to attend this meeting via teleconference. (See Government Code § 54953) – RECEIVE/ HEAR REQUEST(S); NO BOARD ACTION REQUIRED
2. EMERGENCY CIRCUMSTANCE(S):
 - a) The following Trustee(s) have requested the Board 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 Board 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 DUE TO EMERGENCY CIRCUMSTANCE

CONSENT MATTERS

All items listed with an asterisk (*) are considered to be routine and non-controversial by staff and will be approved by one motion if no member of the Board or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the Board concerning the item before action is taken. Staff recommendations are shown in caps after each item.

- *3. Application for service-connected disability pension benefits for Breanne Baker, Department of Human Services (General) – ADOPT RECOMMENDATION OF SDAG TO DENY, WITH PREJUDICE, SERVICE-CONNECTED DISABILITY PENSION
- *4. [Summary of proceedings of the following meetings:](#)
 - April 10, 2024 Board of RetirementRECEIVE AND FILE
- *5. [Report from the KCERA office on members retired from service for the month of April 2024 – RATIFY](#)
- *6. [Report from the KCERA office on deceased retirees for the month of April 2024 – RECEIVE AND FILE](#)
- *7. [Report of current disability retirement applications and appeals of KCERA Board decisions for the period ending April 30, 2024 – RECEIVE AND FILE](#)
- *8. [Securities Lending Earnings Summary Report for the period March 1-31, 2024 from Deutsche Bank – RECEIVE AND FILE](#)
- *9. [KCERA asset allocation, cash flow position, investment fees cash flow, and operating expense budget status reports for the month of March 2024 – RECEIVE AND FILE](#)
- *10. [KCERA Class Action Proceeds Report from January 1 through March 31, 2024 from the Northern Trust Company – RECEIVE AND FILE](#)
- *11. [Report on Special Pay Codes classified by the Chief Executive Officer – RECEIVE AND FILE](#)
- *12. [SACRS Business Meeting 2024 Packet for SACRS business meeting on May 10, 2024 in Santa Barbara, California – RECEIVE AND FILE](#)

- *13. [Invitation from Ares for Senior Investment Officer Geoff Nolan to attend the Ares Firmware Annual Conference, May 13-16, 2024, in Phoenix, AZ](#) – RECEIVE AND FILE
- *14. [Invitation from ILPA for Chief Investment Officer Daryn Miller, CFA, to attend the ILPA Members Conference, June 4-6, 2024, in Chicago, IL](#) – RECEIVE AND FILE
- *15. [Invitation from Leap HR for Administrative Services Officer Aimee Morton, SHRM-CP, to attend the Leap HR: State & Local Government Summit, June 4-5, 2024, in Denver, CO](#) – RECEIVE AND FILE
- *16. [Agreement for Tax Counsel Legal Services with Ice Miller LLP](#) – RECEIVE AND FILE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN, SUBJECT TO LEGAL ADVICE AND REVIEW

PUBLIC COMMENTS

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

INVESTMENT MATTERS

- 18. [Discussion and appropriate action on the annual asset allocation review presented by Scott Whalen, CFA, Verus, Chief Investment Officer Daryn Miller, CFA, and the Investment Committee](#) – APPROVE ASSET ALLOCATION

ADMINISTRATIVE MATTERS

- 19. [KCERA Governance Report for the period from January 1 – December 31, 2023](#) presented by Governance Consultants Julie Becker and Benita Falls Harper, Aon, and the Administrative Committee – RECEIVE AND FILE
- 20. [KCERA 2024 Board Self-Assessment Report presented by Chief Executive Officer Dominic Brown, Governance Consultants Julie Becker and Benita Falls Harper, Aon, and the Administrative Committee](#) – RECEIVE AND FILE; TAKE OTHER ACTION, AS APPROPRIATE
- 21. [Orientation regarding disability litigation services provided by Nossaman, LLP,](#) presented by John T. Kennedy, Partner, Nossaman, LLP – HEAR PRESENTATION (RECEIVE 5 MINUTES EDUCATION CREDIT)

22. [Review and discussion of the Annual KCERA Human Resources Report presented by Chief Executive Officer Dominic Brown, and the Administrative Committee – RECEIVE AND FILE](#)
23. [Presentation on the inaugural KCERA Communications Plan for years 2024-26 presented by Senior Communications Manager Jeremy Rowell – HEAR PRESENTATION](#)
24. [Discuss whether to research options to initiate an in-house election process with a third-party election administrator – DIRECT STAFF TO RESEARCH OPTIONS AND PRESENT TO ADMINISTRATIVE COMMITTEE](#)

STAFF REPORTS

25. [Report from Chief Executive Officer](#)
26. [Report from Chief Investment Officer](#)
27. [Report from Chief Legal Officer](#)

COMMITTEE REPORTS

28. Report from Committee Chairs:
 - a. Administrative Committee: Contreras
 - b. Finance Committee: Sanders
 - c. Investment Committee: Whitezell

CALL FOR PUBLIC COMMENT ON EXECUTIVE SESSION ITEM(S)

EXECUTIVE SESSION

Item 3 is withdrawn from Executive Session if approved on the consent agenda:

3. PUBLIC EMPLOYMENT (pursuant to Government Code §54957) Application for service-connected disability pension benefits:

| | | |
|---------------|------------------------------|---------|
| Breanne Baker | Department of Human Services | General |
|---------------|------------------------------|---------|
29. CONFERENCE WITH LABOR NEGOTIATORS REGARDING UNREPRESENTED EMPLOYEE (pursuant to Government Code §54957.6(a))

Agency Designated Representatives: Juan Gonzalez and Joseph D. Hughes;
Unrepresented Employee: Chief Executive Officer
30. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (pursuant to Government Code §54957): Title: Chief Executive Officer

31. THREAT TO PUBLIC SERVICES OR FACILITIES – ANTICIPATED LITIGATION

Consultation with KCERA counsel and CEO. (Cal. Gov. Code §54957)

RETURN TO PUBLIC SESSION

ROLL CALL TO CONFIRM QUORUM

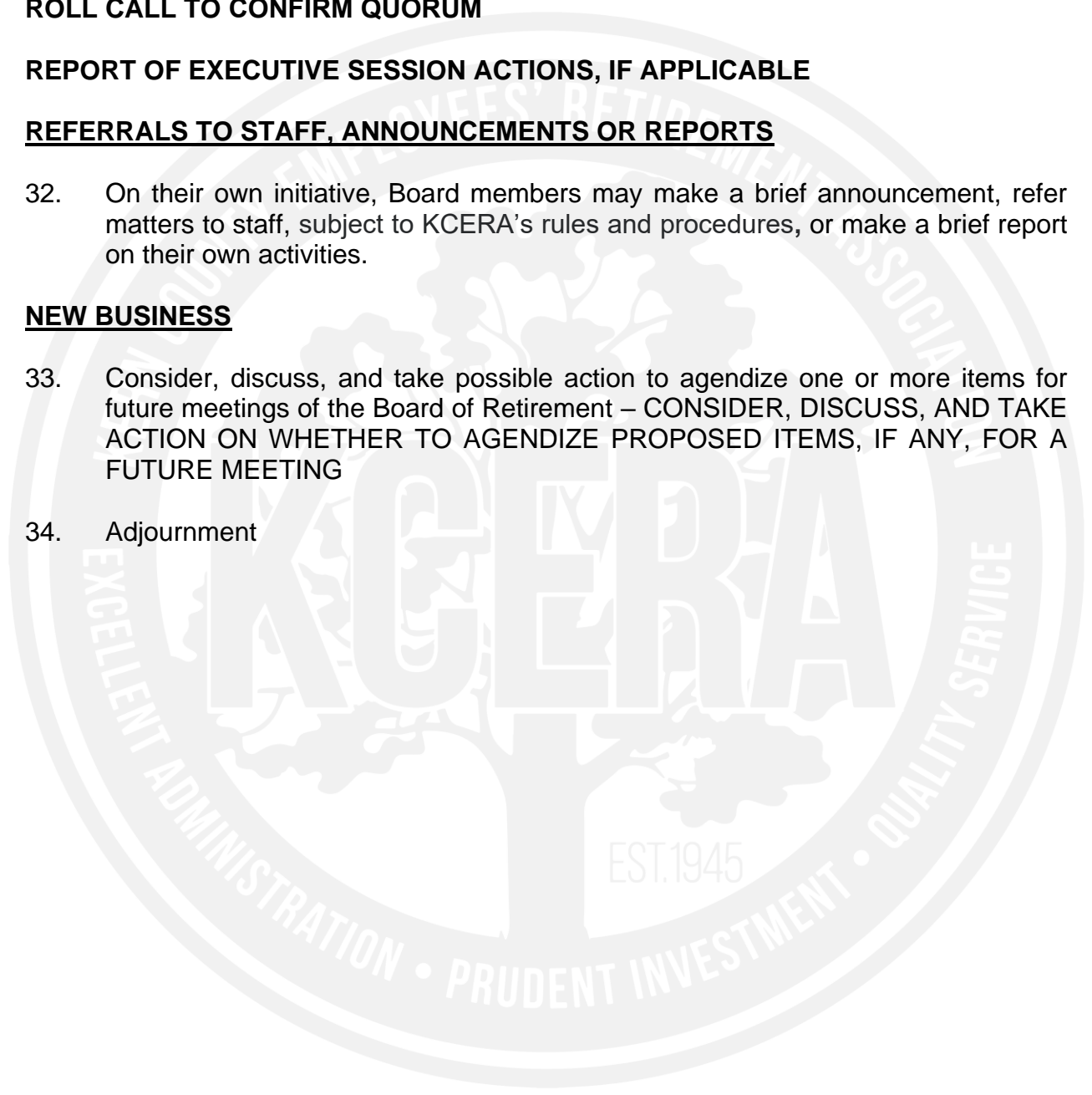
REPORT OF EXECUTIVE SESSION ACTIONS, IF APPLICABLE

REFERRALS TO STAFF, ANNOUNCEMENTS OR REPORTS

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

NEW BUSINESS

33. Consider, discuss, and take possible action to agendize one or more items for future meetings of the Board of Retirement – CONSIDER, DISCUSS, AND TAKE ACTION ON WHETHER TO AGENDIZE PROPOSED ITEMS, IF ANY, FOR A FUTURE MEETING
34. Adjournment



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

11125 River Run Boulevard, Bakersfield, California

SUMMARY OF PROCEEDINGS

**Board of Retirement Meeting
April 10, 2024**

8:33 A.M.

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

ROLL CALL (IN PERSON)

Present: Franey, Gonzalez, Kaufman, Kratt, Sanders, Seibly, Whitezell

Absent: Contreras, Couch, Hughes, Nunneley

SALUTE TO FLAG – TRUSTEE KRATT

MOMENT OF SILENCE

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

AB 2449 REMOTE APPEARANCE(S)

Items 1 and 2 withdrawn from agenda. No trustees appeared via teleconference.

CONSENT MATTERS

All consent matter items listed below with an asterisk () were considered to be routine and non-controversial by staff and approved by one motion, unless otherwise noted.*

- *3. Application for non-service-connected disability pension benefits for Sandra Guandique, Risk Management (General) – **ADOPTED RECOMMENDATION OF SDAG TO DENY SERVICE-CONNECTED DISABILITY PENSION**

Kratt-Kaufman – 6 Ayes

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

Kratt-Kaufman – 6 Ayes

*5. Summary of proceedings of the following meetings:

- February 29, 2024 Administrative Committee
- February 29, 2024 Special Board of Retirement
- March 13, 2024 Board of Retirement

RECEIVED AND FILED

Kratt-Kaufman – 6 Ayes

*6. Report from the KCERA office on members retired from service for the month of March 2024 – RATIFIED

Kratt-Kaufman – 6 Ayes

*7. Report from the KCERA office on deceased retirees for the month of March 2024 – RECEIVED AND FILED

Kratt-Kaufman – 6 Ayes

*8. Report of current disability retirement applications and appeals of KCERA Board decisions for the period ending March 31, 2024 – RECEIVED AND FILED

Kratt-Kaufman – 6 Ayes

*9. Securities Lending Earnings Summary Report for the period February 1-29, 2024 from Deutsche Bank – RECEIVED AND FILED

Kratt-Kaufman – 6 Ayes

*10. KCERA asset allocation, cash flow position, investment fees cash flow, and operating expense budget status reports for the month of February 2024 – RECEIVED AND FILED

Kratt-Kaufman – 6 Ayes

*11. Invitation from State Association of County Retirement Systems (SACRS) to trustees and staff to attend the SACRS Spring Conference, May 7-10, 2024, in Santa Barbara, California – APPROVED ATTENDANCE OF TRUSTEES DAVID COUCH, PHIL FRANNEY, JUAN GONZALEZ, JORDAN KAUFMAN, CHASE NUNNELEY, JOHN SANDERS, AND ROBB SEIBLY

Kratt-Kaufman – 6 Ayes

PUBLIC COMMENTS

12. The public is provided the opportunity to comment on agenda items at the time those agenda items are discussed by the Board. This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification and, through the Chair, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Speakers are limited to two minutes. Please state your name for the record prior to making a presentation – NONE

ADMINISTRATIVE MATTERS

13. Annual Business Plan presented by Chief Executive Officer Dominic Brown – TRUSTEES JUAN GONZALEZ, JORDAN KAUFMAN, RICK KRATT, AND TYLER WHITEZELL HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

HEARD PRESENTATION
14. Discussion and appropriate action on KCERA's voting delegation for the State Association of County Retirement Systems (SACRS) Spring 2024 Conference, presented by Chief Executive Officer Dominic Brown – CHAIR PHIL FRANNEY HEARD; TRUSTEES JORDAN KAUFMAN, AND JOHN SANDERS HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

APPOINTED TRUSTEE JORDAN KAUFMAN AS THE VOTING DELEGATE AND TRUSTEE JOHN SANDERS AS THE ALTERNATE VOTING DELEGATE

Kratt- Whitezell – 6 Ayes

15. Recommended slate of candidates and final ballot for the State Association of County Retirement Systems (SACRS) Board of Directors Elections 2024-2025 – CHAIR PHIL FRANNEY HEARD; TRUSTEE JORDAN KAUFMAN HEARD

SACRS Nominating Committee Recommended Slate and Final Ballot:

- President – David MacDonald, Contra Costa CERA
- Vice President – Adele Tagaloa, Orange CERS
- Treasurer – Jordan Kaufman, Kern CERA
- Secretary – Zandra Cholmondeley, Santa Barbara CERS
- Regular Member – David Gilmore, San Diego CERA
- Regular Member – Rhonda Biesemeier, Stanislaus CERA

Other Nominations Submitted:

- Daniel Vasquez, Marin CERA
- Alysia Bonner, Fresno CERA

Gonzalez-Kratt – 6 Ayes

DIRECTED VOTING DELEGATE TO VOTE FOR SLATE OF CANDIDATES AS RECOMMENDED BY THE SACRS NOMINATING COMMITTEE

STAFF REPORTS

16. Report from Chief Executive Officer:

CHIEF EXECUTIVE OFFICER DOMINIC BROWN REPORTED THE FOLLOWING:

- OFFICE UPDATE
- STAFFING UPDATE
- MEMBER OUTREACH
- STAKEHOLDER SUMMIT SURVEY RESULTS
- DISABILITY UPDATE
- SOLAR PROJECT UPDATE
- PLAN SPONSOR CEO/GENERAL MANAGERS OUTREACH
- SPECIAL ELECTION UPDATE
- SEGAL UPDATE
- OPERATIONS ACTIVITY
- UPCOMING EVENTS

REFERRAL TO STAFF TO RESEARCH CONDUCTING BOARD OF RETIREMENT ELECTIONS INTERNALLY

CHAIR PHIL FRANNEY HEARD; TRUSTEES JUAN GONZALEZ, JORDAN KAUFMAN, RICK KRATT, AND ROBB SEIBLY HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; SENIOR COMMUNICATIONS MANAGER JEREMY ROWELL HEARD

17. Report from Chief Investment Officer:

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

- REBALANCING – MARCH ACTIVITY
- POSITIONING
- KEY INITIATIVES
- UPCOMING INVESTMENT COMMITTEE MEETINGS
- INVESTMENT ACTIVITY/ANALYSIS

18. Report from Chief Legal Officer:

CHIEF LEGAL OFFICER JENNIFER ZAHRY REPORTED THE FOLLOWING:

- LEGISLATIVE UPDATE
- LITIGATION UPDATE

TRUSTEE DAVID COUCH ARRIVED AT 9:43 A.M.

CHAIR PHIL FRANNEY HEARD; TRUSTEE RICK KRATT HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHIEF LEGAL OFFICER JENNIFER ZAHRY HEARD

COMMITTEE REPORTS

19. Report from Committee Chairs:

- a. Administrative Committee: CONTRERAS – MEETING SCHEDULED APRIL 24, 2024
- b. Finance Committee: SANDERS – MEETING MAY BE SCHEDULED
- c. Investment Committee: WHITEZELL – MEETING TO BE SCHEDULED

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

EXECUTIVE SESSION

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

Agency Designated Representatives: Juan Gonzalez and Joseph D. Hughes;
Unrepresented Employee: Chief Executive Officer

21. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (pursuant to GOVERNMENT CODE §54957): Title: Chief Executive Officer

RETURN TO PUBLIC SESSION

BOARD OF RETIREMENT RECONVENED IN PUBLIC SESSION AT 10:05 A.M.

ROLL CALL

To establish quorum present upon resuming public session

Present: Couch, Franey, Gonzalez, Kaufman, Kratt, Sanders, Seibly, Whitezell

Absent: Contreras, Hughes, Nunneley

REPORT OF EXECUTIVE SESSION ACTIONS, IF APPLICABLE

ITEM 20 – NO REPORTABLE ACTION

ITEM 21 – NO REPORTABLE ACTION

REFERRALS TO STAFF, ANNOUNCEMENTS OR REPORTS

22. On their own initiative, Board members may make a brief announcement, refer matters to staff (subject to KCERA's rules and procedures), or make a brief report on their own activities – NONE

NEW BUSINESS

23. Consider, discuss, and take possible action to agendize one or more items for future meetings of the Board of Retirement – NONE
24. ADJOURNED – 10:07 A.M.

Secretary, Board of Retirement

Chair, Board of Retirement



**Kern County Employees' Retirement Association
New Retirees - April 01, 2024 to April 30, 2024**

Employer Name: Buttonwillow Recreation & Park District

| Member Last Name | Member First Name | Retirement Date | Membership Tier | Department Name |
|-------------------|-------------------|-----------------|-----------------|--|
| Salazar De Moreno | Silvia | 03/26/2024 | General Tier I | 0982 - Buttonwillow Recreation & Park District |

Employer Name: County Of Kern

| Member Last Name | Member First Name | Retirement Date | Membership Tier | Department Name |
|------------------|-------------------|-----------------|-----------------------|----------------------------------|
| Arroyo | Ruben | 03/02/2024 | General Tier II | 2610 - Dept Of Ag And Measmnt St |
| Burrowes | Margaret | 03/13/2024 | General Tier I | 4120 - Behavioral Health & Reco |
| Byrd | Tracy | 03/12/2024 | General Tier I | 4110 - Depart Of Public Health |
| Cason | Debra | 03/14/2024 | General Tier I | 4120 - Behavioral Health & Reco |
| Cavil | Eileen | 02/24/2024 | General Tier I | 2180 - District Attorney |
| Clemmer | Mark | 02/24/2024 | Safety Tier I | 2210S - Sheriff |
| Colyer | Joyce | 03/23/2024 | General Tier I | 2700 - Recorder |
| Dickson | Steven | 03/09/2024 | General Tier I | 1610 - General Services Division |
| Elcano | Stephen | 03/09/2024 | General Tier I | 8954 - Public Works-Public Ways |
| Hughes | Brent | 03/23/2024 | Safety Tier I | 2340S - Probation-Safety |
| Klossing | Debbi | 03/01/2024 | General Tier I | 9149 - Air Pollution Control Dis |
| Kroll | Philip | 02/29/2024 | General Tier I | 4120 - Behavioral Health & Reco |
| Leitch | Karen | 03/09/2024 | General Tier II PEPRA | 1160 - Information Technology Sv |
| Medlin | Gary | 03/30/2024 | General Tier I | 4120 - Behavioral Health & Reco |



**Kern County Employees' Retirement Association
New Retirees - April 01, 2024 to April 30, 2024**

| Member Last Name | Member First Name | Retirement Date | Membership Tier | Department Name |
|-------------------------|--------------------------|------------------------|------------------------|----------------------------------|
| Miller | Clement | 02/24/2024 | General Tier II PEPRA | 4120 - Behavioral Health & Reco |
| Mondragon | Emma | 03/23/2024 | General Tier I | 4120 - Behavioral Health & Reco |
| Nephew-Tuck | Teri | 03/09/2024 | General Tier I | 5120 - Depart Of Human Services |
| Nunlist | David | 03/03/2024 | General Tier I | 4120 - Behavioral Health & Reco |
| Olivarez | Jacob | 02/24/2024 | Safety Tier I | 2340S - Probation-Safety |
| Petitt | Sylvia | 03/23/2024 | General Tier I | 4120 - Behavioral Health & Reco |
| Rodriguez | Jennifer | 02/26/2024 | Safety Tier I | 2210S - Sheriff |
| Rogers | Judy | 03/09/2024 | General Tier I | 2180 - District Attorney |
| Sawyer | Cammie | 03/02/2024 | General Tier II | 5120 - Depart Of Human Services |
| Smith | Clifton | 03/23/2024 | Safety Tier I | 2415S - Fire |
| Solis | David | 02/24/2024 | Safety Tier I | 2210S - Sheriff |
| Stephens | Glen | 03/23/2024 | General Tier I | 9149 - Air Pollution Control Dis |
| Taylor | Andre | 03/01/2024 | General Tier II | 5120 - Depart Of Human Services |
| Trujillo | Theresa | 03/05/2024 | General Tier I | 5120 - Depart Of Human Services |
| Vorseth | Steven | 03/09/2024 | General Tier I | 5120 - Depart Of Human Services |
| Widelock | Ellyn | 03/02/2024 | General Tier I | 4110J - Health-Nursing |
| Wood | Stephanie | 03/23/2024 | General Tier I | 8954 - Public Works-Public Ways |

Employer Name: KC Superior Court



**Kern County Employees' Retirement Association
New Retirees - April 01, 2024 to April 30, 2024**

| Member Last Name | Member First Name | Retirement Date | Membership Tier | Department Name |
|------------------|-------------------|-----------------|-----------------|-----------------------|
| Krolnik-Wallace | Linda | 03/09/2024 | General Tier I | 9410 - Superior Court |
| MacDonald | David | 03/23/2024 | General Tier I | 9410 - Superior Court |

Employer Name: Kern County Hospital Authority

| Member Last Name | Member First Name | Retirement Date | Membership Tier | Department Name |
|------------------|-------------------|-----------------|-----------------|---------------------------------------|
| Bennett | Marie | 02/24/2024 | General Tier I | 9460 - Kern County Hospital Authority |
| Galeano Alvarez | Wilma | 03/23/2024 | General Tier I | 9460 - Kern County Hospital Authority |
| Killion | George | 03/09/2024 | General Tier I | 9460 - Kern County Hospital Authority |

Employer Name: San Joaquin Valley APCD

| Member Last Name | Member First Name | Retirement Date | Membership Tier | Department Name |
|------------------|-------------------|-----------------|-----------------|--|
| Contreras | Leonard | 03/09/2024 | General Tier I | 0959 - San Joaquin Valley Air Pollution Control District |
| Davidson | Steven | 02/24/2024 | General Tier I | 0959 - San Joaquin Valley Air Pollution Control District |
| Means | Julie | 03/06/2024 | General Tier II | 0959 - San Joaquin Valley Air Pollution Control District |
| Rios | Richard | 03/25/2024 | General Tier I | 0959 - San Joaquin Valley Air Pollution Control District |



**Kern County Employees' Retirement Association
Decedents - April 01, 2024 to April 30, 2024**

Post-Retirement Deaths

| Last Name | First Name | Membership Type | Employer Name |
|------------------|-------------------|------------------------|--------------------------|
| Brantzeg | Marlene | General | County Of Kern |
| Chaidez | David | Safety | County Of Kern |
| Davis | Theodore | General | County Of Kern |
| Deluca | Mark | General | Kern County Water Agency |
| Edwards | Charlene | General | County Of Kern |
| Ellis | Diane | General | County Of Kern |
| Emhoff | Lawrence | Safety | County Of Kern |
| Faessel | Barbara | General | County Of Kern |
| Galland | Dorothy | General | County Of Kern |
| Johnston | Elizabeth | General | County Of Kern |
| Mallory | Darlene | General | County Of Kern |
| Nord | Morris | Safety | County Of Kern |
| Padilla | Denise | General | County Of Kern |
| Procell | Anthony | Safety | County Of Kern |
| Reyna | Vivian | General | County Of Kern |
| Ross | Evan | Safety | County Of Kern |
| Sweet | James | General | San Joaquin Valley APCD |
| Taylor | Ronald | Safety | County Of Kern |
| Wilson | Donna | General | San Joaquin Valley APCD |

**KCERA
STATUS OF DISABILITY RETIREMENT APPLICATIONS
AS OF APRIL 30, 2024**

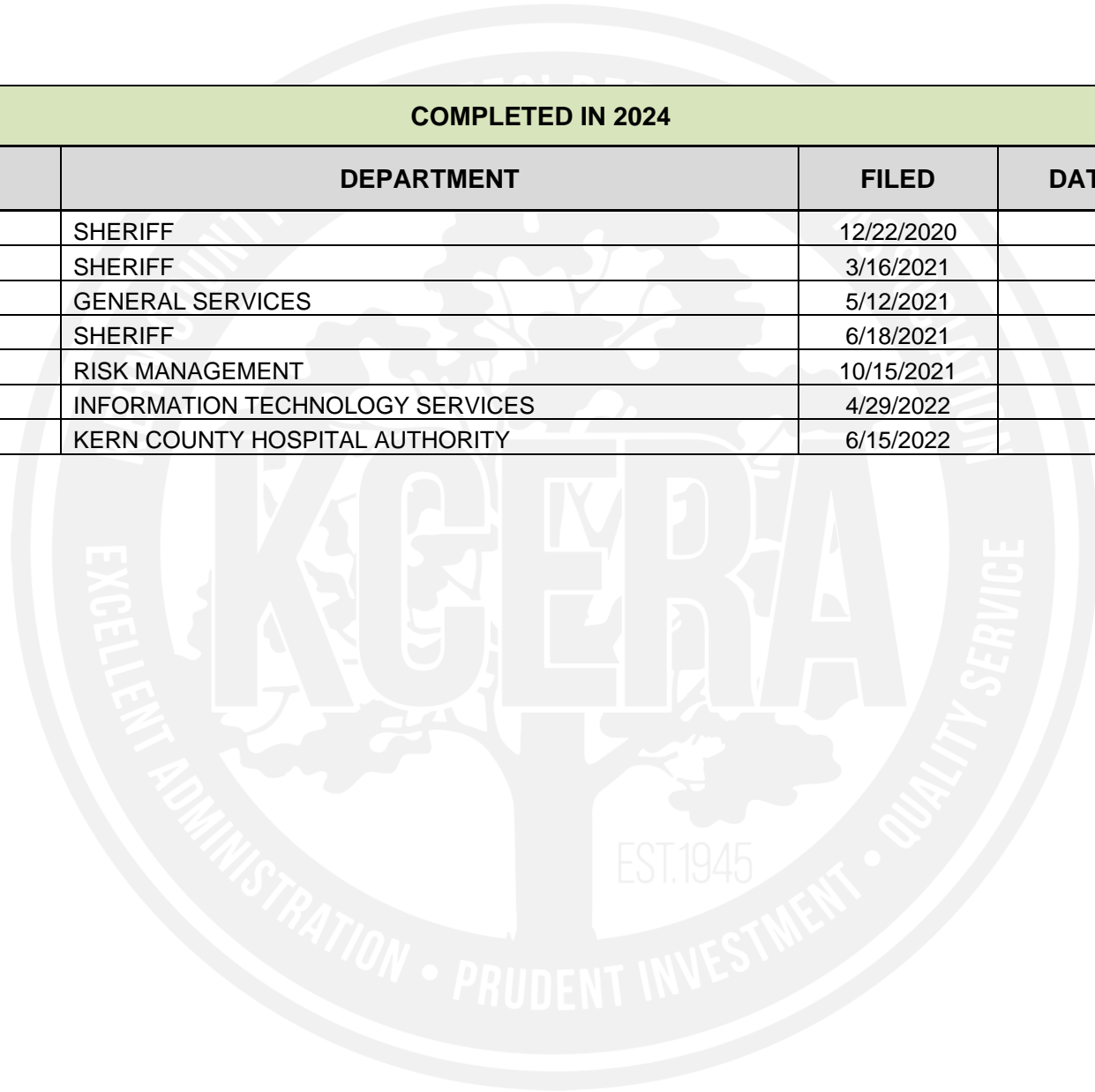
| NAME | PLAN SPONSOR/ DEPARTMENT | DATE FILED | DATE OF LAST CONTACT |
|-------------------------|---------------------------------------|-------------------|-----------------------------|
| Stewart, Emily | DEPARTMENT OF HUMAN SERVICES | 4/10/2024 | 4/23/2024 |
| Miarta, Erica | SUPERIOR COURT | 3/22/2024 | 4/5/2024 |
| Geissel, Zachary | FIRE | 2/28/2024 | 3/8/2024 |
| Wells, Michael | FIRE | 2/23/2024 | 3/8/2024 |
| Sutherland, Darrell | SHERIFF | 2/8/2024 | 2/26/2024 |
| Beyeler, Shawn | PUBLIC WORKS | 12/14/2023 | 2/23/2024 |
| NAME | PLAN SPONSOR/ DEPARTMENT | DATE FILED | MMRO ASSIGNED |
| Harbour, Leslie | SHERIFF | 11/13/2023 | 3/14/2024 |
| Brazeau, Bradley | FIRE | 10/23/2023 | 1/26/2024 |
| Lindley, Jeffrey | FIRE | 9/27/2023 | 1/12/2024 |
| De La Rosa, Alfred | SHERIFF | 9/18/2023 | 12/18/2023 |
| Rickels, Adam | SHERIFF | 8/11/2023 | 10/11/2023 |
| Stephan, Daren | PUBLIC WORKS | 7/7/2023 | 9/15/2023 |
| Norris, David | SHERIFF | 5/26/2023 | 8/11/2023 |
| Meeks, Sandra | BEHAVIORAL HEALTH & RECOVERY SERVICES | 5/1/2023 | 7/18/2023 |
| Fulmer, Evon | DEPARTMENT OF HUMAN SERVICES | 4/28/2023 | 7/18/2023 |
| Muniz, Linda | BEHAVIORAL HEALTH & RECOVERY SERVICES | 4/6/2023 | 6/26/2023 |
| Romero, Anthony | FIRE | 3/10/2023 | 6/19/2023 |
| Gonzalez-Lopez, Rebecca | DEPARTMENT OF HUMAN SERVICES | 3/9/2023 | 6/19/2023 |
| Guivas Smith, Loida | AGING AND ADULT SERVICES | 3/8/2023 | 6/19/2023 |
| Allen, Paul | SHERIFF | 2/22/2023 | 4/25/2023 |
| Miarta, Richard | SHERIFF | 2/10/2023 | 4/25/2023 |
| Harbour, Leslie | SHERIFF | 2/9/2023 | 4/25/2023 |
| Ramirez, Edward | SHERIFF | 2/7/2023 | 4/25/2023 |
| Lock, Ranna | SHERIFF | 2/1/2023 | 4/25/2023 |
| Inman Ferguson, Jill | KERN COUNTY SUPERIOR COURT | 1/24/2023 | 4/10/2023 |
| Monahan, Laura | KERN COUNTY WATER AGENCY | 1/3/2023 | 4/6/2023 |

**KCERA
STATUS OF DISABILITY RETIREMENT APPLICATIONS
AS OF APRIL 30, 2024**

| NAME | PLAN SPONSOR/ DEPARTMENT | DATE FILED | MMRO ASSIGNED |
|-----------------------------|---|-------------------|----------------------|
| Kimbrell, Tamara | SHERIFF | 11/29/2022 | 3/23/2023 |
| Dunlap, James | SHERIFF | 11/1/2022 | 2/8/2023 |
| Perez, Manuelita | PROBATION | 10/27/2022 | 1/17/2023 |
| Schmidt, Mark | FIRE | 10/26/2022 | 3/23/2023 |
| Yanez, Alfred | SHERIFF | 10/3/2022 | 2/10/2022 |
| Morrison, James | SHERIFF | 9/14/2022 | 12/19/2022 |
| Gregory, Dolores | SHERIFF | 8/16/2022 | 12/19/2022 |
| Smith, Clifton | FIRE | 8/15/2022 | 12/19/2022 |
| Cockrell, June | DEPARTMENT OF HUMAN SERVICES | 8/11/2022 | 10/18/2022 |
| Gaetzman, Travis | SHERIFF | 8/10/2022 | 11/22/2022 |
| Hartley-Anders, Kim | KERN COUNTY SUPERIOR COURT | 8/9/2022 | 11/22/2022 |
| Hudson, Richard | SHERIFF | 8/8/2022 | 11/22/2022 |
| Carrillo, Aaron | SHERIFF | 7/15/2022 | 9/30/2022 |
| Rice, Jerry | FIRE | 7/7/2022 | 11/22/2022 |
| Roden, Jim | SHERIFF | 6/22/2022 | 9/30/2022 |
| Rodriguez, Mark | FIRE | 6/21/2022 | 9/1/2022 |
| Pena, Armando | PROBATION | 5/27/2022 | 9/19/2022 |
| Hill, Sheldon | SHERIFF | 5/27/2022 | 8/19/2022 |
| Cano, Emma | BEHAVIORAL HEALTH AND RECOVERY SERVICES | 3/17/2022 | 8/19/2022 |
| Fussel, Kathy | KERN COUNTY HOSPITAL AUTHORITY | 11/3/2021 | 2/24/2022 |
| Kauffman, Stephen | DISTRICT ATTORNEY | 8/16/2021 | 4/25/2022 |
| Brannan, Derek | SHERIFF | 7/14/2021 | 11/22/2021 |
| Leon, Theresa | DEPARTMENT OF HUMAN SERVICES | 7/7/2021 | 10/18/2021 |
| Patton, Eric | SHERIFF | 6/30/2021 | 11/22/2021 |
| Sanders-Stubblefield, Misty | AGING AND ADULT SERVICES | 2/25/2021 | 8/20/2021 |
| McAdoo, John | SHERIFF | 2/24/2021 | 8/20/2021 |
| Fleeman, Justin | SHERIFF | 9/17/2020 | 2/8/2021 |
| Baker, Breanne | DEPARTMENT OF HUMAN SERVICES | 4/2/2020 | 9/29/2020 |

**KCERA
STATUS OF DISABILITY RETIREMENT APPLICATIONS
AS OF APRIL 30, 2024**

| COMPLETED IN 2024 | | | |
|-------------------|---------------------------------|------------|----------------|
| NAME | DEPARTMENT | FILED | DATE COMPLETED |
| Cushman, Harris | SHERIFF | 12/22/2020 | 2/14/2024 |
| Smith, Thomas Jr. | SHERIFF | 3/16/2021 | 2/14/2024 |
| Williams, Theron | GENERAL SERVICES | 5/12/2021 | 2/14/2024 |
| Introini, Jessica | SHERIFF | 6/18/2021 | 4/10/2024 |
| Guandique, Sandra | RISK MANAGEMENT | 10/15/2021 | 4/10/2024 |
| Gomez, Armando | INFORMATION TECHNOLOGY SERVICES | 4/29/2022 | 2/14/2024 |
| Fecke, Daniel | KERN COUNTY HOSPITAL AUTHORITY | 6/15/2022 | 3/13/2024 |



**KCERA
DISABILITY RETIREMENT APPLICATIONS APPEALS PENDING
AS OF APRIL 30, 2024**

| ADMINISTRATIVE HEARING | DEPARTMENT | DATE FILED | SDAG RECOMMENDATION | APPEAL RECEIVED | HEARING OFFICER ASSIGNED | STATUS |
|---------------------------|---|------------|---------------------|-----------------------|--------------------------|----------------------|
| Martinez de Moore, Brenda | BEHAVIORAL HEALTH AND RECOVERY SERVICES | 12/10/2018 | SDAG to deny SCD | 9/15/2023 | 10/3/2023 | With Hearing Officer |
| Candelaria, Valorie | DEPARTMENT OF HUMAN SERVICES | 6/23/2021 | SDAG to deny SCD | 12/21/2023 | 1/17/2024 | With Hearing Officer |
| Burchfield, James | PUBLIC WORKS | 11/17/2020 | SDAG to deny SCD | 1/12/2024 | 2/16/2024 | With Hearing Officer |
| Bankston, Josh | SHERIFF | 2/9/2021 | SDAG to deny SCD | 9/15/23; 1/19/2024 | 3/1/2024 | With Hearing Officer |

| HEARINGS COMPLETED IN 2024 | | | | | |
|----------------------------|------------|------------|----------------|--|--|
| NAME | DEPARTMENT | DATE FILED | DATE COMPLETED | | |

SECURITIES LENDING

Summary Earnings Report

Run Time: 08-Apr-2024 11:02 EDT
Date Range: 01-MAR-2024 To 31-MAR-2024
Location: Not specified
Currency: USD
Client ID: Not Specified
Master Client: CAKERN
Grouping Type: None
Level: Individually

| | Client ID | Average Contract Amount | Gross Earnings | DB Earnings | Client Earnings | Custody Account |
|----------------------------------|-----------|-------------------------|------------------|-----------------|------------------|-----------------|
| KNCTY - Harvest Midstream | CAKE18 | 7,906,814.02 | 26,210.73 | 2,358.97 | 23,851.76 | KNC15 |
| KNCTY - PIMCO Midstream | CAKE19 | 26,463,752.82 | 7,847.99 | 706.32 | 7,141.67 | KNC16 |
| KNCTY PIMCO Core Plus | CAKE07 | 20,780,454.80 | 5,614.72 | 505.32 | 5,109.40 | KNC11 |
| KNCTY PIMCO EMD | CAKE08 | 885,755.32 | 674.02 | 60.66 | 613.36 | KNC12 |
| KNTCY - Alliance Bernstein | CAKE15 | 21,247,397.98 | 6,100.33 | 549.03 | 5,551.30 | 2664130 |
| KNTCY - Geneva | CAKE16 | 11,837,797.24 | 3,197.20 | 287.75 | 2,909.45 | 2667336 |
| KNTCY - Western Asset MGMT Co 01 | CAKE03 | 6,153,401.53 | 2,495.07 | 224.56 | 2,270.52 | KNC06 |
| KNTCY - Western Asset MGMT Co 02 | CAKE04 | 41,314,469.86 | 24,272.67 | 2,184.54 | 22,088.13 | KNC08 |
| CCY Total USD: | | 136,589,843.57 | 76,412.73 | 6,877.15 | 69,535.58 | |
| Grand Total USD: | | | 76,412.73 | 6,877.15 | 69,535.58 | |

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KCERA ASSET ALLOCATION*
3/31/2024

| Manager Name | Type | \$(000) | Current Allocation | Target Percentage | Variance Over Target (Under Target) | Variance Over Target (Under Target) (\$000) |
|--|------------------------------|--------------------|--------------------|-------------------|-------------------------------------|---|
| AllianceBernstein | Small Cap Value | 97,452 | 1.7% | | | |
| Geneva Capital | Small Cap Growth | 58,975 | 1.0% | | | |
| Mellon Capital Management EB DV | Large Cap Passive | 640,105 | 11.1% | | | |
| PIMCO StockPlus | Large Cap Enhanced | 140,239 | 2.4% | | | |
| Total Domestic Equity | | \$936,771 | 16.2% | 12 - 28% | 16.2% | \$936,771 |
| American Century | International Small | 62,346 | 1.1% | | | |
| Cevian Capital III LP | International Large | 46,637 | 0.8% | | | |
| Dalton Japan Long Only | International Small | 57,029 | 1.0% | | | |
| Lazard Japanese Equity | International Large | 123,728 | 2.1% | | | |
| Mellon Capital Management-EB DV | International Large Passive | 438,412 | 7.8% | | | |
| Total International Developed Equity | | \$728,152 | 12.6% | 5 - 18% | 12.6% | \$728,152 |
| DFA Emerging Markets Value Portfolio | Emerging Markets | 89,884 | 1.6% | | | |
| Mellon Emerging Markets | Emerging Markets | 113,187 | 2.0% | | | |
| Total Emerging Market Equity | | \$203,071 | 3.5% | 0 - 9% | 3.5% | \$203,071 |
| TOTAL EQUITY | | \$1,867,994 | 32.4% | 33.0% | (0.6%) | (\$34,680) |
| Mellon Capital Management Ag Bond | Core | 165,192 | 2.9% | | | |
| PIMCO CP | Core Plus | 170,567 | 3.0% | | | |
| Western Asset Management - CP | Core Plus | 126,076 | 2.2% | | | |
| Total Core | | \$461,835 | 8.0% | 15.0% | (7.0%) | (\$403,017) |
| TCW Securitized Opportunities LP | Securitized Opportunities | 90,271 | 1.6% | | | |
| Western Asset Management - HY | High Yield | 170,604 | 3.0% | | | |
| PIMCO EM Beta | Emerging Markets | 157,126 | 2.7% | | | |
| Stone Harbor Global Funds | Emerging Markets | 40,754 | 0.7% | | | |
| Total Credit | | \$458,655 | 8.0% | 10.0% | (2.0%) | (\$117,913) |
| TOTAL FIXED INCOME | | \$920,490 | 16.0% | 25.0% | (9.0%) | (\$520,930) |
| Gresham Commodity Builder Fund | Active | 35,387 | 0.6% | | | |
| Wellington Trust Company (WTC) | Active | 183,275 | 3.2% | | | |
| TOTAL COMMODITIES | | \$218,662 | 3.8% | 4.0% | (0.2%) | (\$11,965) |
| Aristeia International Ltd | Hedge Fund - Direct | 74,142 | 1.3% | | | |
| Brevan Howard Fund Limited | Hedge Fund - Direct | 55,153 | 1.0% | | | |
| D.E. Shaw Composite Fund | Hedge Fund - Direct | 61,611 | 1.1% | | | |
| HBK Multi-Strategy Fund | Hedge Fund - Direct | 48,233 | 0.8% | | | |
| Hudson Bay Enhanced Fund LP | Hedge Fund - Direct | 82,506 | 1.4% | | | |
| Indus Pacific Opportunities Fund | Hedge Fund - Direct | 48,476 | 0.8% | | | |
| PIMCO Commodity Alpha Fund LLC | Hedge Fund - Direct | 79,895 | 1.4% | | | |
| Pharo Macro Fund LTD | Hedge Fund - Direct | 87,969 | 1.6% | | | |
| Sculptor Enhanced LP (Formerly OZ Domestic) | Hedge Fund - Direct | 45,599 | 0.8% | | | |
| TOTAL HEDGE FUND | | \$563,524 | 9.8% | 10.0% | (0.2%) | (\$13,044) |
| ASB Capital Management | Core | 143,593 | 2.5% | | | |
| JPMCB Strategic Property Fund | Core | 117,595 | 2.0% | | | |
| TOTAL CORE REAL ESTATE | | \$261,188 | 4.5% | 5.0% | (0.5%) | (\$27,096) |
| Davidson Kempner | Hedge Fund - Direct | 58,683 | 1.0% | | | |
| Garda Fixed Income | Hedge Fund - Direct | 64,004 | 1.1% | | | |
| HBK Multi-Strategy Fund | Hedge Fund - Direct | 37,056 | 0.6% | | | |
| Hudson Bay Enhanced Fund LP | Hedge Fund - Direct | 60,845 | 1.1% | | | |
| TOTAL CE ALPHA POOL | | \$220,588 | 3.8% | 8.0% | (4.2%) | (\$240,666) |
| Harvest Midstream | Midstream | 153,749 | 2.7% | | | |
| PIMCO Midstream | Midstream | 138,517 | 2.4% | | | |
| TOTAL MIDSTREAM ENERGY | | \$292,266 | 5.1% | 5.0% | 0.1% | \$3,982 |
| Aristeia Select Opportunities II LP | Opportunistic | 47,104 | 0.8% | | | |
| Hudson Bay Special Opportunities Fund | Opportunistic | 3,338 | 0.1% | | | |
| River Birch International Ltd | Opportunistic | 5,412 | 0.1% | | | |
| Sixth Street TAO Partners (B) | Opportunistic | 91,198 | 1.6% | | | |
| TOTAL OPPORTUNISTIC | | \$147,052 | 2.6% | 0.0% | 2.6% | \$147,052 |
| Abbott Capital Funds | Private Equity Fund of Funds | 14,752 | 0.3% | | | |
| Brighton Park Capital Fund I | Private Equity | 41,055 | 0.7% | | | |
| Brighton Park Capital Fund II | Private Equity | 3,392 | 0.1% | | | |
| Level Equity Growth Partners | Private Equity | 14,990 | 0.3% | | | |
| LGT Crown Global V & VI | Private Equity | 38,593 | 0.7% | | | |
| Linden Capital Partners | Private Equity | 17,839 | 0.3% | | | |
| Pantheon Funds | Private Equity Fund of Funds | 7,682 | 0.1% | | | |
| Parthenon Investors VII | Private Equity | 419 | 0.0% | | | |
| Peak Rock | Private Equity | 15,453 | 0.3% | | | |
| OrbilMed Private Investments IX | Private Equity | 1,929 | 0.0% | | | |
| Rubicon Technology Partners IV | Private Equity | 9,891 | 0.2% | | | |
| Vista Foundation Fund IV | Private Equity | 19,136 | 0.3% | | | |
| Warren Equity Partners Fund III and Fund IV | Private Equity | 48,727 | 0.8% | | | |
| TOTAL PRIVATE EQUITY | | \$233,658 | 4.1% | 5.0% | (0.9%) | (\$54,626) |
| Ares Pathfinder Fund II | Private Credit | 3,662 | 0.1% | | | |
| Blue Torch Credit Opportunites II | Private Credit | 15,532 | 0.3% | | | |
| Blue Torch Credit Opportunites Fund III | Private Equity | 25,575 | 0.4% | | | |
| Brookfield Real Estate Finance Fund V | Private Credit | 12,860 | 0.2% | | | |
| Cerberus Levered Loan Opportunites Fund V LP | Private Credit | 17,970 | 0.3% | | | |
| Colony Distressed Credit Fund | Private Credit | 17,347 | 0.3% | | | |
| Fortress Credit Opportunites Fund V | Private Credit | 24,708 | 0.4% | | | |
| Fortress Lending Fund II (A) | Private Credit | 27,336 | 0.5% | | | |
| Fortress Lending Fund III (A) | Private Credit | 28,069 | 0.5% | | | |
| H.I.G. BaySide Loan Opportunity Fund | Private Credit | 44,593 | 0.8% | | | |
| ITE Rail Fund LP | Private Credit | 20,000 | 0.3% | | | |
| Magnetar Constellation Fund V | Private Credit | 24,959 | 0.4% | | | |
| Oak Hill Advisors Structured Products Fund III LP | Private Credit | 12,486 | 0.2% | | | |
| OrbilMed Royalty & Credit Opportunites IV | Private Credit | 6,804 | 0.1% | | | |
| Silver Point Specialty Credit Fund III | Private Credit | 9,721 | 0.2% | | | |
| Sixth Street TAO Partners (B) | Private Credit | 42,299 | 0.7% | | | |
| WEP IV TS Co-Investment LP | Private Credit | 7,236 | 0.1% | | | |
| TOTAL PRIVATE CREDIT | | \$342,187 | 5.9% | 8.0% | (2.1%) | (\$119,097) |
| Covenant Apartment Fund X | Private Real Estate | 30,237 | 0.5% | | | |
| Covenant Apartment Fund XI | Private Real Estate | 19,509 | 0.3% | | | |
| Invesco Real Estate Funds III & IV | Private Real Estate | 509 | 0.0% | | | |
| Juniper Capital IV LP & Juniper High Noon Partners | Private Real Estate | 8,424 | 0.1% | | | |
| KSL Capital Partners VII LP and ITS Parallel Funds | Private Real Estate | 5,344 | 0.1% | | | |
| LBA Logistics Value Fund IX | Private Real Estate | 15,800 | 0.3% | | | |
| Landmark Real Estate Partners VIII & IX | Private Real Estate | 33,893 | 0.6% | | | |
| Long Wharf Real Estate Partners VI | Private Real Estate | 34,458 | 0.6% | | | |
| Merit Hill Self-Storage V LP | Private Real Estate | 14,801 | 0.3% | | | |
| Singerman Real Estate Opportunity Fund IV | Private Real Estate | 15,393 | 0.3% | | | |
| TOTAL PRIVATE REAL ESTATE | | \$178,368 | 3.1% | 5.0% | (1.9%) | (\$109,916) |
| Northern Trust STIF | Short Term | 166,314 | 2.9% | | | |
| BlackRock Short Duration | Short Term | 241,992 | 4.2% | | | |
| Parametric | Overlay | 93,069 | 1.6% | | | |
| Treasurers Pooled Cash | Short Term | 16,534 | 0.3% | | | |
| Wells Fargo Bank | Short Term | 5,574 | 0.1% | | | |
| TOTAL CASH AND OVERLAY | | \$519,483 | 8.9% | -8.0% | 17.0% | \$980,737 |
| Transition Accounts | Liquidation | 249 | 0.0% | | | |
| Other | | \$249 | 0.0% | 0.0% | 0.0% | \$249 |
| As Allocated to Managers ** | | \$5,765,660 | 100.0% | 100.0% | (0.0%) | (\$0) |

*This report reflects the strategic asset allocation policy adopted by the Board of Retirement September 2023.

**Physical securities market value only. Does not include notional market values of the overlay or capital efficiency program

KCERA
CASH FLOW POSITION
MARCH, 2024
TREASURERS POOLED CASH

| | | | |
|--------------------------------|--------------|-----------|---------------------|
| Beginning Cash Balance: | | \$ | 1,851,733 |
| Employer Contributions | 41,730,235 | | |
| Employee Contributions | 6,052,205 | | |
| Service Purchases | 99,618 | | |
| Miscellaneous | 79,047.78 | | |
| Total Receipts: | | | 47,961,106 |
| Operating Expenses | (647,262) | | |
| Investment Expenses | (631,525) | | |
| Transfers-out | (32,000,000) | | |
| Total Disbursements: | | | (33,278,787) |
| Ending Cash Balance: | | | 16,534,052 |

NORTHERN TRUST

| | | | |
|-----------------------------------|-------------|-----------|---------------------|
| Beginning Cash Balance: | | \$ | 152,876,432 |
| Private Markets - Distributions | 6,638,142 | | |
| Commingled Funds - Distributions | 2,626,289 | | |
| Hedge Funds - Distributions | 1,551 | | |
| Redemption Harvest Midstream | 10,000,000 | | |
| Redemption PIMCO Midstream | 15,000,000 | | |
| Dividend and Interest Income | 4,663,088 | | |
| Class Action Proceeds | 1,172 | | |
| Interest | 744,153 | | |
| Securities Lending Earnings (NET) | 90,434 | | |
| Total Receipts: | | | 39,764,830 |
| Capital Calls Hudson Bay | (1,478,594) | | |
| Capital Calls Juniper | (8,424,099) | | |
| Capital Calls Covenant | (2,400,000) | | |
| Capital Calls Landmark | (1,162,127) | | |
| Capital Calls Vista | (2,102,151) | | |
| Capital Calls Silver Point | (1,056,199) | | |
| Capital Calls Sixth Street | (1,542,005) | | |
| Capital Calls Cerberus | (1,554,661) | | |
| Capital Calls Crown Global | (1,650,000) | | |
| Capital Calls Brighton Park | (636,834) | | |
| Capital Calls Fortress | (1,600,000) | | |
| Capital Calls Level Equity | (435,712) | | |
| Other Expenses | (13,255) | | |
| Transfers-out | (3,000,000) | | |
| Total Disbursements: | | | (27,055,637) |
| Ending Cash Balance: | | \$ | 165,585,625 |

**KCERA
CASH FLOW POSITION
MARCH, 2024**

WELLS FARGO BANK

| | | |
|-------------------------------|--------------|----------------------------|
| Beginning Cash Balance | | \$ 2,336,512 |
| Transfer In Northern Trust | 3,000,000 | |
| Transfer In TPC - County | 32,000,000 | |
| ACH Returns / Deletes | 14,805 | |
| Total Receipts: | | 35,014,805 |
| ACH Benefit Payments | (31,242,181) | |
| Total Checks Paid | (222,877) | |
| Taxes Withholding Deposits | (4,311,540) | |
| Bank Services | (682) | |
| Total Disbursements: | | (35,777,280) |
| WFB ending Balance | | <u>\$ 1,574,038</u> |

**KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT FEES CASH FLOW REPORT
FOR THE MONTH ENDED MARCH, 2024**

| Description | July | August | September | October | November | December | January | February | March | Total |
|--|-----------------|---------------------|-------------------|---------------------|-------------------|-------------------|-------------------|---------------------|-------------------|---------------------|
| Investment Base Fees: | | | | | | | | | | |
| Domestic Equity: | | | | | | | | | | |
| AllianceBernstein | | | | 145,101.55 | | | 163,911.53 | | | 309,013.08 |
| Henderson Geneva Capital | | 95,077.00 | | | 97,284.00 | | | 94,438.00 | | 286,799.00 |
| Mellon Capital | | | | | 64,654.57 | | | 64,248.35 | | 128,902.92 |
| International Equity: | | | | | | | | | | |
| BlackRock | | | 90,670.26 | | | | | | | 90,670.26 |
| Lazard | | | | | | | | 54,280.41 | | |
| Fixed Income: | | | | | | | | | | |
| Mellon Capital (Ag Bond) | | | | | 10,962.57 | | | 11,418.67 | | 22,381.24 |
| Pacific Investment Management Company | | 275,622.93 | | | 309,236.21 | | | 319,961.03 | 262,275.14 | 1,167,095.31 |
| Western Asset Management | | | | 165,649.45 | | | | 165,646.04 | | 331,295.49 |
| Commodities: | | | | | | | | | | |
| Wellington Trust Company | | 312,457.14 | | 350,207.54 | | | | | | 662,664.68 |
| Real Estate: | | | | | | | | | | |
| ASB Capital Management | | 319,553.46 | | | 305,430.29 | | | 280,535.35 | | 905,519.10 |
| Midstream Energy: | | | | | | | | | | |
| Harvest Midstream | | | | 301,649.30 | | | 273,661.79 | | | 575,311.09 |
| Overlay | | | | | | | | | | |
| Parametric | | 74,523.00 | | | 75,233.00 | | | 70,085.00 | | 219,841.00 |
| Subtotal | 0.00 | 1,077,233.53 | 90,670.26 | 962,607.84 | 862,800.64 | 0.00 | 437,573.32 | 1,060,612.85 | 262,275.14 | 4,753,773.58 |
| Investment Professional Fees: | | | | | | | | | | |
| Consulting: | | | | | | | | | | |
| Abel Noser | | | 7,875.00 | | | 7,875.00 | | 7,875.00 | | 23,625.00 |
| Albourne America LLC | | 33,333.33 | 33,333.33 | 33,333.33 | 33,333.33 | 33,333.33 | 46,283.33 | 33,333.33 | 33,333.33 | 279,616.64 |
| Cambridge Associates | | | 187,500.00 | | | 187,500.00 | | | 187,500.00 | 562,500.00 |
| Glass, Lewis & Co. | 7,950.00 | | | | | | | | | 7,950.00 |
| Nasdaq Evestment | | | | | | | 39,000.00 | | | |
| Two Sigma | | 11,250.00 | | 11,250.00 | | | 11,250.00 | | | 33,750.00 |
| Verus | | 34,166.67 | 34,166.67 | 34,166.67 | 34,166.67 | 34,166.67 | 34,166.67 | 34,166.67 | 34,166.67 | 273,333.36 |
| Consulting - Other Expenses | | | | | | | | | | 0.00 |
| Custodial: | | | | | | | | | | |
| The Northern Trust Co. | | | | 121,666.67 | | | | | 114,250.00 | 235,916.67 |
| Legal: | | | | | | | | | | |
| Foley & Lardner LLP | | | | | | | | | | 0.00 |
| Hanson Bridgett LLP | | | | | | | | | | 0.00 |
| Nossaman LLP | | 8,983.50 | 82,779.00 | | 20,000.00 | 52,183.00 | | 25,000.00 | | 188,945.50 |
| Due Diligence / Investment-Related Travel: | | | | | | | | | | |
| | | | | | 2,713.91 | | | | | |
| Subtotal | 7,950.00 | 87,733.50 | 345,654.00 | 200,416.67 | 90,213.91 | 315,058.00 | 130,700.00 | 100,375.00 | 369,250.00 | 1,647,351.08 |
| Total Investment Fees | 7,950.00 | 1,164,967.03 | 436,324.26 | 1,163,024.51 | 953,014.55 | 315,058.00 | 568,273.32 | 1,160,987.85 | 631,525.14 | 6,401,124.66 |

KCERA
Operating Expense Budget Status Report
For the Month Ended March 31, 2024

| Expense Type | Budget FY 2023/24 | Expenses | Over (Under) |
|---------------------------------------|----------------------|---------------------|-----------------------|
| Staffing | | | |
| Salaries | 4,215,888.00 | \$2,600,399.18 | (1,615,488.82) |
| Benefits | 2,655,190.00 | 1,464,588.84 | (1,190,601.16) |
| Staffing Total | 6,871,078.00 | 4,064,988.02 | (2,806,089.98) |
| Staff Development | | | |
| Education & Professional Development | 120,000.00 | \$46,391.18 | (73,608.82) |
| Staff Appreciation | 4,000.00 | \$2,711.09 | (1,288.91) |
| Staff Development Total | 124,000.00 | 49,102.27 | (74,897.73) |
| Professional Fees | | | |
| Actuarial fees | 100,000.00 | \$82,094.00 | (17,906.00) |
| Audit fees | 98,275.00 | \$45,200.00 | (53,075.00) |
| Consultant fees | 115,000.00 | \$101,065.00 | (13,935.00) |
| Legal fees | 70,000.00 | \$68,469.16 | (1,530.84) |
| Professional Fees Total | 383,275.00 | 296,828.16 | (86,446.84) |
| Office Expenses | | | |
| Building expenses | 124,000.00 | \$101,763.16 | (22,236.84) |
| Communications | 84,062.00 | \$46,434.80 | (37,627.20) |
| Equipment lease | 12,000.00 | \$8,361.34 | (3,638.66) |
| Equipment maintenance | 10,100.00 | \$6,898.66 | (3,201.34) |
| Memberships | 20,000.00 | \$10,765.00 | (9,235.00) |
| Office supplies & misc. admin. | 80,000.00 | \$35,785.90 | (44,214.10) |
| Payroll & accounts payable fees | 25,000.00 | \$5,803.41 | (19,196.59) |
| Other Services - Kern County | 40,000.00 | \$32,801.83 | (7,198.17) |
| Postage | 20,000.00 | \$13,441.26 | (6,558.74) |
| Subscriptions | 15,000.00 | \$9,386.66 | (5,613.34) |
| Utilities | 30,000.00 | \$38,606.77 | 8,606.77 |
| Office Expense Total | 460,162.00 | 310,048.79 | (150,113.21) |
| Insurance | 173,384.00 | \$179,620.27 | 6,236.27 |
| Member Services | | | |
| Disability - administration MMRO | 200,000.00 | \$221,583.69 | 21,583.69 |
| Member Services Total | 200,000.00 | 221,583.69 | 21,583.69 |
| Systems | | | |
| Audit – security & vulnerability scan | 15,000.00 | \$9,670.00 | (5,330.00) |
| Business continuity expenses | 16,050.00 | \$9,176.92 | (6,873.08) |
| Hardware | 37,420.00 | \$36,427.68 | (992.32) |
| Licensing & support | 140,780.00 | \$126,237.60 | (14,542.40) |
| Software | 217,600.00 | \$131,794.40 | (85,805.60) |
| Website design & hosting | 13,200.00 | \$11,099.99 | (2,100.01) |
| Systems Total | 440,050.00 | 324,406.59 | (115,643.41) |
| Board of Retirement | | | |
| Board compensation | 12,000.00 | \$6,000.00 | (6,000.00) |
| Board conferences & training | 50,000.00 | \$14,814.47 | (35,185.53) |
| Board elections | - | - | - |
| Board meetings | 8,500.00 | \$2,417.54 | (6,082.46) |
| Board of Retirement Total | 70,500.00 | 23,232.01 | (47,267.99) |
| Depreciation / Amortization | 42,651.00 | \$51,305.40 | 8,654.40 |
| Total Operating Expenses | 8,765,100.00 | 5,521,115.20 | (3,243,984.80) |

◆ Class Action Activity Detail by Event Name

| Class Action Name | Event Status | Event Status As Of | Class Start Class End | Filing Deadline | Objection/ Exclusion Deadline | Claims Admin Name | Web Address |
|---|--------------------|--------------------|-----------------------|-----------------|-------------------------------|--------------------------|-----------------------------------|
| RECONNAISSANCE ENERGY AFRICA LTD. (CAN) | NOTIFIED | 18 Apr 24 | 29 May 20 | | 27 May 24 | Berger Montague (Canada) | bergermontague.ca/cases/reconnais |
| | INFORMATIONAL ONLY | | 07 Sep 21 | | 27 May 24 | PC | sance-e |

| Account Notified/Filed | Account Notified/Filed Name | Claim Status as of Date/ Claim Status | Account Paid | Account Paid Name | Amount Currency | Distribution/ Type | Date Distributed |
|------------------------|--------------------------------|---------------------------------------|--------------|-------------------|-----------------|--------------------|------------------|
| KNC10 | KNCTY-PYRAMIS SELECTINTL SMALL | 18 Apr 24 INFORMATIONAL ONLY | | | | | |
| KNC15 | KNCTY - HARVEST MIDSTREAM | 18 Apr 24 INFORMATIONAL ONLY | | | | | |
| KNC16 | KNCTY - PIMCO MIDSTREAM | 18 Apr 24 INFORMATIONAL ONLY | | | | | |

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

My Report Library

Class Action Proceeds by Account

| Account Paid | Account Paid Name | Class Action Name | Gross Amount Paid | Net Amount Paid | Service Charge | Processing Charge | Currency | Date Distributed |
|------------------|--------------------------|----------------------------------|-------------------|-----------------|----------------|-------------------|----------|------------------|
| 2608468 | KNCTY-CASH ACCOUNT | ALLERGAN PLC(FKA ACTAVIS PLC) | 1,145.87 | 1,145.87 | 0.00 | 0.00 | USD | 22 Mar 24 |
| 2608468 | KNCTY-CASH ACCOUNT | ARTHROCARE DOJ REMISSION FUND | 1,370.43 | 1,370.43 | 0.00 | 0.00 | USD | 05 Jan 24 |
| Sub Total | 2608468 | and Currency USD | 2,516.30 | 2,516.30 | 0.00 | 0.00 | | |
| KNC08 | KNCTY-WESTERN ASSET MGMT | UNITI GROUP INC. FKA COM SALES & | 177.35 | 177.35 | 0.00 | 0.00 | USD | 04 Mar 24 |
| Sub Total | KNC08 | and Currency USD | 177.35 | 177.35 | 0.00 | 0.00 | | |

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SPECIAL PAY CODE CLASSIFICATIONS

SPECIAL PAY CODES – PENSIONABLE AND NON-PENSIONABLE

| Dept./BU | Code | Title | Details | Legal Authority |
|----------|------|--|--|--|
| KCHA | GF | Resp Therapy Clinical Ladder INCLUDED FOR LEGACY MEMBERS EXCLUDED FOR PEPRA MEMBERS | Premium pay for employees applying and being approved for clinical ladder program for Respiratory Therapists 2%-4%-6%-8% 4/2/24 Letter from S. Thygerson, CEO, re approval of special pay; Hospital Authority Reso. 2017-007. | <i>Not excluded by Cal. Gov. Code section 31461; Excluded by Cal. Gov. Code section 7522.34(a), 7522.34(c)(1),(7),(10)-(12).</i> |

THE FOLLOWING SPECIAL ALLOWANCE DESIGNATIONS DISPLAY THE SPECIAL ALLOWANCES CLASSIFIED BY THE CHIEF EXECUTIVE OFFICER PURSUANT TO KCERA BOARD'S ADMINISTRATION OF SPECIAL ALLOWANCES POLICY & CA SUPREME COURT ALAMEDA DECISION (7/30/2020)

COMPENSATION EARNABLE

THE FOLLOWING SPECIAL ALLOWANCES ARE CONSIDERED COMPENSATION EARNABLE FOR APPLICABLE MEMBERS (MEMBERSHIP BEFORE 1/1/2013).

| <u>SPECIAL ALLOWANCE</u> | |
|--------------------------|------------------------------|
| <u>CODE</u> | <u>FULL LEGEND</u> |
| GF | Resp Therapy Clinical Ladder |

PENSIONABLE COMPENSATION

THE FOLLOWING SPECIAL ALLOWANCES ARE NOT CONSIDERED PENSIONABLE COMPENSATION FOR APPLICABLE MEMBERS (MEMBERSHIP ON OR AFTER 1/1/2013).

| <u>SPECIAL ALLOWANCE</u> | |
|--------------------------|------------------------------|
| <u>CODE</u> | <u>FULL LEGEND</u> |
| GF | Resp Therapy Clinical Ladder |



SACRS
Spring Conference
Annual Business Meeting 2024

Friday, May 10, 2024
10:15 am – 11:30 am
Santa Barbara Ballroom

Hilton Santa Barbara Beachfront Resort
Santa Barbara, CA



Vision, Mission, Core Values

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

Statement of Purpose

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

Mission Statement

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

Core Values

Teamwork

Integrity

Education

Service and Support



SACRS Business Meeting Agenda
Friday, May 10, 2024
10:15 AM – 11:30 AM
Hilton Santa Barbara Beachfront Resort
Santa Barbara, CA
Santa Barbara Ballroom

SACRS Parliamentarian – David Lantzer, San Bernardino CERA
SACRS Sergeant at Arms – Brian Williams, Sonoma CERA

1. SACRS System Roll Call

Zandra Cholmondely, Santa Barbara CERS, SACRS Secretary

2. SACRS Secretary's Report - Receive and File

Zandra Cholmondely, Santa Barbara CERS, SACRS Secretary

- A. SACRS Business Meeting Minutes November 2023

3. SACRS Treasurer's Report - Receive and File

Jordan Kaufman, Kern CERA, SACRS Treasurer

- A. July 2023 – January 2024 Financials

4. SACRS President Report - No Action

David MacDonald, Contra Costa CERA, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Report – No Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA, SACRS Legislative Committee Co-Chairs

- A. Legislative Committee Report

6. SACRS Nomination Committee Report - Action

Vivian Gray, Los Angeles CERA, SACRS Nomination Committee Chair

- A. SACRS Board of Directors Elections 2024-2025

7. SACRS Audit Committee Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS Audit 2022-2023 Report



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. Education Committee Report

9. SACRS Program Committee Report – No Action

Adele Tagaloa, Orange CERS, SACRS Program Committee Chair

- A. Program Committee Report

10. SACRS Affiliate Committee Report – No Action

JoAnne Svendsgaard, Adrian Lee & Partners, SACRS Affiliate Committee Chair

- A. Affiliate Committee Report

11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Report

12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give a verbal report on their meetings. No printed materials for this item.

- A. Administrators – Thomas Stadelmaier, Stanislaus CERA
- B. Affiliates – JoAnne Svendsgaard, Affiliate Committee Chair
- C. Attorneys – Barbara Hannah and David Lantzer, San Bernardino CERA
- D. Disability/ Operations & Benefits Combo – Theodore King, Los Angeles CERA
- E. Internal Auditors – Harsh Jadhav, Alameda CERA
- F. Investment Officers – Donald Pierce, San Bernardino CERS
- G. Safety Trustees – Brian Williams, Sonoma CERS
- H. General Trustees – Adele Tagaloa, Orange CERS

13. Adjournment

Next scheduled SACRS Business Meeting will be held on Friday, November 15, 2024. The meeting will be held at the Hyatt Regency Monterey Hotel and Spa during SACRS Annual Fall Conference November 12 – 15, 2024.



1. Roll Call

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

Roll Call of the 20 SACRS Retirement Systems.

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



1. SACRS System Roll Call

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

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



2. SACRS Secretary's Report - Receive and File

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

- A. SACRS Business Meeting Minutes November 2023



SACRS Business Meeting Minutes
Friday, November 10, 2023
10:15 AM – 11:30 AM
Omni Rancho Las Palmas Resort & Spa
Rancho Mirage, CA
Las Palmas Ballroom

SACRS Parliamentarian – David Lantzer, San Bernardino CERA

Sergeant at Arms – Brian Williams, Sonoma CERA

Meeting called to order at 10:30 am

1. SACRS System Roll Call

Zandra Cholmondely, Santa Barbara CERS, SACRS Secretary

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

2. Secretary's Report - Receive and File

Zandra Cholmondely, Santa Barbara CERS, SACRS Secretary

A. Spring 2023 SACRS Business Meeting Minutes

Motion: A motion to approve the SACRS Spring 2023 Business Meeting Minutes was made by Fresno CERA.

2nd: Sonoma CERA

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

No: 0

Abstain: 0

Motion passes 20-0-0

3. Treasurer's Report - Receive and File

Jordan Kaufman, Kern CERA, SACRS Treasurer

A. July – August 2023 Financials

Discussion: Jordan Kaufman gave a verbal and written report on SACRS July – August 2024 Financials. To help generate revenue, SACRS Board of Directors factored in a sponsorship program for the Spring and Fall conferences in 2024. Due to covid 2019-2021 reduced participation at conferences, the Board has had to utilize reserved funds to help fund conferences. The goal of the Board in the coming year is to build back up the reserves to comply with the Cash Management Policy.



Motion: A motion to approve the SACRS Financial report was made by San Diego CERA.

2nd: Fresno CERA

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

No: 0

Abstain: 0

Motion passes 20-0-0

4. SACRS President Report - No Action

David MacDonald, Contra Costa CERA, SACRS President

A. SACRS President Update. Verbal report, no printed materials for this item.

Discussion: David MacDonald, SACRS President, gave a verbal report on the current conference and the upcoming 70th Anniversary Celebration in 2024. He would like to see more system participation by Trustees and invited the Systems to send in highlights and important milestones to SACRS administration for inclusion in the program.

5. SACRS Legislative Committee Update – Action Item

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

A. 2023 Legislative Report – **No Action**

B. 2024 Legislative Proposals – **Action Item**

Discussion: Dave Nelsen and Eric Stern gave verbal and written report on the past legislative session and the proposal for 2024 SACRS Legislative platform. The SACRS Legislative Committee has developed a legislative package for consideration in the upcoming 2024 legislative session. These proposals reflect the input of SACRS member systems and are intended to provide technical and administrative clarity to various sections of the County Employees Retirement Law of 1937 (CERL or '37 Act).

Proposed amendments to the CERL include the following:

- Clarification that a retiree's pension payment can be deposited in a trust account controlled by that member. This is not intended to change the statutory intent that an ongoing pension payment must be made to a natural person; however, the amendment provides uniformity to an issue that has been interpreted differently across the '37 Act systems. SACRS' tax counsel from the Hanson Bridgett law firm has reviewed the language for appropriateness and compliance with federal and California law.
- Authority for a Board of Retirement to make payments to retirees through a prepaid account (like a debit card). This amendment is intended to accommodate retirees who may not have a traditional checking or savings account, leaving the only option to receive regular pension payments through paper check by mail or in-person. The COVID-19 pandemic and past natural disasters have shown that



the use of paper checks can be adversely affected in delivering promised benefits. This amendment only authorizes the system to utilize prepaid accounts as a payment method; it does not mandate it.

- Removal of requirement for a certified mail “return receipt” when sending notices to terminated members or beneficiaries that they have contributions or unclaimed benefits remaining with the system. Though IRS regulations require registered or certified mail for locating members and beneficiaries, the “return receipt” language found in the CERL is not an IRS requirement and reflects an outdated practice. Certified mail now allows the sender to electronically track the letter at significant cost savings.
- Direction for retirement systems to take certain actions when retired members exceed the 960-hour post-retirement employment limit. The proposed amendments would require the system to offset the member’s retirement allowance by the equivalent excess hours paid above 960 hours to ensure that the retired member is not receiving a pension and a salary outside of the prescribed limit. These amendments do not preclude retirement system from also reinstating the member into active service as the system deems necessary.

Motion: A motion to approve Item 5B SACRS 2024 Legislative Proposal was made by Fresno CERA.

2nd: Mendocino CERA

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

No: Kern CERA

Abstain: 0

Motion passes 20-1-0

6. SACRS Nomination Committee – No Action

Vivian Gray, Los Angeles CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2024-2025

Discussion: Discussion only, no action. Vivian Gray, SACRS Immediate Past President and Nomination Committee Chair, asked the Systems to alert staff and trustees that might be interested in serving on the Board, that the elections begin January 1, 2024.

7. SACRS Audit Report – No Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. Audit Committee report. Verbal report, no printed materials for this item.

Discussion: Discussion only, no action. SACRS Staff reported that the annual audit will be presented to the Board in January 2024 and presented to the membership at the Spring 2024 Business Meeting.



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Fall Conference 2023 report. Verbal update, no printed materials for this item.

Discussion: Discussion only, no action. JJ Popowich provided a verbal report of the Education committee meeting and review of all sessions. JJ reported that the group thought it was a great conference, recognized the effort the Committee has made in presenting a diverse speaker roster. The addition of moderator Kellie DeMarco has elevated the general sessions and the overall conference. The overall sentiment was that they would have enjoyed more time in the AI session and Jamal Cyber session. The Committee will provide a full report to the Board in January 2024.

9. SACRS Program Committee Report – No Action

Adele Tagaloa, Orange CERS, SACRS Program Committee Chair

- A. Program Committee report. Verbal update, no printed materials for this item.

Discussion: Discussion only, no action. Adele Tagaloa thanked the committee members and welcome feedback via the evaluations online. Excited to include the Systems in the 70th Anniversary Celebrations.

10. SACRS Affiliate Committee Report – No Action

JoAnne Svensgaard, SACRS Affiliate Committee Chair

- A. Affiliate Committee report. Verbal update, no printed materials for this item.

Discussion: Discussion only, no action. JoAnne Svensgaard provided a verbal update on the Affiliate breakout and the new affiliate members. She announced that nominations to be on the Affiliate Committee will open in January 2024. Qualified members may submit their interest via the online portal on SACRS website. The selection process is available in the Affiliate Guidelines for those that want more information, or feel free to contact her directly. She also announced that her term is expiring and that she would be stepping down as the Chair of the Committee.

11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee report. Verbal update, no printed materials for this item.

Discussion: Anticipate Bylaws amendments in 2024 to clean up current language for the committees, and election cycle for the Affiliates.



12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give a verbal report on their meetings. No printed materials for this item.

- A. Administrators – Eric Stern, Sacramento CERS reported that the administrators discussed. Thomas Stadelmaier, Stanislaus CERA will serve as the Spring 2024 moderator.
- B. Attorneys – Aaron Zaheen, Tulare CERA reported that the group had an enjoyable conversation, discussed cyber fraud, web accessibility and Brown Act. Barbara Hannah and David Lantzer will serve as the Spring 2024 moderators.
- C. Disability/ Operations & Benefits Combo – Carlos Barrios, Alameda CERA reported that they had a great discussion, talked about secure higher survivor benefits, safety members having better support, Contra Costa disability classification. Louis Gittens, Los Angeles CERA will serve as the Spring 2024 moderator.
- D. Internal Auditors – No report
- E. Investment Officers – No report
- F. Safety Trustees – Brian Williams, Sonoma CERA reported that they had new members attend the breakout and the conference. Brian volunteered to serve as the moderator at the Spring 2024 session.
- G. General Trustees – Adele Tagaloo, Orange CERS reported that the Trustees discussed governance and had a robust roundtable discussion . Adele volunteered to serve as the moderator at the Spring 2024 session.

13. Adjournment

Next scheduled SACRS Business Meeting will be held Friday, May 10, 2024, at the Hilton Santa Barbara Beachfront Resort, Santa Barbara, CA.

Motion: A motion to adjourn the meeting at 10:54 am was made by Santa Barbara CERS.

2nd: Fresno CERA

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

No: 0

Abstain: 0

Motion passes 20-0-0



3. SACRS Treasurer's Report - Receive and File

Jordan Kaufman, Kern CERA, SACRS Treasurer

A. July 2023 – January 2024 Financials

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet
As of January 31, 2024

ASSETS

Current Assets

Checking/Savings

| | |
|---------------------------------------|------------|
| 1000 · First Foundation Bank-Checking | 102,263.60 |
| 1001 · BofA Interest Checking 4389 | 6,646.59 |
| 1002 · First Foundation Bank ICS Acct | 7,626.58 |

Total Checking/Savings 116,536.77

Other Current Assets

| | |
|----------------------------------|------------|
| 1100 · CalTrust - Medium Term | 522,082.46 |
| 1107 · CalTrust Liquidity Fund | 8,836.81 |
| 1110 · CAMP-SACRS Liquidity Fund | 520,838.38 |
| 1201 · Deposits in Transit | -45.00 |

Total Other Current Assets 1,051,712.65

Total Current Assets 1,168,249.42

TOTAL ASSETS 1,168,249.42

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

| | |
|-------------------------------------|----------|
| 2201 · First Foundation Master Card | 1,558.77 |
|-------------------------------------|----------|

Total Credit Cards 1,558.77

Total Current Liabilities 1,558.77

Total Liabilities 1,558.77

Equity

| | |
|---------------------------|--------------|
| 32000 · Retained Earnings | 1,266,654.18 |
|---------------------------|--------------|

Net Income -99,963.53

Total Equity 1,166,690.65

TOTAL LIABILITIES & EQUITY 1,168,249.42

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July 2023 through January 2024

| | PAST YEAR | GENERAL | FUTURE YEAR | TOTAL |
|--|------------------|---------------------|-------------|---------------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 4100 · Membership Dues | | | | |
| 4101 · Affiliates | 0.00 | 294,250.00 | 0.00 | 294,250.00 |
| 4102 · Non Profit - Organizations | 0.00 | 3,000.00 | 0.00 | 3,000.00 |
| 4103 · Non Profit - Systems | 0.00 | 10,800.00 | 0.00 | 10,800.00 |
| 4104 · Systems - Medium | 0.00 | 52,000.00 | 0.00 | 52,000.00 |
| 4105 · Systems - Large | 0.00 | 42,000.00 | 0.00 | 42,000.00 |
| Total 4100 · Membership Dues | 0.00 | 402,050.00 | 0.00 | 402,050.00 |
| 4250 · Product Income | | | | |
| 4251 · CERL | 0.00 | 25.00 | 0.00 | 25.00 |
| 4254 · Website Job Board | 0.00 | 400.00 | 0.00 | 400.00 |
| 4269 · Product Shipping | 0.00 | 10.00 | 0.00 | 10.00 |
| Total 4250 · Product Income | 0.00 | 435.00 | 0.00 | 435.00 |
| 4270 · UC Berkeley Program | | | | |
| 4271 · Registrations | 500.00 | 27,500.00 | 0.00 | 28,000.00 |
| 4272 · Sponsorships | 0.00 | 25,000.00 | 0.00 | 25,000.00 |
| 4270 · UC Berkeley Program - Other | 0.00 | 0.00 | 0.00 | 0.00 |
| Total 4270 · UC Berkeley Program | 500.00 | 52,500.00 | 0.00 | 53,000.00 |
| 4300 · Fall Conference Registration | | | | |
| 4302 · Affiliates - Regular | 0.00 | 305,100.00 | 0.00 | 305,100.00 |
| 4303 · Affiliates - Late/Onsite | 0.00 | 13,824.00 | 0.00 | 13,824.00 |
| 4304 · Non Profit | 0.00 | 1,200.00 | 0.00 | 1,200.00 |
| 4305 · Systems | 240.00 | 20,880.00 | 0.00 | 21,120.00 |
| 4306 · Non-Members | 0.00 | 260,910.00 | 0.00 | 260,910.00 |
| 4307 · Fun Run | 0.00 | 1,525.00 | 0.00 | 1,525.00 |
| 4308 · Yoga | 0.00 | 720.00 | 0.00 | 720.00 |
| 4309 · Spouse | 0.00 | 3,200.00 | 0.00 | 3,200.00 |
| 4300 · Fall Conference Registration - Other | 0.00 | 14,073.00 | 0.00 | 14,073.00 |
| Total 4300 · Fall Conference Registration | 240.00 | 621,432.00 | 0.00 | 621,672.00 |
| 4350 · Spring Conference Registration | | | | |
| 4351 · Affiliates - Early | 1,020.00 | 0.00 | 0.00 | 1,020.00 |
| 4352 · Affiliates - Regular | 4,520.00 | 0.00 | 0.00 | 4,520.00 |
| 4353 · Affiliates - Late/Onsite | 1,280.00 | 0.00 | 0.00 | 1,280.00 |
| 4354 · Non Profit | 360.00 | 0.00 | 0.00 | 360.00 |
| 4355 · Systems | 2,400.00 | 0.00 | 0.00 | 2,400.00 |
| 4356 · Non-Members | 8,010.00 | 0.00 | 0.00 | 8,010.00 |
| 4357 · Fun Run | 180.00 | 0.00 | 0.00 | 180.00 |
| 4358 · Yoga | 45.00 | 0.00 | 0.00 | 45.00 |
| Total 4350 · Spring Conference Registration | 17,815.00 | 0.00 | 0.00 | 17,815.00 |
| 4900 · Interest Earned | 0.00 | 39,224.18 | 0.00 | 39,224.18 |
| Total Income | 18,555.00 | 1,115,641.18 | 0.00 | 1,134,196.18 |
| Gross Profit | 18,555.00 | 1,115,641.18 | 0.00 | 1,134,196.18 |
| Expense | | | | |
| 5000 · Administrative Fee | 0.00 | 112,500.00 | 0.00 | 112,500.00 |
| 5002 · Awards | 0.00 | -902.56 | 0.00 | -902.56 |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July 2023 through January 2024

| | PAST YEAR | GENERAL | FUTURE YEAR | TOTAL |
|--|-------------|-------------------|-------------|-------------------|
| 5003 · Bank Charges/Credit Card Fees | 0.00 | 29,871.10 | 0.00 | 29,871.10 |
| 5010 · Berkeley & Symposium | | | | |
| 5012 · Delivery & Shipping | 0.00 | 112.55 | 0.00 | 112.55 |
| 5013 · Hotel | 0.00 | -594.55 | 0.00 | -594.55 |
| 5015 · Materials/Printing/Design | 0.00 | 1,934.16 | 0.00 | 1,934.16 |
| 5017 · UC Berkeley | 0.00 | 366,000.00 | 0.00 | 366,000.00 |
| Total 5010 · Berkeley & Symposium | 0.00 | 367,452.16 | 0.00 | 367,452.16 |
| 5040 · Commissions & Fees | 0.00 | 25.00 | 0.00 | 25.00 |
| 5041 · Consulting | 0.00 | 9,880.00 | 0.00 | 9,880.00 |
| 5042 · Dues & Subscriptions | 0.00 | 325.00 | 0.00 | 325.00 |
| 5050 · Fall Conference | | | | |
| 5051 · Audio/Visual | 0.00 | 113,408.38 | 0.00 | 113,408.38 |
| 5052 · Delivery & Shipping | 0.00 | 2,973.16 | 0.00 | 2,973.16 |
| 5053 · Entertainment | 0.00 | 19,902.66 | 0.00 | 19,902.66 |
| 5054 · Hotel | | | | |
| 5054.1 · Wednesday Night Event | 0.00 | 117,507.00 | 0.00 | 117,507.00 |
| 5054.2 · Conference | 0.00 | 54,127.19 | 0.00 | 54,127.19 |
| 5054.3 · Food & Beverage | 0.00 | 158,077.90 | 0.00 | 158,077.90 |
| Total 5054 · Hotel | 0.00 | 329,712.09 | 0.00 | 329,712.09 |
| 5055 · Program Material | 0.00 | 28,012.35 | 0.00 | 28,012.35 |
| 5056 · Speakers | 0.00 | 36,500.00 | 0.00 | 36,500.00 |
| 5057 · Supplies | 0.00 | 252.60 | 0.00 | 252.60 |
| 5058 · Travel | 0.00 | 12,574.50 | 0.00 | 12,574.50 |
| 5050 · Fall Conference - Other | 0.00 | 337.80 | 0.00 | 337.80 |
| Total 5050 · Fall Conference | 0.00 | 543,673.54 | 0.00 | 543,673.54 |
| 5070 · Insurance | 0.00 | 1,991.00 | 0.00 | 1,991.00 |
| 5071 · Legal & Professional Fees | 0.00 | 3,350.00 | 0.00 | 3,350.00 |
| 5072 · Legislative Advocacy | 0.00 | 26,189.00 | 0.00 | 26,189.00 |
| 5080 · Magazine | | | | |
| 5082 · Design/Printing/Etc. | 0.00 | 4,332.91 | 0.00 | 4,332.91 |
| 5083 · Magazine - Other | 0.00 | 10,740.00 | 0.00 | 10,740.00 |
| Total 5080 · Magazine | 0.00 | 15,072.91 | 0.00 | 15,072.91 |
| 6000 · Board & Committees | | | | |
| 6001 · Board of Directors | | | | |
| 6001.1 · Food & Beverage | 0.00 | 26,264.09 | 0.00 | 26,264.09 |
| 6001.2 · Printing/Supplies | 0.00 | 885.23 | 0.00 | 885.23 |
| 6001.3 · Travel - BOD Meetings | 0.00 | 9,967.26 | 0.00 | 9,967.26 |
| 6001.4 · Travel - Miscellaneous BOD | 0.00 | 1,521.92 | 0.00 | 1,521.92 |
| 6001.5 · Board Of Directors - Other | 0.00 | 5,627.16 | 0.00 | 5,627.16 |
| 6001 · Board of Directors - Other | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| Total 6001 · Board of Directors | 0.00 | 49,265.66 | 0.00 | 49,265.66 |
| Total 6000 · Board & Committees | 0.00 | 49,265.66 | 0.00 | 49,265.66 |
| 6010 · Office Expenses / Supplies | 0.00 | 1,911.24 | 0.00 | 1,911.24 |
| 6011 · Postage & Delivery | 0.00 | 5,521.07 | 0.00 | 5,521.07 |
| 6020 · Spring Conference | | | | |
| 6022 · Delivery & Shipping | 0.00 | 900.00 | 0.00 | 900.00 |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July 2023 through January 2024

| | PAST YEAR | GENERAL | FUTURE YEAR | TOTAL |
|---------------------------------------|------------------|---------------------|-------------|---------------------|
| 6024 · Hotel | | | | |
| 6024.2 · Conference | 0.00 | 34,203.62 | 0.00 | 34,203.62 |
| 6024 · Hotel - Other | 0.00 | -1,064.88 | 0.00 | -1,064.88 |
| Total 6024 · Hotel | 0.00 | 33,138.74 | 0.00 | 33,138.74 |
| 6025 · Program Material | 0.00 | -808.07 | 0.00 | -808.07 |
| Total 6020 · Spring Conference | 0.00 | 33,230.67 | 0.00 | 33,230.67 |
| 6051 · Taxes & Licenses | 0.00 | 1,050.38 | 0.00 | 1,050.38 |
| 6053 · Technology/AMS/Website | 0.00 | 33,198.82 | 0.00 | 33,198.82 |
| 6054 · Travel | 0.00 | 554.72 | 0.00 | 554.72 |
| Total Expense | 0.00 | 1,234,159.71 | 0.00 | 1,234,159.71 |
| Net Ordinary Income | 18,555.00 | -118,518.53 | 0.00 | -99,963.53 |
| | 18,555.00 | -118,518.53 | 0.00 | -99,963.53 |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2023 through January 2024

| | Jul '23 - Jan 24 | Budget | \$ Over Budget | % of Budget |
|--|-------------------|-------------------|-------------------|----------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 4100 · Membership Dues | | | | |
| 4101 · Affiliates | 294,250.00 | 322,500.00 | -28,250.00 | 91.24% |
| 4102 · Non Profit - Organizations | 3,000.00 | 3,000.00 | 0.00 | 100.0% |
| 4103 · Non Profit - Systems | 10,800.00 | 6,500.00 | 4,300.00 | 166.15% |
| 4104 · Systems - Medium | 52,000.00 | 52,000.00 | 0.00 | 100.0% |
| 4105 · Systems - Large | 42,000.00 | 42,000.00 | 0.00 | 100.0% |
| Total 4100 · Membership Dues | 402,050.00 | 426,000.00 | -23,950.00 | 94.38% |
| 4200 · Webinar Symposium Registration | | | | |
| 4201 · Affiliates - Early | 0.00 | 0.00 | 0.00 | 0.0% |
| 4202 · Affiliates - Regular | 0.00 | 1,250.00 | -1,250.00 | 0.0% |
| 4203 · Affiliates - Late/Onsite | 0.00 | 0.00 | 0.00 | 0.0% |
| 4204 · Non Profit | 0.00 | 0.00 | 0.00 | 0.0% |
| 4205 · Systems | 0.00 | 1,250.00 | -1,250.00 | 0.0% |
| 4206 · Non-Members | 0.00 | 2,000.00 | -2,000.00 | 0.0% |
| Total 4200 · Webinar Symposium Registration | 0.00 | 4,500.00 | -4,500.00 | 0.0% |
| 4250 · Product Income | | | | |
| 4251 · CERL | 25.00 | 200.00 | -175.00 | 12.5% |
| 4252 · Roster | 0.00 | 0.00 | 0.00 | 0.0% |
| 4253 · Website Advertising | 0.00 | 0.00 | 0.00 | 0.0% |
| 4254 · Website Job Board | 400.00 | 0.00 | 400.00 | 100.0% |
| 4255 · Magazine Advertising | 0.00 | 0.00 | 0.00 | 0.0% |
| 4256 · On Demand Education | 0.00 | 0.00 | 0.00 | 0.0% |
| 4257 · Trustee Handbooks | 0.00 | 0.00 | 0.00 | 0.0% |
| 4269 · Product Shipping | 10.00 | 0.00 | 10.00 | 100.0% |
| Total 4250 · Product Income | 435.00 | 200.00 | 235.00 | 217.5% |
| 4270 · UC Berkeley Program | | | | |
| 4271 · Registrations | 28,000.00 | 80,000.00 | -52,000.00 | 35.0% |
| 4272 · Sponsorships | 25,000.00 | 40,000.00 | -15,000.00 | 62.5% |
| 4273 · Spouse | 0.00 | 1,000.00 | -1,000.00 | 0.0% |
| 4270 · UC Berkeley Program - Other | 0.00 | | | |
| Total 4270 · UC Berkeley Program | 53,000.00 | 121,000.00 | -68,000.00 | 43.8% |
| 4300 · Fall Conference Registration | | | | |
| 4301 · Affiliates - Early | 0.00 | 0.00 | 0.00 | 0.0% |
| 4302 · Affiliates - Regular | 305,100.00 | 271,200.00 | 33,900.00 | 112.5% |
| 4303 · Affiliates - Late/Onsite | 13,824.00 | 84,480.00 | -70,656.00 | 16.36% |
| 4304 · Non Profit | 1,200.00 | 1,500.00 | -300.00 | 80.0% |
| 4305 · Systems | 21,120.00 | 20,000.00 | 1,120.00 | 105.6% |
| 4306 · Non-Members | 260,910.00 | 224,280.00 | 36,630.00 | 116.33% |
| 4307 · Fun Run | 1,525.00 | 500.00 | 1,025.00 | 305.0% |
| 4308 · Yoga | 720.00 | 100.00 | 620.00 | 720.0% |
| 4309 · Spouse | 3,200.00 | 5,000.00 | -1,800.00 | 64.0% |
| 4300 · Fall Conference Registration - Other | 14,073.00 | | | |
| Total 4300 · Fall Conference Registration | 621,672.00 | 607,060.00 | 14,612.00 | 102.41% |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss Budget vs. Actual

July 2023 through January 2024

| | Jul '23 - Jan 24 | Budget | \$ Over Budget | % of Budget |
|--|---------------------|---------------------|--------------------|----------------|
| 4350 · Spring Conference Registration | | | | |
| 4351 · Affiliates - Early | 1,020.00 | 0.00 | 1,020.00 | 100.0% |
| 4352 · Affiliates - Regular | 4,520.00 | 271,200.00 | -266,680.00 | 1.67% |
| 4353 · Affiliates - Late/Onsite | 1,280.00 | 84,480.00 | -83,200.00 | 1.52% |
| 4354 · Non Profit | 360.00 | 1,500.00 | -1,140.00 | 24.0% |
| 4355 · Systems | 2,400.00 | 20,000.00 | -17,600.00 | 12.0% |
| 4356 · Non-Members | 8,010.00 | 224,280.00 | -216,270.00 | 3.57% |
| 4357 · Fun Run | 180.00 | 500.00 | -320.00 | 36.0% |
| 4358 · Yoga | 45.00 | 100.00 | -55.00 | 45.0% |
| 4359 · Spouse | 0.00 | 5,000.00 | -5,000.00 | 0.0% |
| Total 4350 · Spring Conference Registration | 17,815.00 | 607,060.00 | -589,245.00 | 2.94% |
| 4900 · Interest Earned | 39,224.18 | 0.00 | 39,224.18 | 100.0% |
| Total Income | 1,134,196.18 | 1,765,820.00 | -631,623.82 | 64.23% |
| Gross Profit | 1,134,196.18 | 1,765,820.00 | -631,623.82 | 64.23% |
| Expense | | | | |
| 5000 · Administrative Fee | 112,500.00 | 225,000.00 | -112,500.00 | 50.0% |
| 5001 · Administrative Services | 0.00 | 500.00 | -500.00 | 0.0% |
| 5002 · Awards | -902.56 | 500.00 | -1,402.56 | -180.51% |
| 5003 · Bank Charges/Credit Card Fees | 29,871.10 | 36,000.00 | -6,128.90 | 82.98% |
| 5010 · Berkeley & Symposium | | | | |
| 5011 · Audio/Visual | 0.00 | 8,204.00 | -8,204.00 | 0.0% |
| 5012 · Delivery & Shipping | 112.55 | 0.00 | 112.55 | 100.0% |
| 5013 · Hotel | -594.55 | 0.00 | -594.55 | 100.0% |
| 5014 · Food & Beverage | 0.00 | 12,500.00 | -12,500.00 | 0.0% |
| 5015 · Materials/Printing/Design | 1,934.16 | 1,000.00 | 934.16 | 193.42% |
| 5016 · Travel | 0.00 | 1,000.00 | -1,000.00 | 0.0% |
| 5017 · UC Berkeley | 366,000.00 | 240,000.00 | 126,000.00 | 152.5% |
| Total 5010 · Berkeley & Symposium | 367,452.16 | 262,704.00 | 104,748.16 | 139.87% |
| 5020 · Webinar Symposium | | | | |
| 5021 · Webinar Speaker | 0.00 | 0.00 | 0.00 | 0.0% |
| 5022 · Webinar Technology | 0.00 | 25,000.00 | -25,000.00 | 0.0% |
| 5023 · Webinar Misc | 0.00 | 0.00 | 0.00 | 0.0% |
| Total 5020 · Webinar Symposium | 0.00 | 25,000.00 | -25,000.00 | 0.0% |
| 5030 · CERL | | | | |
| 5031 · Materials/Printing/Design | 0.00 | 16,500.00 | -16,500.00 | 0.0% |
| 5032 · Shipping | 0.00 | 1,300.00 | -1,300.00 | 0.0% |
| Total 5030 · CERL | 0.00 | 17,800.00 | -17,800.00 | 0.0% |
| 5039 · Charitable Contributions | 0.00 | 0.00 | 0.00 | 0.0% |
| 5040 · Commissions & Fees | 25.00 | 15,000.00 | -14,975.00 | 0.17% |
| 5041 · Consulting | 9,880.00 | 21,192.00 | -11,312.00 | 46.62% |
| 5042 · Dues & Subscriptions | 325.00 | 3,700.00 | -3,375.00 | 8.78% |
| 5050 · Fall Conference | | | | |
| 5051 · Audio/Visual | 113,408.38 | 103,000.00 | 10,408.38 | 110.11% |
| 5052 · Delivery & Shipping | 2,973.16 | 2,500.00 | 473.16 | 118.93% |
| 5053 · Entertainment | 19,902.66 | 6,500.00 | 13,402.66 | 306.2% |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss Budget vs. Actual

July 2023 through January 2024

| | Jul '23 - Jan 24 | Budget | \$ Over Budget | % of Budget |
|---|-------------------|-------------------|-------------------|---------------|
| 5054 · Hotel | | | | |
| 5054.1 · Wednesday Night Event | 117,507.00 | 82,500.00 | 35,007.00 | 142.43% |
| 5054.2 · Conference | 54,127.19 | 35,000.00 | 19,127.19 | 154.65% |
| 5054.3 · Food & Beverage | 158,077.90 | 275,000.00 | -116,922.10 | 57.48% |
| Total 5054 · Hotel | 329,712.09 | 392,500.00 | -62,787.91 | 84.0% |
| 5055 · Program Material | 28,012.35 | 25,000.00 | 3,012.35 | 112.05% |
| 5056 · Speakers | 36,500.00 | 50,000.00 | -13,500.00 | 73.0% |
| 5057 · Supplies | 252.60 | 500.00 | -247.40 | 50.52% |
| 5058 · Travel | 12,574.50 | 15,000.00 | -2,425.50 | 83.83% |
| 5050 · Fall Conference - Other | 337.80 | | | |
| Total 5050 · Fall Conference | 543,673.54 | 595,000.00 | -51,326.46 | 91.37% |
| 5070 · Insurance | 1,991.00 | 5,000.00 | -3,009.00 | 39.82% |
| 5071 · Legal & Professional Fees | 3,350.00 | 25,000.00 | -21,650.00 | 13.4% |
| 5072 · Legislative Advocacy | 26,189.00 | 62,808.00 | -36,619.00 | 41.7% |
| 5080 · Magazine | | | | |
| 5081 · Delivery & Shipping | 0.00 | 600.00 | -600.00 | 0.0% |
| 5082 · Design/Printing/Etc. | 4,332.91 | 15,000.00 | -10,667.09 | 28.89% |
| 5083 · Magazine - Other | 10,740.00 | 8,000.00 | 2,740.00 | 134.25% |
| 5080 · Magazine - Other | 0.00 | 0.00 | 0.00 | 0.0% |
| Total 5080 · Magazine | 15,072.91 | 23,600.00 | -8,527.09 | 63.87% |
| 6000 · Board & Committees | | | | |
| 6001 · Board of Directors | | | | |
| 6001.1 · Food & Beverage | 26,264.09 | 25,000.00 | 1,264.09 | 105.06% |
| 6001.2 · Printing/Supplies | 885.23 | 0.00 | 885.23 | 100.0% |
| 6001.3 · Travel - BOD Meetings | 9,967.26 | 10,000.00 | -32.74 | 99.67% |
| 6001.4 · Travel - Miscellaneous BOD | 1,521.92 | 10,000.00 | -8,478.08 | 15.22% |
| 6001.5 · Board Of Directors - Other | 5,627.16 | 10,000.00 | -4,372.84 | 56.27% |
| 6001 · Board of Directors - Other | 5,000.00 | | | |
| Total 6001 · Board of Directors | 49,265.66 | 55,000.00 | -5,734.34 | 89.57% |
| 6002 · Legislative Committee Meetings | 0.00 | 0.00 | 0.00 | 0.0% |
| 6003 · Program Committee Meetings | 0.00 | 0.00 | 0.00 | 0.0% |
| 6004 · Nominating Committee Meetings | 0.00 | 0.00 | 0.00 | 0.0% |
| 6005 · Audit Committee Meetings | 0.00 | 0.00 | 0.00 | 0.0% |
| 6006 · Education Committee Meetings | 0.00 | 0.00 | 0.00 | 0.0% |
| 6007 · ByLaws Committee Meetings | 0.00 | 0.00 | 0.00 | 0.0% |
| Total 6000 · Board & Committees | 49,265.66 | 55,000.00 | -5,734.34 | 89.57% |
| 6010 · Office Expenses / Supplies | 1,911.24 | 2,500.00 | -588.76 | 76.45% |
| 6011 · Postage & Delivery | 5,521.07 | 8,500.00 | -2,978.93 | 64.95% |
| 6020 · Spring Conference | | | | |
| 6021 · Audio/Visual | 0.00 | 103,000.00 | -103,000.00 | 0.0% |
| 6022 · Delivery & Shipping | 900.00 | 2,500.00 | -1,600.00 | 36.0% |
| 6023 · Entertainment | 0.00 | 6,500.00 | -6,500.00 | 0.0% |
| 6024 · Hotel | | | | |
| 6024.1 · Wednesday Night Event | 0.00 | 82,500.00 | -82,500.00 | 0.0% |
| 6024.2 · Conference | 34,203.62 | 0.00 | 34,203.62 | 100.0% |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
 July 2023 through January 2024

| | Jul '23 - Jan 24 | Budget | \$ Over Budget | % of Budget |
|---------------------------------------|-------------------------|---------------------|-----------------------|--------------------|
| 6024.3 · Food & Beverage | 0.00 | 275,000.00 | -275,000.00 | 0.0% |
| 6024 · Hotel - Other | -1,064.88 | | | |
| Total 6024 · Hotel | 33,138.74 | 357,500.00 | -324,361.26 | 9.27% |
| 6025 · Program Material | -808.07 | 25,000.00 | -25,808.07 | -3.23% |
| 6026 · Speakers | 0.00 | 50,000.00 | -50,000.00 | 0.0% |
| 6027 · Supplies | 0.00 | 1,000.00 | -1,000.00 | 0.0% |
| 6028 · Travel | 0.00 | 15,000.00 | -15,000.00 | 0.0% |
| Total 6020 · Spring Conference | 33,230.67 | 560,500.00 | -527,269.33 | 5.93% |
| 6050 · Strategic Facilitator | 0.00 | 0.00 | 0.00 | 0.0% |
| 6051 · Taxes & Licenses | 1,050.38 | 600.00 | 450.38 | 175.06% |
| 6053 · Technology/AMS/Website | 33,198.82 | 42,000.00 | -8,801.18 | 79.05% |
| 6054 · Travel | 554.72 | 2,000.00 | -1,445.28 | 27.74% |
| Total Expense | 1,234,159.71 | 1,989,904.00 | -755,744.29 | 62.02% |
| Net Ordinary Income | -99,963.53 | -224,084.00 | 124,120.47 | 44.61% |
| | -99,963.53 | -224,084.00 | 124,120.47 | 44.61% |



4. SACRS President Report - No Action

David MacDonald, Contra Costa CERA, SACRS President

A. SACRS President Update

No printed materials for this item



5. SACRS Legislative Committee Report – No Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA, SACRS Legislative Committee Co-Chairs

A. Legislative Committee Report



EDELSTEIN GILBERT ROBSON & SMITH^{LLC}

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd^{Associate}

April 4th, 2024

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – April 2024**

The Legislature returned from its Spring Recess on March 21st and committee hearings are in full swing. April is traditionally the busiest month of the year for the Legislature as the newly introduced bills must be passed out of policy committees by the end of the month. Some of the committee agendas will be very long and hearings commonly go well into the evening. Most of May and early June will be dedicated to addressing the State's massive budget deficit, which is estimated to be between \$37 and \$73 billion, depending on who you ask. So far, the Governor and Legislature have failed to agree on an "early action" budget compromise intended to shrink the deficit by making cuts in the current budget year. The stalemate on cutting some non-controversial items in the current year does not bode well for the larger budget decisions that must be made by the June 15 deadline to pass a State Budget.

A few bills of interest to SACRS have recently been amended, which we have outlined below:

- **AB 3025** – This is an amended spot bill. The new text of requires county retirement systems to adjust benefits for retired members, survivors, or beneficiaries whose final compensation included disallowed compensation, crediting contributions made on the disallowed compensation, and establishing conditions for repayment by employers, while also authorizing employers to submit proposed compensation items for pension calculations for review and guidance from the retirement system. SACRS Legislative Committee Co-Chairs met with the sponsors of AB 3025 and are working collaboratively to make sure SACRS systems can properly implement the bill.

- **SB 1499** – This measure aligns the Personal Income Tax Law with federal law by adjusting catch-up limits for retirement contributions based on age and increasing contribution limits for simple plans, while also requiring additional information for any bill authorizing a new tax expenditure. Amended to strike Sections 408(p)(2) and Section 414(v)(2) of the line 16 Internal Revenue Code from applying. The amendments also establish a 2029 deadline for the Legislative Analyst’s Office to submit a report on how many taxpayers are utilizing these tax benefits.
- **SB 908** – This bill, previously the Government Transparency Act Initiative, has been gutted and amended. It is now a public health bill on fentanyl and will be removed from the SACRS tracking list.
- **AB 2770** – As amended, this bill revises the interest calculation for purchasing additional service credit and redepositing retirement contributions in the State Teachers’ Retirement System, requiring members to sign and return necessary documents within 35 days, and extends the repeal date for disability retirement provisions related to post-traumatic stress disorder; it also removes return receipt requirements for the payment of accumulated contributions to discontinued members and makes technical changes to the Judges’ Retirement Law. This bill recently passed out of committee.
- **SB 1240** – This bill allows a successor agency for the El Dorado County Fire Protection District and the Diamond Springs Fire Protection District to provide their employees with the defined benefit plan or formula they received prior to annexation, making legislative findings and declarations for the necessity of a special statute for the County of El Dorado, and declaring it to take effect immediately as an urgency statute. Amended to strike language requiring the successor agency to designate surviving contracts within 180 days of the annexation.
- **SB 1260** – This bill was gutted and amended. Previously, this bill would have established the Office of the Inspector General for the Public Employees’ Retirement System (CalPERS), appointing an Inspector General to oversee internal investigations, the disciplinary process, and audits or reviews of CalPERS. Now, this is a transportation bill regarding high-speed rail and will be removed from the SACRS tracking list.
- **AB 2284** – authorizes a retirement system, to the extent that it has not defined work classification “grades” to define “grade” to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related grouping. SACRS Legislative Committee Co-Chairs met with the sponsors and will continue to work on the bill to ensure it can be enacted in compliance with PEPRA.

- **AB 2474** – amends the County Employees Retirement Law of 1937 regarding benefit payments and overpayments, allowing for retirement allowances or benefits to be deposited into prepaid accounts, extending the period of employment for retired persons in certain positions, and considering a retired person's retirement allowance as an overpayment subject to collection if they are employed beyond specified limits. This bill continues to be discussed with amendments forthcoming.
- **AB 2301** – As amended, this bill, the Sacramento Area Sewer District Pension Protection Act of 2024, would transfer employees and associated obligations from the County of Sacramento to the Sacramento Area Sewer District, ensuring continuity of retirement benefits and assuming rights and obligations under existing retirement laws, with legislative findings emphasizing the necessity of a special statute for the County of Sacramento, and declaring it an urgency statute to take effect immediately.



6. SACRS Nomination Committee Report - Action

Vivian Gray, Los Angeles CERA, SACRS Nomination Committee Chair

A. SACRS Board of Directors Elections 2024-2025



March 14, 2024

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Vivian Gray, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2024-2025 - Elections Notice

SACRS BOD 2024-2025 election process began January 1, 2024. Please provide this election notice to your Board of Trustees and Voting Delegates.

| DEADLINE | DESCRIPTION |
|----------------|---|
| March 1, 2024 | Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted. |
| March 25, 2024 | The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25 |
| May 10, 2024 | Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference |
| May 10, 2024 | Board of Directors take office for 1 year |

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

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

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

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

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



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

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

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

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

The elections are being held at the SACRS Spring Conference May 7-10, 2024. Elections take place during the Annual Business meeting on Friday, May 10, 2024, in Santa Barbara at the Hilton Santa Barbara Beachfront Resort.

SACRS Nominating Committee Recommended Slate:

- President – David MacDonald, Contra Costa CERA
- Vice President – Adele Tagaloa, Orange CERS
- Treasurer – Jordan Kaufman, Kern CERA
- Secretary – Zandra Cholmondeley, Santa Barbara CERS
- Regular Member – David Gilmore, San Diego CERA
- Regular Member – Rhonda Biesemeier, Stanislaus CERA

Other Nominations Submitted:

- Daniel Vasquez, Marin CERA
- Alysia Bonner, Fresno CERA

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

If you have any questions, please contact Vivian Gray at vgray@lacara.com.

Thank you for your prompt attention to this timely matter.

Sincerely,

Vivian Gray

Vivian Gray, Trustee, Los Angeles CERA and SACRS Nominating Committee Chair

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

Attached: Nominee Submissions

President, David MacDonald, Contra Costa CERA



David J MacDonald, MD



January 19, 2024

SACRS Nominating Committee
Vivian Gray, Chair

Dear Ms. Gray,

I would like to express my interest in running as President for the SACRS' Board of Directors for the 2024/2025 year.

I was first elected to the SACRS board in 2020 and currently serve as the SACRS President. I am also an elected trustee of the CCCERA Retirement Board (since 2016) and currently serve as the CCCERA Board Vice Chair. I appreciate the level of responsibility entrusted to me in looking after our members' retirement plans. I understand the incredible value of a defined benefit plan for my coworkers and our retirees.

I have a long history of dedicated service to my coworkers and union members, and I carry this spirit into my role as an elected trustee. My work with SACRS has meant further education and inspiration from the SACRS organization via its conferences and programs. SACRS has enhanced my abilities to serve as an effective CCCERA trustee.

I desire to continue my service on the SACRS board. My roles on the SACRS board have been incredibly valuable to me. My work in SACRS allows me to further promote, protect and build upon pension programs under CERL for county public employees statewide. We have good momentum with SACRS that will mean the further constructive evolution of our organization.

Thank you for your time and consideration.

Sincerely and respectfully,

David J MacDonald, MD



SACRS Board of Directors Elections 2024-2025

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|---|
| Name of Candidate | Name: David J. MacDonald, MD |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: [REDACTED] Email Address: dmacdcccera@gmail.com Phone: [REDACTED] |
| Name of Retirement System Candidate Currently Serves On | System Name: CCCERA |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="radio"/> Other - Vice Chair X (elected board member) |
| Applying for SACRS Board of Directors Position (select only one) | <input checked="" type="radio"/> President X <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio | <ul style="list-style-type: none"> * SACRS Board of Directors, Member – 2020-2021 & 2021-2022 * SACRS Vice President – 2022-2023 * SACRS President – 2023-2024 * Vice Chair, CCCERA Board of Retirement * Elected general member trustee of CCCERA since 2016 * President, Physicians', and Dentists of Contra Costa (PDOCC), since 2010 (Union for health care providers working at Contra Costa County). * 30 years serving on the PDOCC Executive Board, including many years as Vice President and President. * 33 years of service to Contra Costa County as a physician working in the Department of Health Services. * Education/Pension Trustee Certificates: <ul style="list-style-type: none"> - Bachelor of Science, Biology – UC Irvine - Doctor of Medicine – UC Irvine - UC Berkeley (SACRS) – Modern Investment Theory & Practice for Retirement Systems - Wharton Business School – Portfolio Concepts & Management - IFEBP – CAPPP program, Trustees Master's Program - CALAPRS Trustee Education – Principles of Pension Governance |

Vice President, Adele Tagaloa, OCERS

Serving the Active and Retired Members of:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &
FAMILIES COMMISSION

ORANGE COUNTY
DEPARTMENT OF EDUCATION
(CLOSED TO NEW MEMBERS)

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES PUBLIC
AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC LAW
LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND
CAMPUS (CLOSED TO NEW
MEMBERS)

February 21, 2024

By Mail and Electronic Mail [vgray@lacera.com]

Ms. Vivian Gray
SACRS Nominating Committee Chair
SACRS
840 Richards Blvd.
Sacramento, CA 95811

Re: NOMINATION FOR SACRS BOARD OF DIRECTORS ELECTION 2024-2025

Dear Ms. Gray:

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

On February 21, 2024, the OCERS Board of Retirement met and took action to nominate OCERS trustee, Adele Tagalao, for the position of her choosing on the SACRS Board of Directors and directed me to submit this nomination to the SACRS Nominating Committee. Ms. Tagalao intends to pursue the position of VICE PRESIDENT of the SACRS Board and will forward her submission form directly to SACRS.

Accordingly, please accept this letter as **OCERS' nomination of OCERS Trustee, Adele Tagalao, for election to the position of VICE PRESIDENT of the SACRS Board of Directors at the 2024-2025 SACRS Board of Directors Election to take place on May 10, 2024.**

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

Best regards,



Steve Delaney
Chief Executive Officer

cc: Sulema H. Peterson, SACRS Administrator

Adele M. Tagaloa

2223 East Wellington Ave, Suite 100, Santa Ana, CA 92804 | [REDACTED] | atagaloa@ocers.org

February 25, 2024

Ms. Vivian Gray
SACRS Immediate Past President, Nominating Committee Chair
State Association of County Retirement Systems (SACRS)
840 Richards Blvd
Sacramento, CA 95811

Dear Ms. Vivian Gray:

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

I believe I am qualified to serve as Vice President based on my thirteen years of leadership positions in my employee labor organization, serving 1.8 million registered voters by providing transparent, accurate and secure elections, over 16 years in the non-profit and private sector and most importantly, as a Trustee on the Orange County Employees Retirement System. Most recently, serving on SACRS Vice President and Chair of the Programming Committee for the year 2023-2024 collaborating to enhance high-quality education for our trustees, with affiliates, staff and other CERL counties ensuring pension security.

I hold a passion for democracy, organized labor, and education accessibility that encompasses everything in my career and life. Since I have been elected to the OCERS Board of Retirement, trustee education has been one of my main priorities. All thought the last two years has proven a challenge for in-person conferences and education, this did not deter me from attending as many different organization's education, on any platform that I could. With that experience, in my opinion, SACRS is the leading organization for public pension organizations.

While attending SACRS Fall Conference in 2021, the level of professionalism and outstanding leadership, solidified my desire to be more than an attendee at SACRS. I have found an organization that understands the challenge and importance of pensions, education and duty, for trustees in our CERL 37 Act Systems. I have shared to many about the fantastic speakers and the subjects that reach beyond pensions. This past year serving as your SACRS Secretary, has allowed me to represent trustees, for example:

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

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

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

Sincerely,

Adele Tagaloa

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



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|---|
| Name of Candidate | Name: Adele Tagaloa |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 2223 East Wellington Ave, Suite 100 Santa Ana, CA 92701 Email Address: atagaloa@ocers.org Phone: [REDACTED] |
| Name of Retirement System Candidate Currently Serves On | System Name: Orange County Employees Retirement System (OCERS) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input checked="" type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input checked="" type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted) | <ul style="list-style-type: none"> • Vice President, SACRS • Programming Committee Chair, SACRS • Elected General Member Trustee, OCERS, 2020 to present • Over 14 years of service to the County of Orange • Proudly serving 1.8 million registered voters at the Registrar of Voters • Chair, OCERS Disability Committee 2020 to 2022 • Vice Chair, OCERS Investment Committee 2022 • Chair, OCERS Investment Committee 2023 • OCERS Governance Committee member 2022 • Union Steward, Orange County Employees Association (OCEA) 2012 to present • Board of Directors, OCEA 2018 to present <p>Public Pension Trustee Certificates: NCPERS - Accredited Fiduciary Program - Accredited Fiduciary designation 2024 Public Pension Investment Management Program - UC Berkeley CALAPRS Principles of Pension Governance and Principles for Trustees Completed 209 hours of education, 2023</p> |

Treasurer, Jordan Kaufman, Kern CERA



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

January 16, 2024

Vivian Gray, Nominating Committee Chairman
 State Association of County Retirement Systems

Re: Letter of interest to continue on the Board of Directors of SACRS in the position of Treasurer

Dear Vivian and members of the Nominating Committee,

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

As the elected Treasurer-Tax Collector, I manage the County's \$6.7 billion treasury pool, provide banking services to over 200 different county agencies and districts, and collect over \$1.6 billion in local property taxes. I am also the Plan Administrator for the County's 457(b) deferred compensation plan with over \$700 million in participant assets.

I am or have been the Treasurer of the following entities: County of Kern; California Association of County Treasurer's and Tax Collectors (CACTTC); United Way of Kern County; Boy Scouts of America Southern Sierra Council; California Statewide Communities Development Authority (CSCDA); and Kern County Management Council.

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

Sincerely,

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

Attachment

M:\Administration\SACRS\SACRS Board Letter of Interest.doc



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com **AND** to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: Jordan Kaufman |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 1115 Truxtun Avenue, 2nd Floor Bakersfield, CA 93301 Email Address: jkaufman@kerncounty.com Phone: 661-204-1510 |
| Name of Retirement System Candidate Currently Serves On | System Name: Kern CERA |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="checkbox"/> Other <u>Statutory</u> |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input checked="" type="checkbox"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted) | <p>I am the current SACRS Treasurer and am excited for the opportunity to continue in this role. I am in my third term as the elected Kern County Treasurer-Tax Collector with fiduciary responsibility over the \$6.7 billion Treasury Investment Pool and the responsibility of annually collecting over \$1.6 billion in local property taxes. I am also the Plan Administrator for the \$700 million deferred compensation plan for County employees. Prior to being elected, I became the assistant Treasurer-Tax Collector in 2006. Prior to 2006, I spent over a decade in the County Administrative Office where I performed budget and policy analysis and was involved in the issuance of various types of municipal bonds for the County. I am the Treasurer and past Chairman of the United Way of Kern County, Trustee and past Chairman of the Kern County Employees Retirement Association (KCERA), Vice Chair of the California Statewide Communities Development Authority (CSCDA), Treasurer of the Boy Scouts of America Southern Sierra Council. I have a Bachelor of Science degree in Industrial Technology from Cal Poly San Luis Obispo. I live in Bakersfield with my beautiful wife Kristen and we have four children.</p> |

Secretary, Zandra Cholmondeley, Santa Barbara CERS

From: [Zandra Cholmondeley](#)
To: [Vivian Gray](#); [Sulema Peterson](#)
Subject: Letter of Intent to serve as Secretary, SACRS Board of Directors
Date: Monday, February 26, 2024 1:19:41 PM

Dear Ms. Gray,

I hereby express my interest in serving as Secretary on the SACRS Board of Directors for the 2024-25 term of office.

I have been a regular attendee at SACRS conferences since 2009, when I joined the Board of Directors the Santa Barbara County Employees' Retirement System as elected retiree trustee. I currently serve as Secretary (2023-24) and have previously served as Secretary on the SACRS Board of Directors in 2013-14. I have also served on the SACRS program committee over the past 11 years and have contributed to the lineup of speakers and panelists at SACRS conferences during this period.

I would be honored to continue to serve as Secretary on the SACRS Board of Directors.

Yours sincerely,
Zandra Cholmondeley,
Elected Retiree Trustee,
Santa Barbara County Employees' Retirement System

Sent from my iPad



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacera.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|---|
| Name of Candidate | Name: Zandra Cholmondeley |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: [REDACTED] Email Address: [REDACTED] Phone: [REDACTED] |
| Name of Retirement System Candidate Currently Serves On | System Name: Santa Barbara County Employees' Retirement System |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input checked="" type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input checked="" type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted) | <p>Zandra Cholmondeley was elected to represent County retirees as a trustee on the governing board of the Santa Barbara County Retirement System (SBCERS) in November 2008. She joined the SBCERS Board in January 2009 and starting in January 2010, served two terms as Chair of the Board. She currently serves as Secretary on the SACRS Board (2023-24) and previously served as Secretary of this board from 2014-15. She has also served three terms as the President of the Retired Employees of Santa Barbara County (RESBC).</p> <p>Zandra retired in July 2008. As Principal Analyst for Santa Barbara County she was charged with overseeing the development of the County's annual budget and performed numerous special projects for the County Executive Officer (CEO). Her budget responsibilities included working with County departments to ensure the accuracy of projections and overall preparation of the budget document. Special projects experience included implementing fiscal policy for the County Executive Office.</p> |

Regular Member, David Gilmore, San Diego CERA

January 24, 2024

Ms. Vivian Gray
Chair
Nominating Committee
State Association of County Retirement Systems

Dear Ms. Gray,

This letter is to state my intention to run for re-election. Attached please find my application for the State Association of County Retirement Systems Board of Directors.

I have been working with retirement education since first joining the county of San Diego almost 27 years ago. Working this past year with the SACRS team has been very educational and has provided a sense of accomplishment. The team is a caring group of individuals that are truly looking to provide a great experience for pension system trustees to learn and grow in their roles as board members.

My goal is to keep supporting the SACRS training mission. I respectfully request and thank you in advance for the consideration of the Nominating Committee in supporting my candidacy for election to the SACRS Board of Directors.

Respectfully,


David Gilmore

SDCERA Trustee



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2024-2025**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2024.** Please submit to the Nominating Committee Chair at vgray@lacara.com AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: David Gilmore |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: [REDACTED] Email Address: D.Gilmore@sdcera.org Phone: [REDACTED] |
| Name of Retirement System Candidate Currently Serves On | System Name: San Diego County Employees Retirement Association |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input checked="" type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member |
| Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted) | <p>I am serving SDCERA for my second term. Currently, I am the Board Chair. I have two more years in this board term. I am a 27 year employee of San Diego County. Currently, I am the Training Division manager for the Sheriff's Department. I have a BBA in Accounting and an MPA in Public Administration. I have served on the SACRS Board for the past year and enjoyed participating in the development of training opportunities for pension trustees from around the state of California.</p> <p>I appreciate your support.</p> |

Regular Member, Rhona Bieseimer, Stanislaus CERA

Rhonda Bieseemeier



February 22, 2024

Ms. Vivian Gray
SACRS Nominating Committee Chair

Ms. Sulema Peterson
SACRS Executive Director

Dear Ms. Gray and Ms. Peterson,

My name is Rhonda Bieseemeier and I am interested in serving as a member of the SACRS Board of Directors. I am a strong proponent of furthering and protecting retiree's defined benefit plans.

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

I would like to stress that once I commit to a position, I am involved and dedicated to assuring that a certain level of excellence is maintained. I recognize that SACRS maintains such a level and I'd like to be a part of its future.

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

Sincerely,

Rhonda Bieseemeier



7. SACRS Audit Committee Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Audit 2022-2023 Report



JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

**STATE ASSOCIATION OF
COUNTY RETIREMENT SYSTEMS**

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

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2023 AND 2022**

701 HOWE AVENUE, E3
SACRAMENTO, CA 95825

(916) 993-9494
(916) 993-9489 FAX
WWW.JPMCPA.COM

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2023

BOARD OF DIRECTORS

David MacDonald
President

Vivian Gray
Immediate Past President

Adele Tagaloa
Vice President

Jordan Kaufman
Treasurer

Zandra Cholmondeley
Secretary

Brian Williams
General Member

David Gilmore
General Member

* * * *

Sulema Peterson
Association Management

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2023 AND 2022

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James Marta & Company LLP
Certified Public Accountants

Accounting Auditing Tax and Consulting

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statement State Association of County Retirement Systems (SACRS) which comprise the statement of cash receipts and disbursements for the fiscal years ended June 30, 2023 and 2022, and the related notes to the financial statement.

In our opinion, the accompanying statement of cash receipts and disbursements present fairly, in all material respects, the financial position of State Association of County Retirement Systems as of June 30, 2023 and 2022 in accordance with the cash basis of accounting described in Note 1.

Basis for Opinion

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

Emphasis of Matter – Basis of Accounting

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

Responsibility of Management for the Consolidated Financial Statements

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

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

Other Information

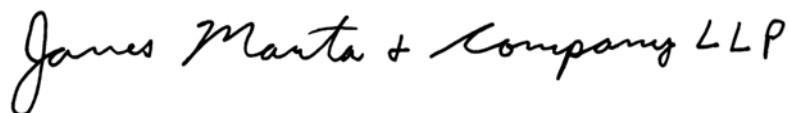
Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report, on pages 8 to 13, are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

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

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

Restricted Use

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

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

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
April 4, 2024

FINANCIAL SECTION

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

| | <u>2022-23</u> | <u>2021-22</u> |
|---|---------------------|---------------------|
| <u>Cash Receipts</u> | | |
| Dues | \$ 361,500 | \$ 321,490 |
| Conference | | |
| Fall | 546,180 | 503,150 |
| Spring | 561,715 | 534,549 |
| Seminars | 117,000 | 115,650 |
| Other admin receipts | 635 | 350 |
| Other conference receipts | - | 350 |
| Interest | <u>37,268</u> | <u>-</u> |
| Total cash receipts | <u>1,624,298</u> | <u>1,475,539</u> |
| <u>Cash Disbursements</u> | | |
| Conference | | |
| Fall - 2022 and 2021 | | |
| Hotel and meals | 430,059 | 345,697 |
| Audio and visual | 102,087 | 86,293 |
| Program materials | 31,726 | 95,289 |
| Spring - 2023 and 2022 | | |
| Hotel and meals | 689,074 | 30,956 |
| Audio and visual | 207,583 | 122,694 |
| Program materials | 82,563 | 76,921 |
| Seminars | 102,505 | 250,832 |
| Conference administration | 21,192 | 31,462 |
| Total conference disbursements | <u>1,666,789</u> | <u>1,040,144</u> |
| Administration | 396,456 | 357,802 |
| Lobbying | 62,808 | 65,013 |
| Newsletters | 43,941 | 33,276 |
| Committee meetings | 74,447 | 58,157 |
| Special projects | 17,837 | 17,841 |
| Interest | <u>-</u> | <u>32,231</u> |
| Total administration disbursements | <u>595,489</u> | <u>564,320</u> |
| Total Cash Disbursements | <u>2,262,278</u> | <u>1,604,464</u> |
| Excess (Deficit) of Cash Receipts over Cash Disbursements | (637,980) | (128,925) |
| Cash and Investments, Beginning | <u>1,904,634</u> | <u>2,033,559</u> |
| Cash and Investments, Ending | <u>\$ 1,266,654</u> | <u>\$ 1,904,634</u> |
| <i>Supplementary Information</i> | | |
| Cash and Investments at June 30, | <u>2023</u> | <u>2022</u> |
| Cash and cash equivalents | \$ 666,544 | \$ 959,810 |
| Non current portion of investments | <u>600,110</u> | <u>944,824</u> |
| Total Cash and Investments | <u>\$ 1,266,654</u> | <u>\$ 1,904,634</u> |

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

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

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

B. BASIS OF ACCOUNTING

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

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

C. INCOME TAXES

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

D. CONTRACTUAL AGREEMENTS

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

E. COMPARATIVE DATA

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

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. COMPARATIVE DATA (CONTINUED)

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

2. CASH AND INVESTMENTS

Cash and Cash Equivalents

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

| | 2023 | 2022 |
|---------------------------------|--------------|------------|
| Bank accounts | \$ (166,975) | \$ 158,389 |
| Money market accounts | 833,519 | 801,421 |
| Total cash and cash equivalents | \$ 666,544 | \$ 959,810 |

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

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

Cash in bank accounts at June 30, 2022 consisted of the following:

| | First Foundation | Bank of America | Total |
|---------------------|------------------|--------------------|------------|
| Per bank | \$ 149,965 | \$ 46,669 | \$ 196,634 |
| Checks outstanding | (38,245) | - | (38,245) |
| Total bank accounts | \$ 111,720 | 46,669 | \$ 158,389 |

Cash balances on interest-bearing accounts held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). There were \$0 in excess of FDIC coverage as of June 30, 2023 and 2022, respectively. Money market accounts are not insured.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

2. CASH AND INVESTMENTS (Continued)

Investments

In March 2015, SACRS invested in the CalTRUST Medium-Term Fund (the “Fund”), depositing \$1,104,130. The fair value balance as of June 30, 2023 and 2022 presented in the financial statement is \$600,110 and \$944,824; respectively. SACRS made a \$350,000 redemption for the year ended June 30, 2023. The current portion of the investment account represents underlying securities which are immediately redeemable (e.g. equities), or will mature within one year. The CalTRUST Short-Term Fund was \$8,559 and \$8,242 as of June 30, 2023 and 2022, respectively. The Fund is not rated or insured.

3. CONTRACTS

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

| Conference | Cancellation Fees | Food and Beverage Minimums | Guest Room Nights Reserved | Guest Room Nights Minimum | Rooms Attrition |
|-------------------|--------------------------|-----------------------------------|-----------------------------------|----------------------------------|------------------------|
| UC Berkley 2023 | \$59,765 | \$22,000 | 134 | 134 | \$309 plus tax |
| Fall 2023 | \$136,762-\$288,524 | \$150,000 | 1145 | 916 | \$249 plus tax |
| Spring 2024 | \$224,848-\$404,726 | \$170,000 | 1145 | 916 | \$247 plus tax |
| UC Berkley 2024 | \$60,971 | \$22,000 | 134 | 134 | \$319 plus tax |
| Fall 2024 | \$123,832-\$397,665 | \$150,000 | 1185 | 948 | \$209 plus tax |
| Spring 2025 | \$141,608-\$370,715 | \$175,000 | 1185 | 948 | \$239 plus tax |
| UC Berkley 2025 | \$60,971 | \$22,000 | 134 | 134 | \$319 plus tax |
| Fall 2026 | \$141,608-\$370,716 | \$175,000 | 1185 | 948 | \$239 plus tax |

4. DONATED SERVICES

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

5. SUBSEQUENT EVENTS

SACRS’ management has evaluated subsequent events through April 4, 2024, the date which the financial statement was issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statement.

SUPPLEMENTARY INFORMATION

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

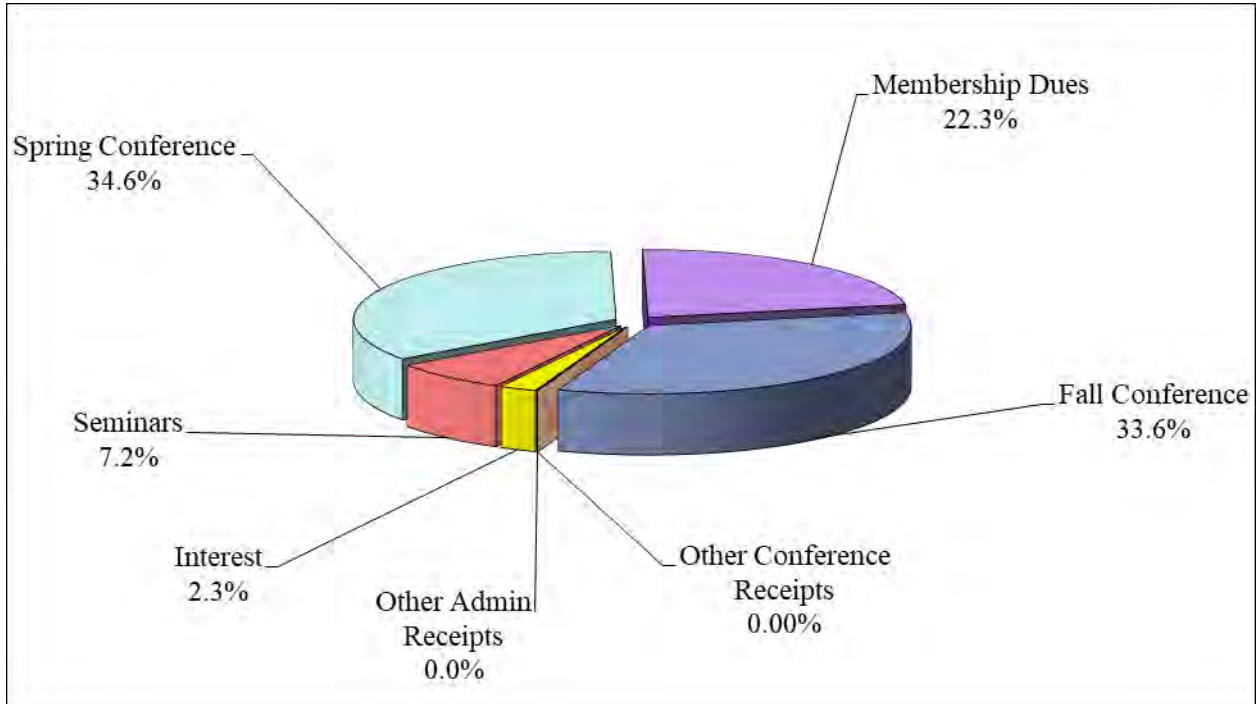
| | <u>Conference</u> | <u>Administration</u> | <u>Total</u> |
|--|---------------------|-----------------------|---------------------|
| <u>Cash Receipts</u> | | | |
| Dues | \$ - | \$ 361,500 | \$ 361,500 |
| Conference | | | |
| Fall | 546,180 | - | 546,180 |
| Spring | 561,715 | - | 561,715 |
| Seminars | 117,000 | - | 117,000 |
| Other admin receipts | - | 635 | 635 |
| Interest | - | 37,268 | 37,268 |
| Total Cash Receipts | <u>1,224,895</u> | <u>399,403</u> | <u>1,624,298</u> |
| <u>Cash Disbursements</u> | | | |
| Conference | | | |
| Fall - 2022 | | | |
| Hotel and meals | 430,059 | - | 430,059 |
| Audio and visual | 102,087 | - | 102,087 |
| Program materials | 31,726 | - | 31,726 |
| Spring - 2023 | | | |
| Hotel and meals | 689,074 | - | 689,074 |
| Audio and visual | 207,583 | - | 207,583 |
| Program materials | 82,563 | - | 82,563 |
| Seminars | 102,505 | - | 102,505 |
| Conference Administration | 21,192 | - | 21,192 |
| Total conference disbursements | <u>1,666,789</u> | <u>-</u> | <u>1,666,789</u> |
| Administration | - | 396,456 | 396,456 |
| Lobbying | - | 62,808 | 62,808 |
| Newsletters | - | 43,941 | 43,941 |
| Committee meetings | - | 74,447 | 74,447 |
| Special projects | - | 17,837 | 17,837 |
| Total administration disbursements | <u>-</u> | <u>595,489</u> | <u>595,489</u> |
| Total Cash Disbursements | <u>1,666,789</u> | <u>595,489</u> | <u>2,262,278</u> |
| Excess (Deficit) of Cash Receipts over Cash Disbursements | (441,894) | (196,086) | (637,980) |
| Cash and Investments, Beginning | <u>3,120,390</u> | <u>(1,215,756)</u> | <u>1,904,634</u> |
| Cash and Investments, Ending | <u>\$ 2,678,496</u> | <u>\$ (1,411,842)</u> | <u>\$ 1,266,654</u> |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

CASH RECEIPTS BY SOURCE

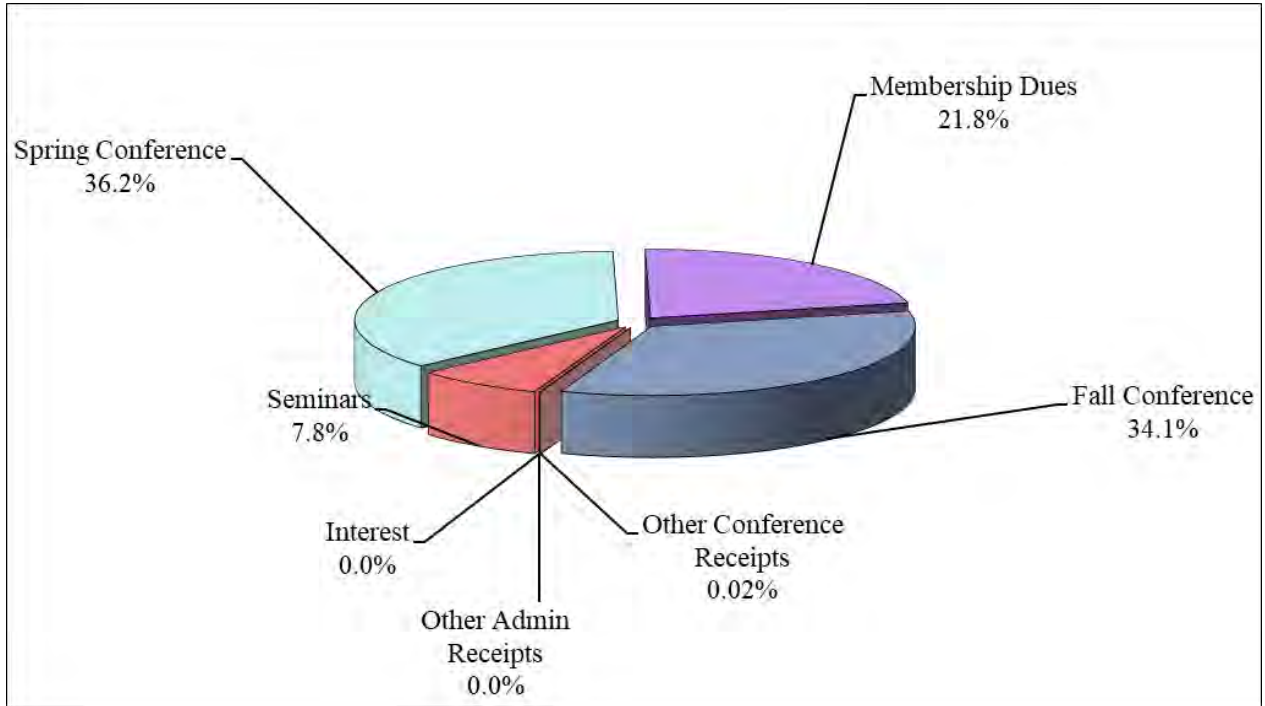


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

CASH RECEIPTS BY SOURCE

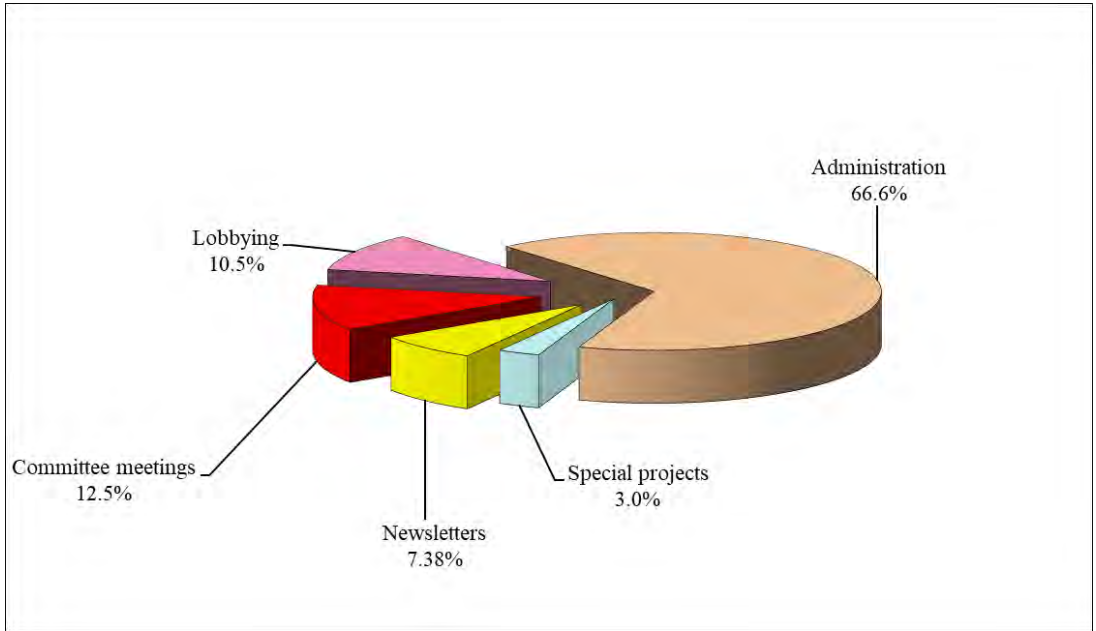


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

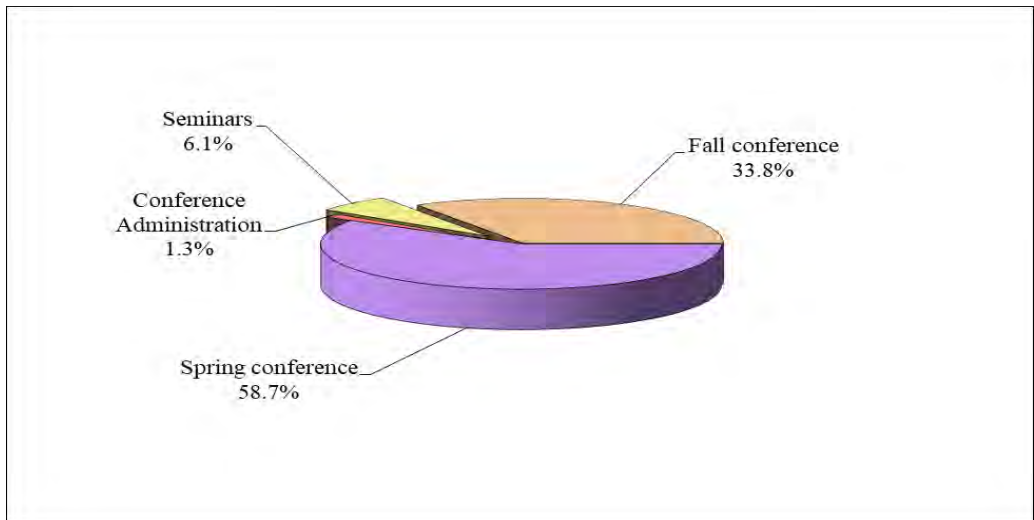
GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

ADMINISTRATION CASH DISBURSEMENTS



CONFERENCE CASH DISBURSEMENTS

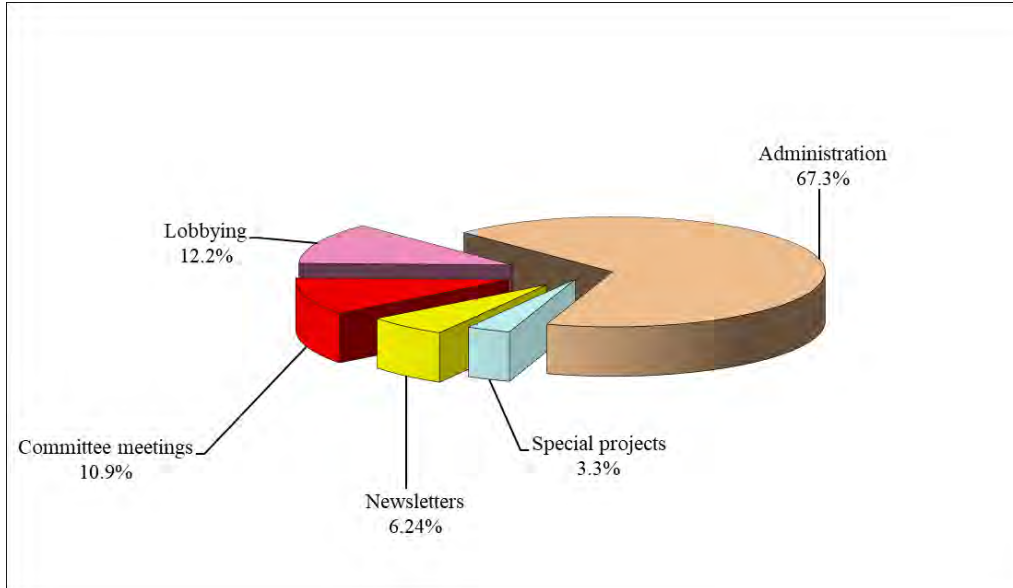


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

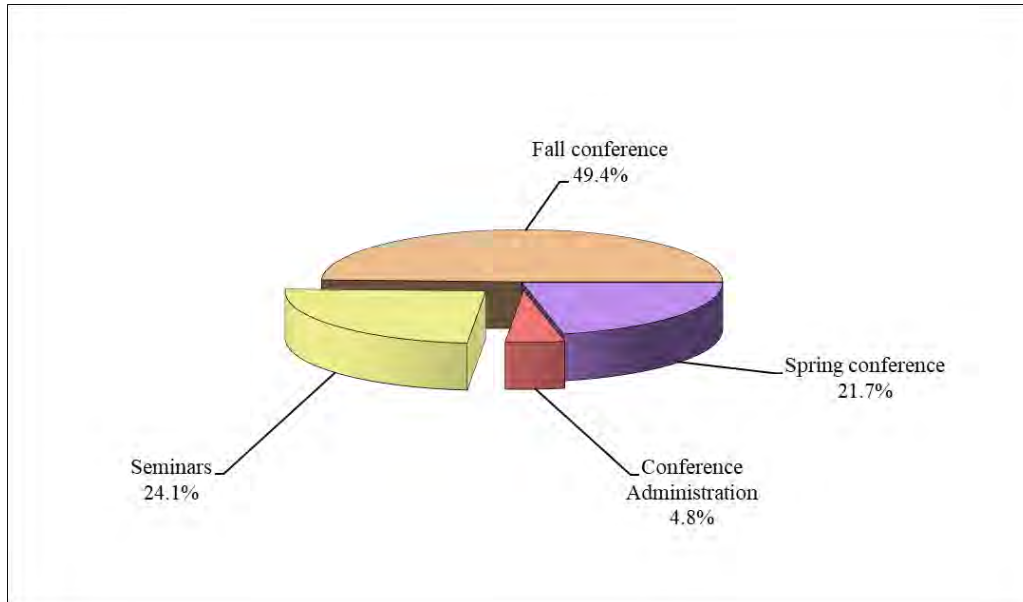
GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

ADMINISTRATION CASH DISBURSEMENTS



CONFERENCE CASH DISBURSEMENTS



STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

CONFERENCE SUMMARY REPORT

| | Spring 2023 | Fall 2022 | Spring 2022 | Fall 2021 | Spring 2021 | Fall 2020 | Spring 2020 | Fall 2019 | Spring 2019 | Fall 2018 |
|---------------------------------|---------------------|--------------------|-------------------|--------------------|-----------------------------------|-----------------------------------|------------------------------|-------------------|-------------------|------------------|
| | San Diego | Long Beach | Rancho Mirage | Hollywood | Held Via Virtual Conference | Held Via Virtual Conference | Canceled/Held Via Webinar | Monterey | Lake Tahoe | Indian Wells |
| Cash receipts | | | | | | | | | | |
| Conference | \$ 561,715 | \$ 546,180 | \$ 534,550 | \$ 503,150 | \$ 116,115 | \$ 102,380 | \$ - | \$ 639,270 | \$ 592,590 | \$ 591,530 |
| Total cash receipts | <u>561,715</u> | <u>546,180</u> | <u>534,550</u> | <u>503,150</u> | <u>116,115</u> | <u>102,380</u> | <u>-</u> | <u>639,270</u> | <u>592,590</u> | <u>591,530</u> |
| Cash disbursements | | | | | | | | | | |
| Hotel and meals | 664,335 | 377,130 | 20,225 | 329,775 | - | - | - | 267,961 | 195,278 | 312,670 |
| Audio and visual | 203,750 | 102,088 | 114,145 | 86,293 | 38,975 | 46,888 | - | 56,477 | 57,731 | 52,180 |
| Program materials | 40,542 | 23,797 | 33,115 | 39,374 | 2,500 | 3,049 | - | 20,381 | 42,342 | 32,086 |
| Program Speakers | 42,021 | 42,123 | 41,750 | 55,915 | 11,290 | 38,125 | - | 63,172 | 39,784 | 74,458 |
| Conference Administration | 28,572 | 18,734 | 21,336 | 15,921 | 3,830 | 2,668 | | 12,131 | 28,354 | 22,738 |
| Total cash disbursements | <u>979,220</u> | <u>563,872</u> | <u>230,572</u> | <u>527,277</u> | <u>56,595</u> | <u>90,730</u> | <u>-</u> | <u>420,122</u> | <u>363,489</u> | <u>494,132</u> |
| Net cash provided by conference | <u>\$ (417,505)</u> | <u>\$ (17,692)</u> | <u>\$ 303,978</u> | <u>\$ (24,127)</u> | <u>\$ 59,520</u> | <u>\$ 11,650</u> | | <u>\$ 219,148</u> | <u>\$ 229,101</u> | <u>\$ 97,398</u> |
| Total attendees | <u>538</u> | <u>508</u> | <u>577</u> | <u>540</u> | <u>443</u> | <u>363</u> | N/A | <u>647</u> | <u>590</u> | <u>588</u> |



James Marta & Company LLP
Certified Public Accountants

Accounting Auditing Tax and Consulting

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

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

We have audited the financial statement of the State Association of County Retirement Systems (SACRS) for years ended June 30, 2023 and 2022, and have issued our report thereon dated April 4, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

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

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

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

We have provided our report on internal control over financial reporting in a separate letter to you dated April 4, 2024.

Planned Scope and Timing of the Audit

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

Compliance with All Ethics Requirements Regarding Independence

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

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

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by SACRS is included in Note 1 to the financial statement. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

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

Financial Statement Disclosures

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

Significant Difficulties Encountered during the Audit

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

Uncorrected and Corrected Misstatements

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

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

Disagreements with Management

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

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated April 4, 2024.

Management's Consultations with Other Accountants

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

Other Significant Matters, Findings, or Issues

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

We are contracted to prepare the fiscal year 2023 federal Return of Organization Exempt From Income Tax, and related state filings, as well as the calendar year Forms 1099-MISC for SACRS. These returns will be prepared using audited financial data, where applicable, but our preparation of these returns does not constitute an audit. No audit opinion will be issued on the tax returns referred to above.

James Marta & Company LLP
Certified Public Accountants

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

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
April 4, 2024

Adjusting Journal Entries

None.

Reclassifying Journal Entries

None.



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MANAGEMENT REPRESENTATION LETTER

April 4, 2024

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

This representation letter is provided in connection with your audit of the statement of cash receipts and disbursements of the State Association of County Retirement Systems (SACRS) for the fiscal years ended June 30, 2023 and 2022, and the related notes to the financial statement, for the purpose of expressing an opinion on whether the financial statement is presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement.

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

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of April 4, 2024:

Financial Statement

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



Providing insight. Fostering oversight.

- We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
- We have accurately presented the entity's position regarding taxation and tax-exempt status.
- The bases used for allocation of functional expenses are reasonable and appropriate.
- We have included in the financial statement all assets under the entity's control.
- We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
- Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.
- We have reviewed and approved the adjusting and reclassifying journal entries reflected in the audit statements and Attachment I.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statement, such as records, documentation, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We have disclosed to you the results of our assessment of the risk that the financial statement may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others when the fraud could have a material effect on the financial statement.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statement communicated by employees, former employees, analysts, regulators, or others.
- We have no knowledge of any noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing financial statements.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statement and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.



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Supplementary Information in Relation to the Financial Statement as a Whole

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

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

Additional Representations

- We have reviewed, approved, and taken responsibility for the financial statement and related notes.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statement.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- All disbursements have been properly classified in the financial statement and allocations, if any, have been made on a reasonable basis.
- Deposit and investment risks have been properly and fully disclosed.



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

Sulema Peterson

Sulema Peterson, SACRS Executive Director

4/4/2024

Date

Attachment



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Attachment I
Journal Entry Report

Adjusting Journal Entry:

None.

Reclassifying Journal Entry:

None



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of State Association of County Retirement Systems (SACRS), as of and for the years ended June 30, 2023 and 2022 the related notes to the financial statement, which collectively comprise the State Association of County Retirement Systems' basic financial statement, and have issued our report thereon dated April 4, 2024.

Internal Control over Financial Reporting

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

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

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

Purpose of this Report

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

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
April 4, 2024

STATE ASSOCIATION OF COUNTY
RETIREMENT SYSTEMS
SUMMARY OF AUDIT RESULTS
YEAR ENDED JUNE 30, 2023

Presented by

Jesse Deol, CPA, ARM

Partner



Agenda

- Communications with Those Charged with Governance
- June 30, 2023, State Association of County Retirement Systems Statement of Cash Receipts and Disbursements and Auditor's Report
- Independent Auditor's Report On Internal Control And Compliance



COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE



SCOPE OF ENGAGEMENT

- Engagement letter dated July 7, 2022
- Statement of Cash Receipts and Disbursement Audit
- Tax

1. OBJECTIVE AND SCOPE OF THE AUDIT

You have requested that we audit the Statement of Cash Receipts and Disbursements of State Association of County Retirement Systems as of June 30, 2022, 2023, and 2024, and the related Statements of Activities, Statements of Functional Expenses, and Cash Flows for the years then ended and the related notes to the financial statements, which collectively comprise State Association of County Retirement Systems' basic financial statements and provide assistance with the preparation of the financial statements.

Also, the statements we present to you will include the following additional information that will be subjected to the auditing procedures applied in our audit of the financial statements:

- Combining Schedule of Cash Receipts and Disbursements
- Graphical Presentation of Cash Receipts
- Graphical Presentation of Cash Disbursements

The following additional information will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Conference Summary Report

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

Professional standards require that we provide you with information related to our audit of State Association of County Retirement Systems. This information is summarized as follows:

- Responsibilities and Opinion
 - Financial statements are the responsibility of management
 - Our responsibility is to express an audit opinion
 - We will issue an unmodified opinion (the best and auditor can give)



REPORT TO YOU - INTERACTIONS WITH MANAGEMENT



Management Consultations
with Other Independent
Accountants:

✓ None



Disagreements with
Management or Difficulties
Encountered:

✓ None



Management
Representations:

Pending

REPORT TO YOU

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

- Significant Accounting Policies and Changes in Those Policies - No changes
- Management Judgments and Accounting Estimates
 - None noted



AUDIT PROCEDURES

- An Audit is more than just assurance regarding the fairness of presenting financial statements. An Audit involves gaining an understanding of the organization's systems and controls.
 - Understanding; systems, policies and procedures
 - Tests of control
 - Gathering other audit evidence, review of details, performing test calculations.
 - Review of accounting methods and reporting

RESULTS OF THE AUDIT

| Consideration Area | Result |
|--|---|
| Planned Scope and Timing | Staff availability during the agreed upon field work dates. |
| Findings Identified in Performing the Audit | None significant. |
| Significant Adjustments or Disclosures Not Reflected in the Financial Statements | None. |

STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS
WITH INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

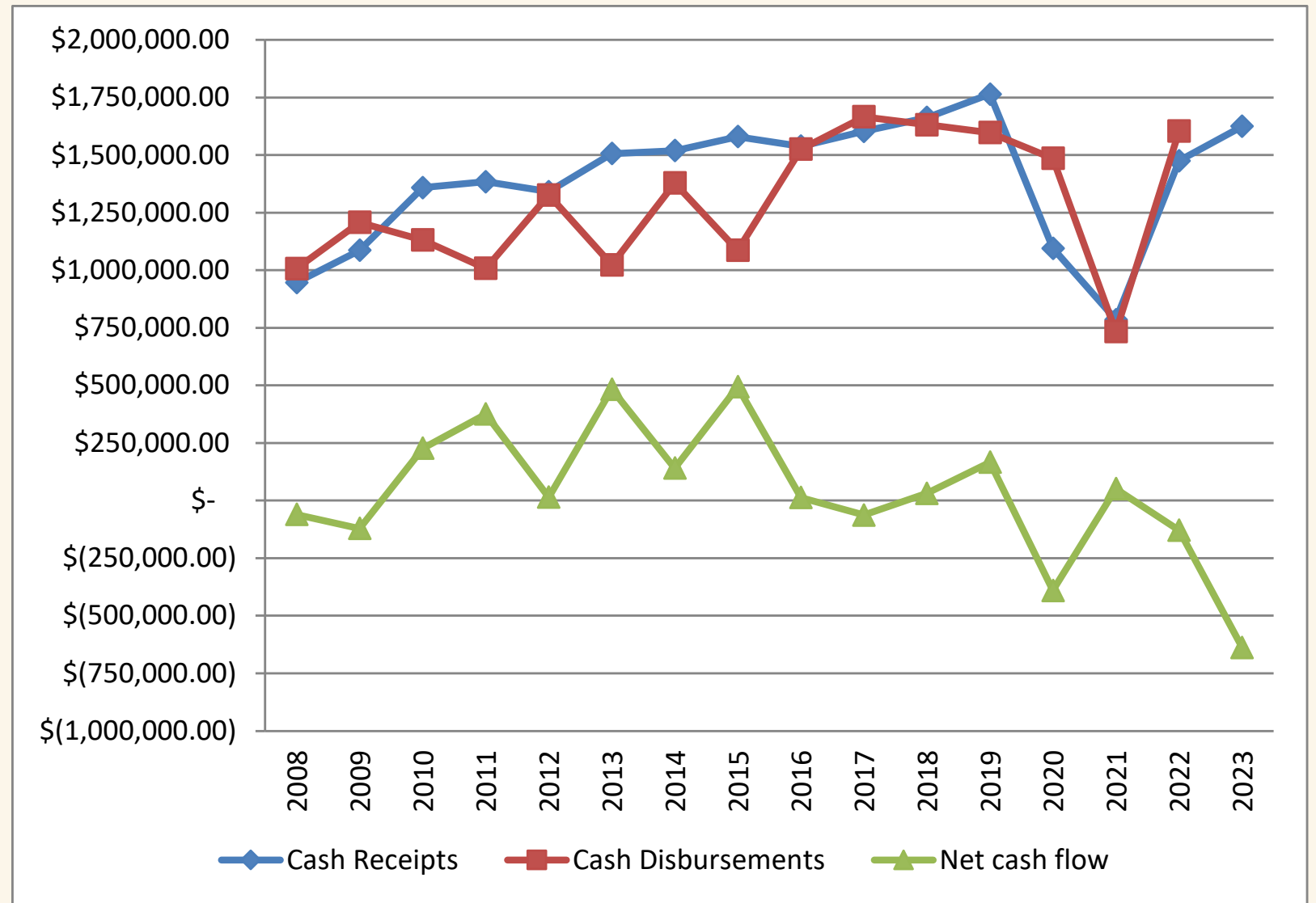
- Pages 1-3 of the Audited Statement of Cash Receipts and Disbursements
- Unmodified opinion (Page 1), the best opinion that we can provide



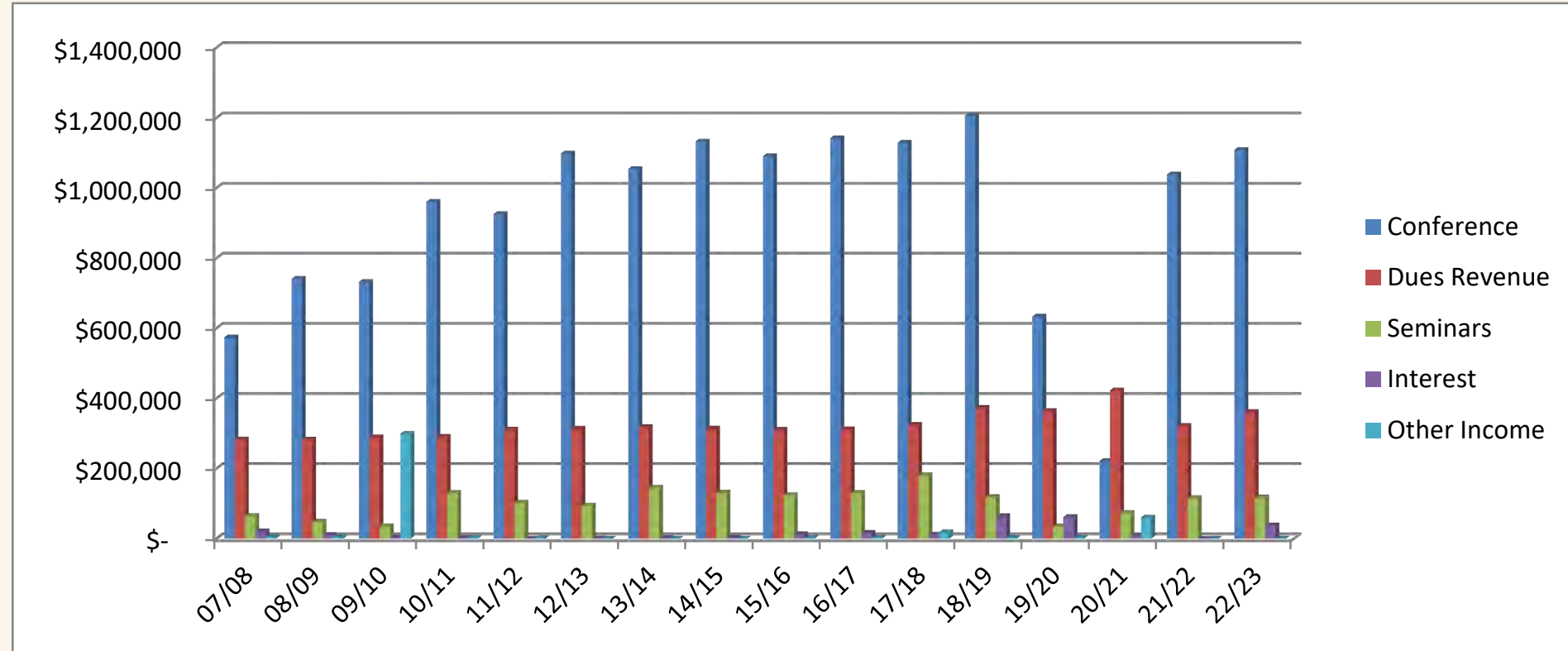
Financial Results – Cash Basis

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Beginning Cash | \$ 1,904,634 | \$ 2,033,559 | \$ 1,981,948 | \$ 2,372,422 | \$ 2,206,001 |
| Cash Receipts | 1,624,298 | 1,475,539 | 785,349 | 1,095,488 | 1,764,148 |
| Cash Disbursements | <u>(2,262,278)</u> | <u>(1,604,464)</u> | <u>(733,738)</u> | <u>(1,485,962)</u> | <u>(1,597,727)</u> |
| Excess (Deficit) of Cash Receipts over Disbursements | (637,980) | (128,925) | 51,611 | (390,474) | 166,421 |
| Ending Cash | <u><u>\$ 1,266,654</u></u> | <u><u>\$ 1,904,634</u></u> | <u><u>\$ 2,033,559</u></u> | <u><u>\$ 1,981,948</u></u> | <u><u>\$ 2,372,422</u></u> |

Financial Results – Cash Basis (continued)

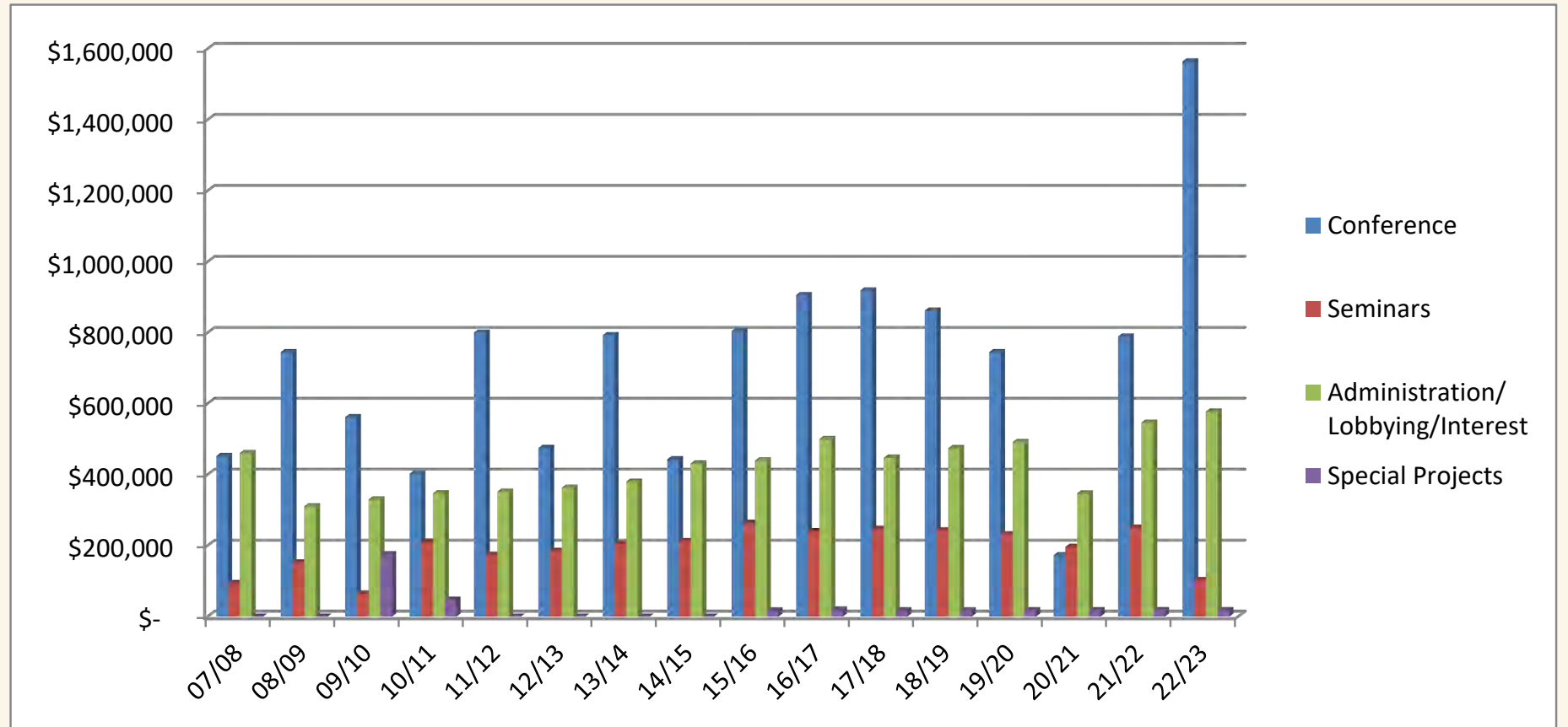


Revenues by Source - Historic



The conference is going back to the historical level pre-pandemic.

Expenses by Source - Historic



The expenses are driven by the conference is going back to the historical level pre-pandemic.

Conference Financials

| | Spring 2023 | Fall 2022 | Spring 2022 | Fall 2021 | Spring 2021 | Fall 2020 | Spring 2020 | Fall 2019 | Spring 2019 | Fall 2018 |
|---------------------------------|----------------|--------------|------------------|--------------|-----------------------------------|-----------------------------------|------------------------------|--------------|----------------|--------------|
| | San Diego | Long Beach | Rancho Mirage | Hollywood | Held Via Virtual Conference | Held Via Virtual Conference | Canceled/Held Via Webinar | Monterey | Lake Tahoe | Indian Wells |
| Cash receipts | | | | | | | | | | |
| Conference | \$ 561,715 | \$ 546,180 | \$ 534,550 | \$ 503,150 | \$ 116,115 | \$ 102,380 | \$ - | \$ 639,270 | \$ 592,590 | \$ 591,530 |
| Total cash receipts | 561,715 | 546,180 | 534,550 | 503,150 | 116,115 | 102,380 | - | 639,270 | 592,590 | 591,530 |
| Cash disbursements | | | | | | | | | | |
| Hotel and meals | 664,335 | 377,130 | 20,225 | 329,775 | - | - | - | 267,961 | 195,278 | 312,670 |
| Audio and visual | 203,750 | 102,088 | 114,145 | 86,293 | 38,975 | 46,888 | - | 56,477 | 57,731 | 52,180 |
| Program materials | 40,542 | 23,797 | 33,115 | 39,374 | 2,500 | 3,049 | - | 20,381 | 42,342 | 32,086 |
| Program Speakers | 42,021 | 42,123 | 41,750 | 55,915 | 11,290 | 38,125 | - | 63,172 | 39,784 | 74,458 |
| Conference Administration | 28,572 | 18,734 | 21,336 | 15,921 | 3,830 | 2,668 | | 12,131 | 28,354 | 22,738 |
| Total cash disbursements | 979,220 | 563,872 | 230,572 | 527,277 | 56,595 | 90,730 | - | 420,122 | 363,489 | 494,132 |
| Net cash provided by conference | \$ (417,505) | \$ (17,692) | \$ 303,978 | \$ (24,127) | \$ 59,520 | \$ 11,650 | | \$ 219,148 | \$ 229,101 | \$ 97,398 |
| Total attendees | 538 | 508 | 577 | 540 | 443 | 363 | N/A | 647 | 590 | 588 |

Assets at June 30, 2023

Cash and Cash Equivalents

| | <u>2023</u> | <u>2022</u> |
|---------------------------------|-------------------|-------------------|
| Bank accounts | \$ (166,975) | \$ 158,389 |
| Money market accounts | 833,519 | 801,421 |
| Total cash and cash equivalents | <u>\$ 666,544</u> | <u>\$ 959,810</u> |

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

Assets at June 30, 2023 (Continued) Investment

- In March 2015, SACRS invested in the CalTRUST Medium-Term Fund (the “Fund”), depositing \$1,104,130.
- The fair value balance as of June 30, 2023 and 2022 presented in the financial statement is \$600,110 and \$944,824, respectively.
- SACRS made a \$350,000 redemption for the year ended June 30, 2023.
- The current portion of the investment account represents underlying securities which are immediately redeemable (e.g. equities), or will mature within one year. The CalTRUST Short-Term Fund was \$8,559 and \$8,242 as of June 30, 2023 and 2022, respectively. The Fund is not rated or insured.

NOTES TO THE FINANCIAL STATEMENT AND SUPPLEMENTARY INFORMATION

- Pages 5-7 notes to the financial statements
- Page 8-13 Supplementary Information
 - Combining Statement of Cash Receipts and Disbursements
 - Graphical Presentation of Cash Receipts
 - Graphical Presentation of Cash Disbursements
 - Conference Summary Report

Our reports

- Report on the Financial Statements (Page 1)
 - Unmodified
- Report on Internal Control Over Financial Reporting
 - No deficiencies reported
- Communication with those charged with governance



Conclusion

- Cash and cash equivalents and investment decreased from \$ 1,904,634 to \$1,266,654.
- Thank you to the SACRS staff, specifically Sulema H. Peterson, Douglas Evans, and the Audit Committee for their assistance with this audit process.

QUESTIONS?

Jesse Deol, CPA, ARM
Partner





8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. Education Committee Report



9. SACRS Program Committee Report – No Action

Adele Tagaloa, Orange CERS, SACRS Program Committee Chair

A. Program Committee Report

No printed materials for this item



10. SACRS Affiliate Committee Report – No Action

JoAnne Svensgaard, Adrian Lee & Partners, SACRS Affiliate Committee Chair

A. Affiliate Committee Report

No printed materials for this item



11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Report

No printed materials for this item



12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give a verbal report on their meetings. No printed materials for this item.

- A. Administrators – Thomas Stadelmaier, Stanislaus CERA
- B. Affiliates – JoAnne Svendsgaard, Affiliate Committee Chair
- C. Attorneys – Barbara Hannah and David Lantzer, San Bernardino CERA
- D. Disability/ Operations & Benefits Combo – Theodore King, Los Angeles CERA
- E. Internal Auditors – Harsh Jadhav, Alameda CERA
- F. Investment Officers – Donald Pierce, San Bernardino CERS
- G. Safety Trustees – Brian Williams, Sonoma CERS
- H. General Trustees – Adele Tagaloo, Orange CERS



13. Adjournment

Next scheduled SACRS Business Meeting will be held on Friday, November 15, 2024. The meeting will be held at the Hyatt Regency Monterey Hotel and Spa during SACRS Annual Fall Conference November 12 – 15, 2024.

Date: May 1, 2024
To: Trustees, Board of Retirement
From: Dominic D. Brown, Chief Executive Officer
Subject: **Ares Annual Meeting**
Phoenix, AZ
May 13-16, 2024



I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Senior Investment Officer Geoff Nolan
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments



REGISTRATION CONFIRMATION

Ares Firmwide Annual Meeting 2024

Monday, May 13, 2024 - Thursday, May 16, 2024



Monday, May 13, 2024

4:00 PM - 5:00 PM

Welcome & Registration

6:30 PM - 9:30 PM

Welcome Reception

Tuesday, May 14, 2024

7:00 AM - 9:00 AM

Breakfast

8:00 AM - 8:40 AM

Spotlight Series #1

10:00 AM - 12:00 PM

Ares State of the Firm & Key Investment Themes

12:00 PM - 1:30 PM

Lunch

1:00 PM - 2:15 PM

State of Ares Direct Lending

2:30 PM - 5:15 PM

Alternative Credit Annual Meeting

4:30 PM - 5:45 PM

Cocktail Reception

5:45 PM - 7:30 PM

Dinner & Keynote Speaker

7:30 PM - 10:00 PM

Dessert Reception

Wednesday, May 15, 2024

7:30 AM - 10:00 AM

Breakfast

8:30 AM - 9:10 AM

Spotlight Series #2

10:00 AM - 12:00 PM

European Direct Lending Fund Updates

11:30 AM - 1:30 PM

Ares Annual Meeting Lunch

1:00 PM - 3:00 PM

U.S. Direct Lending Fund Updates

3:45 PM - 5:00 PM

Ares Industrial Real Estate Session

6:00 PM - 8:45 PM

Dinner

Thursday, May 16, 2024

7:00 AM - 9:00 AM

Breakfast

Date: May 1, 2024
To: Trustees, Board of Retirement
From: Dominic D. Brown, Chief Executive Officer
Subject: **ILPA Member's Conference**
Chicago, IL
June 4-6, 2024



I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Chief Investment Officer Daryn Miller
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments



MEMBERS' CONFERENCE CHICAGO

AGENDA

VENUE

Swissôtel Chicago, 323 E Upper Wacker Dr, Chicago, IL 60601
June 4-6, 2024

TUESDAY, JUNE 4

| Time | Event |
|---------------|---|
| 3:30pm-5:00PM | Family Office Network Gathering We are delighted to be hosting a gathering for our Family Office Network at Swissotel Chicago taking place just ahead of our Member's Conference, this event provides Limited Partner professionals at family offices an unparalleled opportunity to gather in an LP-only setting to share best practices and expand professional networks. Contact Lili Gerard for more information. |
| 3:30pm-5:00PM | Emerging LP Gathering New to PE? Join a group of new allocators (0-5 years of LP experience) ahead of the Members' Conference for an opportunity to network with your peers, share your experiences and expand your professional network. |
| 5:00pm | Conference Registration Opens |
| 5:00pm-7:00pm | Conference Welcome Reception |
| 7:30pm | Meet and Greet Social Events <i>These optional add-on events, hosted by partner organizations, offer the opportunity to meet and connect with your fellow attendees in a casual atmosphere before the start of the main conference.</i> <i>Spaces will be limited, and attendees will be able to choose from the following options:</i> |
| | Senior Heads of Private Equity Dinner (CIOs and Heads of PE Only), Hosted by BlackRock This exclusive dinner, for CIOs and Heads of Private Equity, will give you the opportunity to meet colleagues in a casual environment, prior to the main conference beginning. |
| | Whiskey Tasting and Dinner at Iconic Chicago Jazz Club, Hosted by Aksia Join us for great music and whiskey tasting at one of Chicago's premier jazz clubs. Seated dinner at small tables allows for relaxing with colleagues or making new friends before engaging your mind for the rest of the conference. |
| | Hamilton Lane MCON Welcome Event at the LondonHouse Chicago Rooftop Join Hamilton Lane at the LondonHouse Rooftop, one of Chicago's most picturesque city views. Join us for food, drink, music and conversation. Make sure to try one of our signature cocktails, mingle with industry peers and snap a few pictures from Chicago's iconic skyline! |

| | |
|--------|--|
| 9:00pm | After Party, Hosted by CSC Finish off your day at the Swissôtel bar for an opportunity to meet fellow MCON attendees in an informal setting. |
|--------|--|

WEDNESDAY, JUNE 5

| Time | Event |
|-----------------|---|
| 7:30am-8:30am | Breakfast and Registration MCON Expo Open |
| 8:30am-9:10am | ILPA AGM & Opening Remarks |
| 9:10am-9:30am | Break |
| 9:30am-10:30am | General Session |
| 10:30am-11:00am | Interactive Expo Break |
| 11:00am-12:15pm | Workshop Session One (Topics 1-4) <i>Choose one topic from the indicated selection. This set of topics will be repeated during Workshop Session Two.</i> |
| | Latest on the Private Fund Advisers Rule <i>Speakers: Richard Stratford, Colmore; Steven Taylor, Albourne</i> On August 23, 2023, the U.S. Securities and Exchange Commission (SEC) approved the final Private Fund Advisers rule that has the potential to change the PE landscape in the most significant way since the Dodd-Frank Act. Since then, a group of trade associations representing select General Partners (GPs) filed a lawsuit on September 1, 2023 to vacate the SEC's PFA rule within the Fifth Circuit Court of Appeals. As these legal challenges unfold, the outcomes will certainly impact the future trajectory of the private funds industry. Please join us as we react to the latest developments with the on-going litigation and other areas of ILPA-led implementation efforts, including the Quarterly Reporting Standards Initiative. |
| | NAV-igating the Facility <i>Speakers: TBA</i> This workshop will examine ILPA's recently released NAV Based Financing Facilities Guidance. At this workshop, a panel of LPs and service providers will react to ILPA's guidance, and comment on how their experience in dealing with NAV facilities aligns with the guidance. Additionally, the presenters will discuss the key terms of NAV facilities and tools LPs can employ to mitigate the potential drawbacks of NAV facilities. |
| | Assessing Climate Risk in Your Private Markets Portfolio <i>Speakers: TBA</i> Increasingly, private markets investors are conducting climate risk assessments to understand both physical and transition risks to their investment portfolios. This workshop will feature a panel conversation with several LPs to discuss the approaches they are taking to better understand their exposure to climate-related risks, strategies for engaging with GPs, and resources and toolkits which may benefit LPs who are considering a climate risk assessment or are just getting started. |
| | Private Credit Strategy Workshop: Strategies for Navigating a High Cost and Uncertain Environment <i>Speakers: Han Hu, Aegon Asset Management; Todd Trabacco, Marathon Asset Management</i> <i>Moderator: Brian Garfield, Lincoln International</i> |

| | |
|----------------|--|
| | This workshop will allow LPs to learn from their peers on how their organizations have structure their Private Credit portfolio and how they are approaching this current market environment including higher interest rates. |
| 12:15pm-1:15pm | Lunch MCON Expo Open |
| 1:15pm-2:00pm | Keynote Session: The State of Private Markets - Myths and Expectations Join us as Professor Steve Kaplan of the University of Chicago Booth School of Business shares some of his recent knowledge on the state of private equity, including dispelling some myths and sharing some of his expectations going forward. |
| 2:00pm-2:15pm | Break |
| 2:15pm-3:30pm | Workshop Session Two (Topics 1-4) <i>Choose one topic from the indicated selection. This set of topics are repeated from Workshop Session One.</i> |
| 3:30pm-4:00pm | Interactive Expo Break MCON Expo Open |
| 4:00pm-5:15pm | Roundtable Discussions <i>Choose one topic from the indicated selection.</i> |
| | Leveraging the LPAC <i>Speakers: TBA</i> <i>Moderator: David Parrish, DLA Piper</i> The LPAC - when properly engaged - can be a leading avenue for LPs to address concerns related to consent and conflicts of interest with GPs. However, the impact of the typical LPAC has been painted in a negative light recently by the SEC and others. The LPAC can be a hot-button issue for all LPs - including those typically with a seat on the LPAC and those who have never sat on a LPAC (and everything in-between). Join ILPA and DLA Piper's David Parrish for an interactive, peer-to-peer discussion centered around LPAC best practices and effective strategies for leveraging the LPAC to address issues with GPs. |
| | Confronting Liquidity Challenges: Looking for the Exits <i>Speakers: Drew Cronin, Nasdaq</i> This LP roundtable will feature industry veterans walking through how they are handling the liquidity challenges in the current environment with opportunity for small group discussions. |
| | Latest Concerns with Conflicts of Interest <i>Speakers: TBA</i> This roundtable discussion will delve into the ever-evolving landscape of conflicts of interest in private equity investment. With increasing competition for capital allocation and evolving market trends, conflicts issues have become fairly complex more recently. We'll explore the latest trends in where conflicts may lie and how they may be addressed and dissect how conflicts can manifest throughout the fund lifecycle. This will provide an opportunity for small group discussion and the exchange of experiences and ideas. |
| 5:15pm-5:30pm | Break |
| 5:30pm-7:00pm | Cocktail Hour |
| 7:00pm-9:00pm | Member Dinner |
| 9:00pm | After Party, Hosted by CSC |

THURSDAY, JUNE 6

| Time | Event |
|----------------|--|
| 8:00am-9:00am | Breakfast |
| 9:00am-10:15am | Workshop Session Three (Topics 5-8) <i>Choose one topic from the indicated selection. This set of topics will be repeated during Workshop Session Four.</i> <hr/> Evolution in Co-Investments <i>Speakers: Chris Eckerman, State of Wisconsin Investment Board; Margot Wirth, California State Teachers' Retirement System</i> <i>Moderator: Scott Martin, Cambridge Associates</i> This panel will delve into the strategic advancements LPs are making in utilizing co-investments and how market opportunities have evolved over the past 2-3 investment cycles. We'll explore how co-investing has evolved as a tool for LPs to not only diversify allocations and open additional paths to liquidity, but also how the dynamics of discussions around co-invest rights and expectations have changed in the buyouts market. The discussion will also unpack the unique value proposition LPs bring to the table as co-investors. <hr/> AI for LPs <i>Speakers: Maurice Gordon, Guardian Life Insurance Company of America</i> AI continues to be a highly discussed topic with a shift starting to take place from the abstract possibilities to practical applications with investment processes and operations in the PE industry. Across different stages of the investment decision making process - from due diligence to on-going monitoring - LPs need to be aware of the latest trends in this rapidly developing space for their own internal operations. Join ILPA in a session offering an in-depth review of how AI is being leveraged by LPs, with the opportunity to hear from thought leaders in the space and gain a better understanding of how LPs are engaging with AI today and the path they took to get there. <hr/> Should I Stay or Should I Go - The Clash of Making Roll/Sell Decisions <i>Speakers: Zane Carmen, Pitchbook</i> This workshop will examine the current market environment of continuation funds. At this workshop a panel of LPs and services providers will provide an update on the current market including pricing and opportunities, examine the impact of ILPA's 2023 Continuation Fund guidance on continuation fund transactions, and comment on their experiences in responding to transactions. The presenters will also discuss strategies LPs can employ in making roll/sell decisions, both internally in terms of changing organizational practices and policies, and externally in terms of key diligence considerations. <hr/> Distribution Waterfalls: Checking Your GPs Work <i>Speakers: Delphine Jones, CPA, CSC</i> It is not only extremely important for limited partners to understand the fees that they are being charged, but investors should also be able to recalculate and review these fees for reasonableness throughout the life of the fund. This workshop will review common and emerging distribution terms of the Limited Partnership Agreement, including variations in preferred return calculations and catch up provisions, deferred/waived fee components, multiple hurdle and clawback provisions. A review of both European and American waterfall steps will be illustrated through the use of examples while also examining the pros and cons of each. We will also discuss different practical approaches to reviewing the carried interest and expense |

| | |
|------------------------|---|
| | calculations for accuracy and reasonableness through the use of evaluating cash flows and current P&L. |
| 10:15am-10:45am | Interactive Expo Break MCON Expo Open |
| 10:45am-12:00pm | Workshop Session Four (Topics 5-8) <i>Choose one topic from the indicated selection. This set of topics are repeated from Workshop Session Three.</i> |
| 12:00pm-1:30pm | Closing Lunch and Keynote |

Registration details:

Member early bird rate: \$599 USD expires April 26

Registration is open on ilpa.org!

Member regular rate: \$699 USD

Program Level: Overview

Delivery Method: Group-Live

Earn up to 4 CPE Credits

There are no prerequisites or pre-reading materials for this program



Institutional Limited Partners Association is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.learningmarket.org.

Travel Subject ILPA Members Conference 2024
Sponsor ILPA
Date(s) June 4-6, 2024
Location Chicago, CA
Proposed Attendee(s) Daryn Miller

Estimated Total Travel Cost \$4,918.50

| Description | Computation | Miller | Totals | Borne By | |
|--------------------------------|---|--------------|--------------------|--------------------|------------------|
| | | | | KCERA | Sponsor |
| Registration fees | | = 600.00 | 600.00 | 600.00 | |
| Lodging expense | 3 nights @ \$ 1,200.00 /night | = 3,600.00 | 3,600.00 | 3,600.00 | |
| Per diem meals reimbursement: | 3 days @ \$ 79.00 /day | = 237.00 | | | |
| Less meals provided by sponsor | 2 Breakfast, 2 Lunch, 1 Dinner = \$118.50 | = (\$118.50) | | | \$118.50 |
| Total meals expense | | = | 237.00 | 118.50 | |
| Shuttle/taxicab expense | Uber/Taxi Estimate | = 100.00 | 100.00 | 100.00 | |
| Airfare | \$500.00 | = \$500.00 | \$500.00 | 500.00 | |
| Vehicle-related expenses: | | = | - | - | |
| Parking | - days @ - /day | = - | - | - | |
| Mileage | miles @ 0.395 /mile (Department Head) | = - | - | - | |
| | miles @ 0.655 /mile (Staff, Trustee) | = - | - | - | |
| Rental car | | = - | - | - | |
| Rental car gasoline | | = - | - | - | |
| Totals | | = 4,918.50 | \$ 5,037.00 | \$ 4,918.50 | \$ 118.50 |

Date: May 1, 2024
To: Trustees, Board of Retirement
From: Dominic D. Brown, Chief Executive Officer
Subject: **LEAP HR State & Local Government**
Denver, CO
June 4-5, 2024



I have attached information concerning the above-captioned meeting, as follows:

- Agenda and supporting information on the pertinence and relevance of the following staff attendance – Administrative Services Officer Aimee Morton
- Specific information as to whether staff will serve as a speaker or panel participant – None
- Specific information concerning the estimated total travel cost involved, including the estimated costs to be borne by KCERA and those costs borne by the conference sponsor

The topic list is timely and relevant to the administration of the retirement system. Therefore, it is recommended that your Board receive and file.

Attachments



LEAP HR

State & Local Government

Radical Change Through People

June 4 – 5, 2024

Denver, CO

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Among the disruptive HR innovators sharing case studies:



Kelly Hardwick
Executive Director
Mississippi State
Personnel Board



Dianna Giordano
Head of Human
Resources
City of Fort Worth



Dessie Calihou
Director of Human
Resources
Dunn County



Dr. Thomas Joseph
Senior Talent
Development
Specialist
State of Missouri



Brittany Hendricks
Chief People Officer
State of Illinois



Sheridan Richards
Chief People Officer
City of Little Rock



Ayanna Colman
Equity, Diversity, and
Inclusion Director
Washington State
Employment Security
Department



Tristin Sullivan-Leppa
Deputy Director -
Human Resources &
Employee, Retiree
Benefits
City of Phoenix

How a Community of City, County & State Government HR Innovators are Pioneering Out-of-The Box, Private Sector Thinking to Attract, Retain & Inspire the Public Workforce

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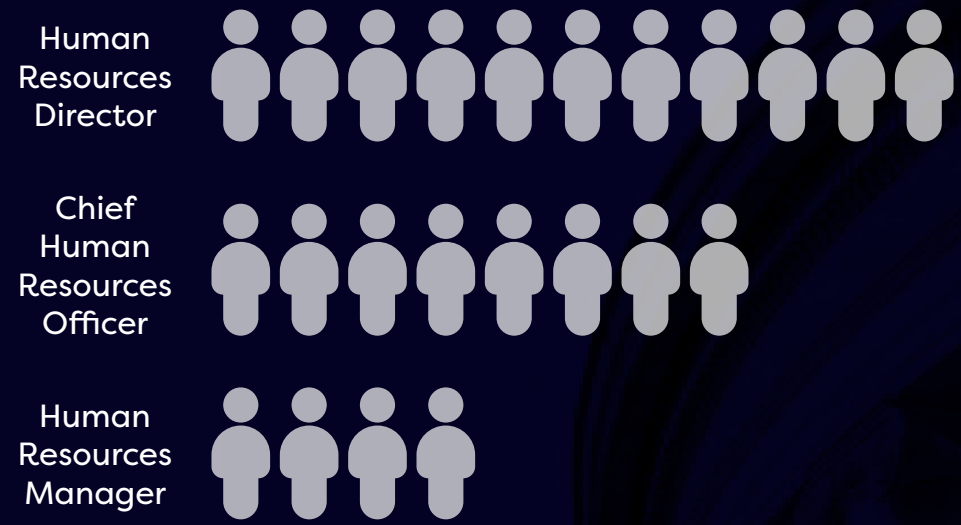


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The Definitive Event for Strategic HR Leaders in State & Local Government



3 most common titles expected



LEAP HR: State & Local Government
June 4 - 5, 2024
Denver, CO



What Have Past attendees Said?



Brooke Stream, Director of Human Resources, City of Henderson

“I really appreciated the size of the event that provided an opportunity to network with other HR directors from around the country. Additionally, the presentations on best practice and innovations in public sector HR were very relevant to the work I do. Great job. I would definitely recommend this event to my peers locally”

The LEAP Difference

LEAP HR: State & Local Government is a high-energy, high-impact, fully immersive experience.

How it works

We believe the traditional conference format is not fit for purpose, so we've ripped it up and started from scratch. When you looked inside the agenda, you will have seen three main types of session:

- Discover sessions** offer you the chance to hear the most admired people leaders in government share the stories of what they've done to solve their most pressing HR challenges
- Develop sessions** provide you with the unique opportunity to have your burning questions answered in a room full of your peers and move beyond the 'what' and the 'why' to get to the 'how'
- Action sessions** are designed to help you work with your team to set a clear, bespoke action plan of what you are going to change when you get back to your business to ensure you get a fast ROI

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Event Highlights



How the **State of Missouri** employed a digital credentialing system (informed by their quarterly health survey) at a relatively low cost, that received 91% engagement (November 2023) and launched as a Governor's priority.



Uncover how the **City of Little Rock** conducted a SWOT analysis where employees could put forward plan that aligned with their professional goals, increasing engagement, retention and morale.



Discover how **Washington State** are standardizing the recruitment process to ensure that they are attracting the right type of candidates, who are passionate about the work and feel empowered to apply, driving recruitment response rates.



Learn how the **State of Mississippi** surveyed their 24,000 employees to re-classify their roles, to enhance their understanding of how to reward performances while increasing both productivity and retention.



Find out how the **City of Rancho Cucamonga** have eliminated performance models and instead are working with employees to focus on their professional development models has lead to increased recruitment and retainment of staff.



Hear how the **City of San Diego** implemented the choice for a more flexible retirement plan, with virtually no extra costs, as a perceived benefit to new hires. Giving them the flexibility, they desire that competes with private industry retirement schemes.



Learn how **Dunn County** introduced a performance management system with merit based increases which lead to decreases in employee conflict and hostility and increased productivity, motivation and learning opportunities for staff



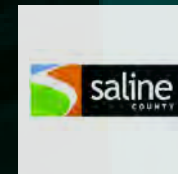
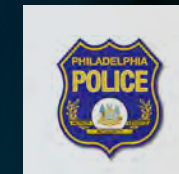
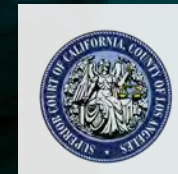
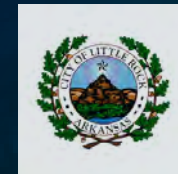
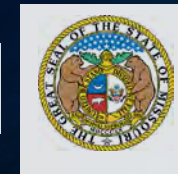
Hear how **Philadelphia Police Department** have made proactive changes to their recruitment and retention strategy that followed the process of: making the change, managing the change and mastering the change

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Governments speaking at the 2024 Event:



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Kelly Hardwick
Executive Director
**Mississippi State
Personnel Board**



Dianna Giordano
Head of Human
Resources
City of Fort Worth



Dessie Calihou
Director of Human
Resources
Dunn County



Dr. Thomas Joseph
Senior Talent
Development Specialist
State of Missouri



Melissa Knight
Director of Human Resources
and Risk Management
Pitkin County



Sheridan Richards
Chief People Officer
City of Little Rock



Ayanna Colman
Equity, Diversity, and
Inclusion Director
**Washington State
Employment Security
Department**



Tristin Sullivan-Leppa
Deputy Director - Human
Resources & Employee,
Retiree Benefits
City of Phoenix



Robert Neuber
Chief Human Resources
Officer
**City of Rancho
Cucamonga**



Monty Bell
Head of Human Resources
**San Diego County
Regional Airport
Authority**



Shon Buford
Assistant Deputy Chief,
Office of Diversity, Equity &
Inclusion (DEI)
**San Francisco Fire
Department**



Tita Gray
Diversity Equity and
Inclusion Administrator
**Superior Court of
California, County of LA**



Leslie Marant
Chief Diversity, Equity, and
Inclusion (DEI) Officer
**Philadelphia Police
Department**



Drew Kassa
Personnel Director
City of Lynn



Marilyn Leamer
Human Resources Director
Saline County Kansas



Megan Avalos
Deputy Human Resources
Director
City of Phoenix



Tammy Gibson
Human Resources Director
**Alabama Department of
Childhood Education**



LaShaun Carter
Chief Equity and Inclusion
Officer
Mecklenburg County



Holly Meyer
Assistant Human
Resources Director
City of Fort Worth



Keri Pharris
Deputy Chief Human
Resources Officer
Kern County



Anthony Handrick
Chief People Officer
State of Illinois

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PRE-CONFERENCE STATE GOVERNMENT BREAKFAST DEEP DIVE

Future Focus on Technology & Operational Efficiency of HR in State Governments

An Interactive Workshop Morning to Establish Your Future-Focused HR Strategy

Tuesday, June 4 | 7am-9am

Join this optional pre-conference workshop session before the main event begins and uncover concrete recommendations on how best to catch up with the technology and operational efficiency of the private sector, as well as refining your ability to attract, inspire and retain next generation talent. Streamline your processes and forecast the strategies needed for your government's future.

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7.00 Check In & Hot Breakfast


7.20 **Discover: Re-defining Your Classification & Compensation System to Improve Retention**



Kelly Hardwick
Executive Director
State of Mississippi

- How can we give employees opportunities to be rewarded without being promoted?
- Clearly define and re-classify their roles and expectations, while rewarding increased performance
- How the State of Mississippi surveyed their 24,000 employees to re-classify their roles, to enhance their understanding of how to reward performances while increasing both productivity and retention.

7.40 **Develop: Ways in Which We Can Maximize Our Current Resources**
Question & Answer Session Facilitated by the Focus Day Chair




Kelly Hardwick
Executive Director
State of Mississippi

8.00 **Action: How Are You Going to Change Your Current System to Maximise Your Governments Resources**
Output Focused Action Session Facilitated by the Chair

8.20 **Statewide Human Resources Speed Learning**
In this quick-fire session, each table will be hosted by an State HR leader who will share the secrets of their most high-impact leap; you then get the opportunity to question the host before moving on to your next table.

Creating Flexibility in the Work Place
Kelly Hardwick
Executive Director
State of Mississippi



Investing in Talent Development to Create Pipelines to Leadership Positions
Dr. Thomas Joseph
Senior Talent Development Specialist
State of Missouri



How to Build Support Networks for Your Staff
Ayanna Colman
Equity, Diversity, and Inclusion Director,
Washington State Employment Security



9.00 Chair's Closing Remarks & End of Pre-Conference Breakfast Deep Dive



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Conference Day One Tuesday, June 4

LEAP HR: State & Local Government

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8.30

Check in & Networking

9.20

Chair's Opening Remarks

Negotiating Non-Monetary Total Rewards in the Public Sector to Increase Employee Engagement

9.30

Discover: State of Missouri's Innovative Approach to Digital Credentialing - A Win for Total rewards, Staff Recognition & Engagement



Dr. Thomas Joseph

Senior Talent Development
Specialist
State of Missouri

- How can we better compete with the private sector with the restricted budget of the public purse?
- Offering non-monetary total rewards that increase employee recognition and engagement.
- How the State of Missouri employed a digital credentialing system (informed by their quarterly health survey) at a relatively low cost, that received 91% engagement (November 2023) and launched as a Governor's priority.

9.50

Develop: What Other Non-Monetary Total Rewards Can we Offer?

Question & Answer Session Facilitated by the Focus Day Chair



Dr. Thomas Joseph

Senior Talent Development
Specialist
State of Missouri

10.00

Action: What Non-Monetary Total Rewards Could you Offer at Your Government?

Output Focused Action Session Facilitated by the Chair

10.20

Speed Networking Break

11.00

Panel Discussion: Panel Discussion: Increase Long-Term Staff Buy-in with Redefined Total Rewards

- Discover strategies to gain executive buy in for total rewards
- Evaluate the pros and cons of offering flexible working arrangements
- Discuss changing policy such as offering alternative PTO



Dr. Thomas Joseph

Senior Talent Development
Specialist
State of Missouri



Tristin Sullivan-Leppa

Director of Employee and
Retiree Benefits
City of Phoenix

11.40

Action: How are You Going to Approach Gaining Executive Buy In at Your Institution?

Output Focused Action Session Facilitated by the Chair

12.00

Lunch

Tackling Talent Shortages - Recruiting Passionate & Qualified Staff

13.00

Discover: Standardizing Recruitment Strategies Across Agencies so that Recruitment Response Rates are NOT Driven by Culture Preferences



Ayanna Colman

Equity, Diversity, and
Inclusion Director,
Washington State
Employment Security

- How can we ensure that future employees are applying to the positions that are their hearts passion rather than on the basis of what the culture appears like across different agencies?
- Standardize all stages of the recruitment process across agencies
- How Washington State are standardizing and being intentional about the language in job descriptions, process of interviews, and the screening process to ensure that they are attracting the right type of candidates, who are passionate about the work and feel empowered to apply, driving recruitment response rates.

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13.20



Leslie Marant
Chief Diversity, Equity and
Inclusion Officer
**City of Philadelphia Police
Department**

Discover: Re-energizing Recruitment Strategy to Drive Hires

- How can we increase hires following negative perceptions of government?
- Implement an extensive recruiting and retention strategy
- How Philadelphia Police Department have made proactive changes to their recruitment and retention strategy that followed the process of: making the change, managing the change and mastering the change

13.40

Develop: How Can We Ensure that We Are Hiring the Correct People for the Job?

Question & Answer Session Facilitated by the Focus Day Chair



Leslie Marant
Chief Diversity, Equity and Inclusion Officer
City of Philadelphia Police Department



Ayanna Colman
Equity, Diversity, and Inclusion Director,
Washington State Employment Security

14.00

Action: How are you Going to Ensure that you Hire the Correct People for your Government?

Output Focused Action Session Facilitated by the Chair

14.20

Afternoon Coffee Break

Breaking Away from Traditional HR Practises

14.40

Panel Discussion: CHRO Panel Discussion: Disruptive HR Thinking

- How can we break away from HR traditions and red tape in government?
- How can we gain executive buy in?
- How can we create a future focused HR strategy that succeeds



Robert Neiuber
Chief Human Resources
Officer
City of Rancho Cucamonga



Dianna Giordano
Head of Human Resources
City of Fort Worth



Monty Bell
Head of Human Resources
**San Diego County Regional
Airport Authority**



Sheridan Richards
Chief People Officer
City of Little Rock



Brittany Hendricks
Chief People Officer
State of Illinois

15.40

Discover: Re-inventing Performance Management Models; Discarding the 'Step System'



Dessie Calihou
Director of Human Resources
Dunn County, North Dakota

- How can we increase the productivity of our staff, minimize inequities between staff and provide learning opportunities for those who are motivated?
- Convert your step performance management system to a highly individualized performance management system
- How Dunn county introduced a performance management system with merit based increases that rewards employees for their efforts rather than longevity which lead to decreases in employee conflict and hostility and increased productivity, motivation and learning opportunities for staff



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16.00 **Develop: What Other Harmful Traditions Persist in HR?**

Question & Answer Session Facilitated by the Focus Day Chair



Dessie Calihou
Director of Human Resources
Dunn County, North Dakota

16.10 **Action: How Are You Going to Break Away From Traditional HR?**

Output Focused Action Session Facilitated by the Chair

16.30 **Afternoon Coffee Break**

Proactive Succession & Workforce Planning to Prepare for the Next 10 Years of Government

16.50 **Discover: Succession Planning for Retirement – Building Senior Leadership**



Megan Avalos
Deputy Director of Human Resources
City of Phoenix

- A huge majority of our workforce is already eligible to retire - how can we backfill these positions?
- Create a system that enables new hires directly into management and executive positions
- How the City of Phoenix have created a 6 week 'Management Academy' that is deployed to new executives and middle managers, that captures the knowledge of current deputy and transfers effectively to new hires. Closing the knowledge gap between current staff and retirees by filling roles internally and maintaining institutional knowledge

17.10 **Discover: Shifting the Growth Mindset – Eliminating Performance Models**



Robert Neiuber
Chief Human Resources Officer
City of Rancho Cucamonga

- How can we remain focused on continuous learning and make sure people are in the right place within the organization?
- Shift the mindset forwards and opening up the conversation to employees' goals rather than performance
- How the City of Rancho Cucamonga have eliminated performance models and instead are working with employees to focus on their professional development models, including implementing training for supervisors on how to manage these conversations. This has led to increased recruitment and retention of staff.

17.30 **Develop: What Other Ways can we Plan for the Great Retirement?**

Question & Answer Session Facilitated by the Focus Day Chair



Megan Avalos
Deputy Director of Human Resources
City of Phoenix



Robert Neiuber
Chief Human Resources Officer
City of Rancho Cucamonga

17.50 **Action: How Will You Become More Proactive in Planning for the Great Retirement?**

Output Focused Action Session Facilitated by the Chair

18.10 **Chair's Closing Remarks**



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PRE-CONFERENCE LOCAL GOVERNMENT BREAKFAST DEEP DIVE 2

Future Focus on Utilizing Data & Maximizing Resources in HR in Local Governments

An Interactive Workshop Morning to Establish Your Future HR Strategy

Wednesday, June 5 | 7am-9am

Join this optional pre-conference workshop session before the main event begins and uncover concrete recommendations on how to best maximise local government resources, as well as how to utilize data to manage important trends.

LEAP HR: State & Local Government

June 4 - 5, 2024
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7.00

Check In & Hot Breakfast

7.20



LaShaun Carter
Chief Equity and Inclusion
Officer
Mecklenburg County

Discover: Utilizing Data & Analytics to Track & Change Harmful Trends

- How can we be aware of harmful trends in our workplace and hold ourselves accountable to change these?
- Utilize data analytics to identify harmful trends, and track the effectiveness of initiatives that intend to minimize them.
- How the Mecklenburg County are utilizing their data to track their workforce demographic trends, including promotion rate, hiring rate, equity rate - leading to their discovery of a promotion bias for which they are tracking the success of their solutions

7.40



Melissa Knight
Director of Human Resources
and Risk Management
Pitkin County

Discover: Re-inventing Compensation & Credentialing to Stay Competitive with Recruitment & Retention

- How can we recruit new staff, in the 'employee market' at a competitive rate without compression?
- Re-invent your compensation and classification system
- How Pitkin County used feedback from their employees as motivation for change, building roles out and providing a compensated road map to progression, enabling them to provide competitive entry level rates without compression, increasing both recruitment rates and retention.

8.00

Develop: What Else is Necessary to Consider When Maximizing Our Current Resources to Plan for the Future?

Question & Answer Session Facilitated by the Focus Day Chair



Melissa Knight
Director of Human Resources and Risk Management
Pitkin County



LaShaun Carter
Chief Equity and Inclusion Officer
Mecklenburg County

9.00

Chair's Closing Remarks & End of Pre-Conference Workshop



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Conference Day Two Wednesday, June 5

LEAP HR: State & Local Government

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8.30 Check In & Networking

9.00 Chair's Opening Remarks

Attract, Inspire & Retain the Next Generation of Workers

9.30



Monty Bell
Head of Human Resources
City of San Diego

Discover: Enticing the Younger Workforce with a New Choice of Retirement Plan

- How can we compete with private industry for next gen talent?
- Listen to what the younger generations want from an employer, and make those changes where possible
- How the city of San Diego implemented the choice for a more flexible retirement plan, with virtually no extra costs, as a perceived benefit to new hires. Giving them the flexibility, they desire that competes with private industry retirement schemes. The scheme has already seen the majority of employees switch to the newer plan.

9.50



Brittany Hendricks
Chief People Officer
State of Illinois

Discover: Switching up Recruitment Strategy to Bring in Next Gen Workers

- How can we decrease vacancy rates?
- Tailor recruitment strategy to the next generation of workers
- How the State of Illinois have transformed their recruitment strategy: switching to more flexible hours that are favored by younger generations, targeting colleges and high schools for next gen talent pipelines and fine tuning the hiring process such as giving applicants a conditional offer within 3 working days to keep engagement and instant gratification to younger workers. These efforts have left the State of Illinois with a 7% vacancy rate down from 18%.

10.10 Develop: How Else Can We Inspire & Appeal to the Next Generation of Workers?

Question & Answer Session Facilitated by the Focus Day Chair



Monty Bell
Head of Human Resources
San Diego County Regional
Airport Authority



Brittany Hendricks
Chief People Officer
State of Illinois

10.30 Action: What Changes are you Going to Make to Attract, Inspire & Retain the Next Generation Workers?

Output Focused Action Session Facilitated by the Chair

10.50 Networking Break

Turbo Charging Training & Development to Increase Our Skilled Staff

11.10



Sheridan Richards
Chief People Officer
City of Little Rock

Discover: Conducting a SWOT Analysis - Including Employees in the Conversation of their Development to Increase Engagement & Morale

- How can we counter frustration, disengagement and increase employee development?
- Include employees in the conversation of employee development and process improvement. Invite employees to contribute to a department they are proud to be part of
- How the City of Little Rock conducted a SWOT analysis where employees could put forward plan that aligned with their professional goals, while increasing engagement, retention and morale.

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Conference Day Two Wednesday, June 5

LEAP HR: State & Local Government

June 4 - 5, 2024
Denver, CO



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MARCH 15
SAVE UP TO
\$460

11.30 **Develop: How Can We Develop Our Staff in a Way That is Appropriate For Them?**

Question & Answer Session Facilitated by the Focus Day Chair



Sheridan Richards
Chief People Officer
City of little rock

11.40 **Action: How are you Going to Develop your Staff?**

Output Focused Action Session Facilitated by the Chair

Constructing a Culture of Care & Managing Mental Health

12.00 **Panel Discussion: Constructing a Culture of Care with Regards to Mental Health and DE&I**

- Discuss how can we be more authentic in our DE&I outreach
- Evaluate different methods of employee support
- Discover how technology can help to construct a culture of care



Dianna Giordano
Head of Human Resources
City of Fort Worth



Shon Buford
Assistant Deputy Chief, Office of
Diversity, Equity & Inclusion
San Francisco Fire
Department



Tita Gray
Diversity, Equity and Inclusion
Administrator
Superior Court of California,
County of Los Angeles



Maria Mastrokyriakos
Sr. HR Diversity, Equity, & Inclusion
Analyst
City and County of San Francisco

13.00 **Lunch**

Speed Learning

14.00 In this quick-fire session, each table will be hosted by an HR leader who will share the secrets of their most high-impact leap; you then get the opportunity to question the host before moving on to your next table.

HR Burnout: When There's Nothing Left in the Tank.



Tammy Gibson
Human Resources Director
Alabama Department of
Childhood Education

Leveraging AI in Public Sector Recruiting



Keri Pharris
Deputy Chief Human Resources
Officer
Kern County

Career Ladders - An Effective Path of Career Advancements



Marilyn Leamer
Human Resource Director
Saline County

15.00 **Chair's Closing Remarks & End of Conference**



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LEAP HR: State & Local Government

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For the last decade, city, county and state governments in the United States have experienced declines in employment, falling wages, and serious challenges recruiting new talent. Governments need to work faster and more efficiently to compete with the private sector and provide the necessary services to citizens.

Throughout 2023, the public sector struggles to adapt to shifting employee expectations around flexible work and individually tailored total rewards- they recognize that they can't solve these challenges alone.

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Business Development Manager
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*Solution Providers - Non-sponsoring solution providers may only send one attendee per organization. You may only attend as an attendee for one year before we ask you to support the event as a sponsor as a requirement for entry in subsequent years. All purchases are subject to approval based on the ratio of HR leaders to solution providers at the conference. To confirm availability, or for more information about partnership options, contact sponsor@hansonwade.com. All prices shown in USD.

Full payment is due on registration. Cancellation and Substitution Policy: Cancellations must be received in writing. If the cancellation is received more than 14 days before the conference attendees will receive a full credit to a future conference. Cancellations received 14 days or less (including the fourteenth day) prior to the conference will be liable for the full fee. A substitution from the same organization can be made at any time. Changes to Conference & Agenda: Every reasonable effort will be made to adhere to the event programme as advertised. However, it may be necessary to alter the advertised content, speakers, date, timing, format and/or location of the event. We reserve the right to amend or cancel any event at any time. Hanson Wade is not responsible for any loss or damage or costs incurred as a result of substitution, alteration, postponement or cancellation of an event for any reason and including causes beyond its control including without limitation, acts of God, natural disasters, sabotage, accident, trade or industrial disputes, terrorism or hostilities. Data Protection: The personal information shown and/or provided by you will be held in a database. It may be used to keep you up to date with developments in your industry. Sometimes your details may be obtained or made available to third parties for marketing purposes. If you do not wish your details to be used for this purpose, please write to: Database Manager, Hanson Wade, Suite A, 6 Honduras Street, London EC1Y 0TH

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Lana Dale

Conference Producer & Program Director

Get in touch with Lana about speaking opportunities for next year's event and concerns or queries about the agenda or speakers.



Rakkan Said

Business Development Manager

Get in touch with Rakkan if you are interested in partnering with us on this event, or if you would like more information on sponsorship opportunities.



Lauren Thursby

Marketer

Get in touch with Lauren about media and marketing collaborations.



Callum Bell

Event Manager

Get in touch with Callum for all things operations and event logistics.



Henry James

Audience Manager

Get in touch with Henry if you are interested in attending this event, or if you would like more information on prices or content.

We are really looking forward to meeting you in Denver!

@ info@hansonwade.com

@ sponsor@hansonwade.com

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| | |
|-----------------------|---|
| Travel Subject | LEAP HR State and Local Government 2024 |
| Sponsor | Hanson Wade |
| Date(s) | June 2-5, 2024 |
| Location | Denver, CO |
| Attendee(s) | Aimee Morton |

Estimated Total Travel Cost \$1,733.67

| Description | Computation | Morton | Totals | Borne By | |
|--------------------------------|---|------------|--------------------|--------------------|-------------|
| | | | | KCERA | Sponsor |
| Registration fees | = | - | - | - | |
| Lodging expense | 3 nights @ \$ 272.56 /night | = 817.67 | 817.67 | 817.67 | |
| Per diem meals reimbursement: | 4 days @ \$ 79.00 /day | = 316.00 | | | |
| Less meals provided by sponsor | 0 Breakfast, 0 Lunch, 0 Dinner = \$0.00 | = \$0.00 | | | \$0.00 |
| Total meals expense | = | | 316.00 | 316.00 | |
| Shuttle/taxicab expense | Taxi Estimate | = 100.00 | 100.00 | 100.00 | |
| Airfare | \$500.00 | = \$500.00 | \$500.00 | 500.00 | |
| Vehicle-related expenses: | = | - | - | - | |
| Parking | - days @ - /day | = - | - | - | |
| Mileage | miles @ 0.395 /mile (Department Head) | = - | - | - | |
| | miles @ 0.675 /mile (Staff, Trustee) | = - | - | - | |
| Rental car | = | - | - | - | |
| Rental car gasoline | = | - | - | - | |
| Totals | = | 1,733.67 | \$ 1,733.67 | \$ 1,733.67 | \$ - |

Date: May 1, 2024

To: Trustees, Board of Retirement

From: Jennifer Esquivel Zahry, Chief Legal Officer 

Subject: **Agreement for Legal Services – Tax Counsel**

Ice Miller, LLP, has provided dependable and quality tax counsel services to KCERA at competitive and discounted rates since 2012. KCERA Staff regularly relies on Ice Miller to provide clear and concise advice on complicated tax matters. The relationship with Ice Miller has allowed Staff to successfully administer changes to tax regulations and guidance, including overpayment and underpayment issues. KCERA's current agreement with Ice Miller expires May 8, 2024. For the reasons listed above, Staff recommends the Board approve a new three-year agreement with Ice Miller LLP for tax counsel services.



AGREEMENT FOR LEGAL SERVICES
TAX COUNSEL

INDEPENDENT CONTRACTOR

THIS AGREEMENT is made and entered into this ____ day of _____, 2024, by and between the KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION, a public retirement system organized and existing under the County Employees Retirement Law of 1937, (hereinafter "KCERA"), with its principal location at 11125 River Run Blvd., Bakersfield, CA 93311 and Ice Miller LLP whose principal office is at One American Square, Suite 2900, Indianapolis, Indiana 46282-0200 (hereinafter "Consultant").

WITNESSETH:

WHEREAS:

(a) KCERA is a multi-tier 401(a) defined benefit public retirement system administered by the Kern County Board of Retirement (hereinafter "Board") in accordance with the County Employees Retirement Law of 1937 (hereinafter "CERL"); and

(b) KCERA desires to retain a qualified law firm with extensive experience advising and representing public pension funds and their governing boards with respect to tax-related administration of IRC401(a) plans established under the CERL; and

(c) Consultant has the necessary experience to provide the services required by KCERA and is willing and able to provide such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, IT IS AGREED between the parties hereto as follows:

1. **Services to be Rendered.** Consultant shall provide the services described below as requested by KCERA, through its Chief Executive Officer, or authorized designee

- Advice and counsel on changes in state and federal tax code as it affects all categories of active and retired members
- Advice and counsel on changes in state and federal tax code as it affects KCERA's tax qualification status
- Advice and counsel on tax determination application

- Advice and counsel on pending litigation in terms of tax-related issues in other county, state, and federal systems
- Provide assistance in reviewing and analyzing non-standard tax-related issues
- Provide advice on a variety of tax-related issues
- Review and consult with KCERA on its policies, procedures and decisions regarding compliance with federal, state, and local tax issues
- Make presentations to the Board on legislative changes and tax implications
- Represent KCERA before the Internal Revenue Service and in tax-related litigation as requested by KCERA

Consultant shall work with KCERA's legal counsel and other legal representatives and advisors in connection with projects assigned by the Chief Executive Officer or Chief Legal Officer.

Attorney Robert L. Gauss shall be the principal partner in charge and will supervise and review all work performed for KCERA. Other legal professionals may also provide advice, counsel and assistance as warranted and necessary.

2. **Compensation to Consultant.** The following discounted hourly and reimbursement rates shall be in effect throughout the entire term of this Agreement. See attached Exhibit A, attached hereto and made a part hereof.

Fees and Expenses

Additional anticipated fees and expenses include the following items: (1) photocopies billed at 18¢ per page; 2) on-line computer assisted legal research billed at rates established taking into account vendor charges; (3) courier delivery expenses at the regular rates imposed by Federal Express, UPS, or other applicable courier service companies; (4) facsimile expenses billed at \$1.50 per page; and (5) travel costs (such as airline tickets, hotel expenses, and meals) billed based on the actual cost incurred.

Travel costs shall be invoiced at the actual cost incurred, without mark-up or administrative charges. Airline charges shall be at coach rate with every effort made to obtain the least expensive fares. Accommodations shall be at reasonably priced hotels. Consultant shall not charge hourly rates for the travel time spent by attorneys or other professional staff unless substantive work for KCERA took place during the travel time.

3. **Reimbursement Policy and Billing Requirements.** All invoices for payment shall be submitted in a form approved by the KCERA, and shall contain an itemization of actual expenses for which the Consultant seeks reimbursement. Invoices shall be sent to the KCERA for review and processing. Payment will be made to Consultant within thirty (30) days of receipt and approval of each invoice by the KCERA.

4. **Term.** This Agreement shall commence on the date first above written, at which time Consultant shall commence services, and shall continue for a period of three (3) years unless sooner terminated as provided for herein.

5. **Compensation for Additional Services.** In the event KCERA requires services in addition to those described in Section 1, the Consultant shall be compensated at a negotiated rate for professional services.

6. **Representations.** Consultant makes the following representations which are agreed to be material to and form a part of the inducement for this Agreement:

a. Consultant has the qualifications, expertise, support staff and facilities necessary to provide the services described in this Agreement; and

b. Consultant does not have any actual or potential interests adverse to KCERA nor does Consultant represent a person or firm with an interest adverse to KCERA with reference to the subject of this Agreement; and

c. Consultant shall diligently provide all required services in a timely and professional manner in accordance with the terms and conditions stated in this Agreement.

7. **Assignment.** Consultant shall not assign or transfer this Agreement or any part hereof without the prior express and written approval of KCERA.

8. **Negation of Partnership.** In the performance of all services under this Agreement, Consultant shall be, and acknowledges that Consultant is, in fact and law, an independent contractor and not an agent or employee of KCERA. Consultant has and retains the right to exercise full supervision and control of the manner and methods of providing services to KCERA under this Agreement. Consultant retains full supervision and control over the employment, direction, compensation and discharge of all persons assisting Consultant in the provision of services under this Agreement. With respect to Consultant's employees, if any, Consultant shall be solely responsible for payment of wages, benefits and other compensation, compliance with all occupational safety, welfare and civil rights laws, tax withholding and payment of employee taxes, whether federal, state or local, and compliance with any and all other laws regulating employment.

9. **Indemnification.** Consultant agrees to indemnify, defend and hold harmless KCERA and KCERA's agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees, reasonable expert fees, and investigation costs), which arise out of or are in any way connected with any negligent act or omission of Consultant or Consultant's officers, agents, employees, independent contractors, sub-contractors of any tier, or authorized representatives. Without limiting the generality of the foregoing, the same shall include injury or death to any person or persons; damage to any property, regardless of where located; and any workers' compensation claim or suit arising from or connected with the negligent acts or omissions of the Consultant in its performance of the services performed pursuant to this Agreement or performed on behalf of Consultant by any person or entity. The above indemnification requirements will not apply to claims arising from professional errors or omission for which Consultant is covered by a professional liability insurance policy that prohibits the granting of such an indemnity.

10. **Insurance.** The Consultant, at its sole cost and expense, will insure its activities in connection with work under this agreement and obtain, keep in force and maintain insurance at a minimum as follows:

a. *Workers' Compensation Insurance:* Consultant shall submit written proof that Consultant is insured against liability for workers' compensation in accordance with the provisions of section 3700 of the California Labor Code.

b. *Commercial General Liability Insurance,* including, but not limited to, Contractual Liability Insurance (specifically concerning the indemnity provisions, Personal Injury (including bodily injury and death), and Property Damage for liability arising out of Attorneys' performance of work under the Agreement. Such insurance coverage shall have minimum limits for bodily injury and property damage liability of One Million Dollars (\$1,000,000) each occurrence and Five Million Dollars (\$5,000,000) in aggregate.

c. *Automobile Liability Insurance* against claims of Personal Injury (including bodily injury and death) and Property Damage covering all owned, leased, hired and non-owned vehicles used in the performance of services with minimum limits for Bodily Injury and Property Damage liability of One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) aggregate. Such insurance shall be provided by a business or commercial vehicle policy.

d. *Professional Liability (Errors and Omissions) Insurance,* for liability arising out of, or in connection with, the performance of all required services with limits of not less than Thirty-Five

Million Dollars (\$35,000,000) each occurrence and an aggregate of Seventy Million Dollars (\$70,000,000) per year with a deductible of not greater than One Million Dollars \$1,000,000.

If any of the insurance coverages required are written on a claims-made basis, the insurance policy shall provide an extended reporting period of not less than four (4) years following the termination of the agreement or completion of all work performed by Consultant.

All insurance shall be issued by a company or companies listed in the current "Best's Key Rating Guide" publication with a minimum of "A-; VII" rating, or as otherwise approved by the Chief Executive Officer of KCERA. All insurance coverages required to be maintained by Consultant shall be maintained until the completion of all of Consultant's obligations under the agreement, and shall not be reduced, modified, or canceled without thirty (30) days prior written notice to KCERA. Failure by Consultant to maintain all such insurance in effect at times required shall be a material breach of the agreement by Consultant. KCERA, at its sole option, may terminate the agreement and obtain damages from Consultant resulting from such breach. Alternatively, KCERA may purchase such required insurance coverage, and without further notice to Consultant, KCERA shall deduct from sums due to Consultant any premiums and associated costs advanced or paid by KCERA for such insurance. If sums due Consultant pursuant to the agreement are insufficient to reimburse KCERA for the premiums and any associated costs, Consultant agrees to reimburse KCERA for the premiums and pay for all costs associated with the purchase of such insurance.

Insurance coverages in the minimum amounts set forth herein shall not be construed to relieve Consultant for any liability, whether within, outside or in excess of such coverage, and regardless of solvency or insolvency of the insurer that issues the coverage; nor shall it preclude the KCERA from taking such other actions as are available to it under any other provision of the agreement or otherwise in law.

KCERA requires a letter from insurer/broker certifying that the insurance required in this Agreement has been obtained and is currently in place. In addition, that certification will be required for each renewal period.

11. **Termination**. This Agreement may be terminated: (a) by either party at any time for failure of the other party to comply with the terms and conditions of this Agreement; (b) by either party upon 10 days' prior written notice to the other party; or (c) upon mutual agreement of both parties. In the event of termination, the Consultant shall stop work immediately and shall be entitled to compensation for professional service fees and for expense reimbursement to the date of termination; and the Consultant shall provide to the KCERA all work product completed or in progress at such date and communicate such recommendations and conclusions to the KCERA as may have been formed by such date.

12. **Ownership of Documents**. All reports, documents and other items generated or gathered in the course of providing services to the KCERA under this Agreement are and shall remain the property of the KCERA, and shall be returned to KCERA upon full completion of all services by Consultant or termination of this Agreement, whichever first occurs.

13. **Notices**. All notices required or provided for in this Agreement shall be provided to the parties at the following addresses, by personal delivery or deposit in the U.S. Mail, postage prepaid, registered or certified mail, addressed as specified below. Notices delivered personally shall be deemed received upon receipt; mailed or expressed notices shall be deemed received five (5) days after deposit. A party may change the address to which notice is to be given by giving notice as provided above.

To KCERA: Dominic D. Brown, Chief Executive Officer
 11125 River Run Boulevard
 Bakersfield, CA 93311

To Consultant: Ice Miller LLP
 One American Square, Suite 2900
 Indianapolis, IN 46282
 Attn: Robert L. Gauss

Nothing in this Agreement shall be construed to prevent or render ineffective delivery of notices required or permitted under this Agreement by personal service.

14. **Conflict of Interest**. Consultant has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflict of interest of public officers and employees. Consultant agrees that they are unaware of any financial or economic interest of any public officer or employee of the KCERA relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the KCERA may immediately terminate this Agreement by giving written notice thereof. Consultant shall comply with the requirements of Government Code section 87100 et seq. during the term of this Agreement.

15. **Sole Agreement**. This document contains the entire agreement of the parties relating to the services, rights, obligations and covenants contained herein and assumed by the parties respectively. No inducements, representations or promises have been made, other than those recited in this Agreement. No oral promise, modification, change or inducement shall be effective or given any force or effect.

16. **Authority to Bind KCERA.** It is understood that Consultant, in Consultant's performance of any and all duties under this Agreement, except as otherwise provided in this Agreement, has no authority to bind KCERA to any agreements or undertakings.

17. **Modifications of Agreement.** This Agreement may be modified in writing only, signed by the parties in interest at the time of the modification.

18. **Nonwaiver.** No covenant or condition of this Agreement can be waived except by the written consent of KCERA. Forbearance or indulgence by KCERA in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by Consultant. KCERA shall be entitled to invoke any remedy available to KCERA under this Agreement or by law or in equity despite said forbearance or indulgence.

19. **Choice of Law/Venue.** The parties hereto agree that the provisions of this Agreement will be construed pursuant to the laws of the State of California. This Agreement has been entered into and is to be performed in the County of Kern. Accordingly, the parties agree that the venue of any action relating to this Agreement shall be in the County of Kern.

20. **Confidentiality.** Consultant shall not, without the written consent of the Chief Executive Officer, communicate confidential information, designated in writing or identified in this Agreement as such, to any third party and shall protect such information from inadvertent disclosure to any third party in the same manner that they protect their own confidential information, unless such disclosure is required in response to a validly issued subpoena or other process of law. Upon completion of this Agreement, the provisions of this paragraph shall continue to survive.

21. **Enforcement of Remedies.** No right or remedy herein conferred on or reserved to KCERA is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing by law or in equity or by statute or otherwise, and may be enforced concurrently or from time to time.

22. **Severability.** Should any part, term, portion or provision of this Agreement be decided finally to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

23. **Compliance with Law.** Consultant shall observe and comply with all applicable KCERA, local, state and federal laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which are hereby made a part hereof and incorporated herein by reference.

24. **Captions and Interpretation.** Paragraph headings in this Agreement are used solely for convenience, and shall be wholly disregarded in the construction of this Agreement. No provision of this Agreement shall be interpreted for or against a party because that party or its legal representative drafted such provision, and this Agreement shall be construed as if jointly prepared by the parties.

25. **Time of Essence.** Time is hereby expressly declared to be of the essence of this Agreement and of each and every provision hereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Agreement. It is agreed by and between and the parties, however, that neither party shall be liable to the other for delays in performance that are caused in whole or in part by the other party, by third parties over which the parties hereto do not have the legal right to control, or by forces de majeure.

26. **Counterparts.** This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

27. **Nondiscrimination.** Neither Consultant, nor any officer, agent, employee, servant or subcontractor of Consultant shall discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, religion, national origin, age, or sex, either directly, indirectly or through contractual or other arrangements.

28. **Audit, Inspection and Retention of Records.** Consultant agrees to maintain and make available to KCERA accurate books and records relative to all its activities under this Agreement. Consultant shall permit KCERA to audit, examine and make excerpts and transcripts from such records, and to conduct audits of all invoices, materials, records of personnel or other data related to all other matters covered by this Agreement. Consultant shall maintain such data and records in an accessible location and condition for a period of not less than three (3) years from the date of final payment under this Agreement, or until after the conclusion of any audit, whichever occurs last. The State of California and/or any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon KCERA herein.

29. **Non-Collusion Covenant.** Consultant represents and agrees that it has in no way entered into any contingent fee arrangement with any firm or person concerning the obtaining of this Agreement with KCERA. Consultant has received from KCERA no incentive or special payments, nor considerations not related to the provision of services under this Agreement.

30. **Signature Authority.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement.

31. **Third Parties.** The KCERA and the Consultant are the only parties to this Agreement and are the only parties to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide, any right or benefit, whether directly or indirectly or otherwise, to third persons.

[The remainder of this page was intentionally left blank.]

IN WITNESS WHEREOF, each party to this Agreement has signed this Agreement upon the date indicated, and agrees, for itself, its employees, officers, partners and successors, to be fully bound by all terms and conditions of this Agreement.

KERN COUNTY EMPLOYEES' RETIREMENT
ASSOCIATION

APPROVED AS TO CONTENT:

Dated: _____

By _____

Dominic D. Brown
Chief Executive Officer

ICE MILLER LLP

Dated: _____

By _____

Robert L. Gauss
Consultant
Federal Tax I.D. No. 35-0874357

APPROVED AS TO FORM:

Dated: _____

By _____

Jennifer Esquivel Zahry
KCERA, Chief Legal Officer

EXHIBIT A

We propose to provide KCERA discounted hourly rates based on our current 2024 standard hourly rate with a 10% discount with a Rate Cap of \$650 for the first two years of the contract (May 9, 2024 through May 8, 2026). For year three (the period of May 9, 2026 through May 8, 2027) of the contract, we propose to increase the below standard rates by 7.5% with a Rate Cap of \$675.

Rates for the Period May 9, 2024 through May 8, 2026

| Attorney | Current 2024 Standard Hourly Rate | 2024 10% Discount |
|-----------------------------------|--|--------------------------|
| Gary Blachman, Partner | \$750 | \$675* |
| Audra Ferguson, Partner | \$650 | \$585 |
| Robert Gauss, Partner | \$720 | \$648 |
| Melissa Proffitt, Partner | \$820 | \$738* |
| Kathleen Sheil Scheidt, Partner | \$750 | \$675* |
| Tara Sciscoe, Partner | \$750 | \$675* |
| Eric Dawes, Actuary | \$790 | \$711* |
| Lisa Erb Harrison, Senior Counsel | \$690 | \$621 |
| Shalina Schaefer, Senior Counsel | \$590 | \$531 |
| Chris Sears, Senior Counsel | \$720 | \$648 |
| Allison De Tal, Of Counsel | \$560 | \$504 |
| Lindsay Knowles, Of Counsel | \$500 | \$450 |
| Stan Prybe, Of Counsel | \$560 | \$504 |
| Maria Montero, Associate | \$510 | \$459 |
| Taretta Shine, Paralegal | \$400 | \$360 |
| Greg Wolf, Paralegal | \$385 | \$346.50 |

*Denotes Rate Cap of \$650/hr.

Rates for the Period May 9, 2026 through May 8, 2027

| Attorney | 7.5% Increase from 2024 Standard Hourly Rates | 10% Discount |
|-----------------------------------|--|---------------------|
| Gary Blachman, Partner | \$806.25 | \$725.63* |
| Audra Ferguson, Partner | \$698.75 | \$628.88 |
| Robert Gauss, Partner | \$774.00 | \$696.60* |
| Melissa Proffitt, Partner | \$881.50 | \$793.35* |
| Kathleen Sheil Scheidt, Partner | \$806.25 | \$725.63* |
| Tara Sciscoe, Partner | \$806.25 | \$725.63* |
| Eric Dawes, Actuary | \$849.25 | \$764.33* |
| Lisa Erb Harrison, Senior Counsel | \$741.75 | \$667.50 |
| Shalina Schaefer, Senior Counsel | \$634.25 | \$570.83 |
| Chris Sears, Senior Counsel | \$774.00 | \$696.60* |
| Allison De Tal, Of Counsel | \$602.00 | \$541.98 |
| Lindsay Knowles, Of Counsel | \$537.50 | \$483.75 |
| Stan Prybe, Of Counsel | \$602.00 | \$541.98 |
| Maria Montero, Associate | \$548.25 | \$493.43 |
| Taretta Shine, Paralegal | \$430.00 | \$387.00 |
| Greg Wolf, Paralegal | \$413.87 | \$372.48 |

**Denotes Rate Cap of \$675/hr.



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**



MAY 2024

Strategic Asset Allocation Review

Kern County Employees' Retirement Association

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Executive summary

- Verus reviewed KCERA’s strategic asset allocation (“SAA”) applying updated 2024 Capital Market Assumptions (“CMAs”)
- 2024 CMAs were broadly higher than the previous year (with a few notable exceptions), largely resulting from higher interest rates
- Mean-variance modeling shows a modest improvement in portfolio efficiency with lower leverage and a correspondingly lower alpha pool

Capital market assumptions

Methodology

CORE INPUTS

- We use a fundamental building block approach based on several inputs, including historical data and academic research to create asset class return forecasts.
- For most asset classes, we use the long-term historical volatility after adjusting for autocorrelation.
- Correlations between asset classes are calculated based on the last 10 years. For illiquid assets, such as private equity and private real estate, we use BarraOne correlation estimates.

| Asset | Return Methodology | Volatility Methodology* |
|---------------------------|--|--|
| Inflation | 25% weight to the University of Michigan Survey 5-10 year ahead inflation expectation and the Survey of Professional Forecasters (Fed Survey), and the remaining 50% to the market's expectation for inflation as observed through the 10-year TIPS breakeven rate | - |
| Cash | 1/3 * current federal funds rate + 1/3 * U.S. 10-year Treasury yield + 1/3 * Federal Reserve long-term interest rate target | Long-term volatility |
| Bonds | Nominal bonds: current yield; Real bonds: real yield + inflation forecast | Long-term volatility |
| International Bonds | Current yield | Long-term volatility |
| Credit | Current option-adjusted spread + U.S. 10-year Treasury – effective default rate | Long-term volatility |
| International Credit | Current option-adjusted spread + foreign 10-year Treasury – effective default rate | Long-term volatility |
| Private Credit | Levered gross return (SOFR + spread + original issuance discounts) – management fees – carried interest | Estimated volatility |
| Equity | Current yield + real earnings growth (historical average) + inflation on earnings (inflation forecast) + expected P/E change | Long-term volatility |
| Intl Developed Equity | Current yield + real earnings growth (historical average) + inflation on earnings (intl. inflation forecast) + expected P/E change | Long-term volatility |
| Private Equity** | US large cap domestic equity forecast * 1.85 beta adjustment | 1.2 * Long-term volatility of U.S. small cap |
| Commodities | Collateral return (cash) + spot return (inflation forecast) + roll return (assumed to be zero) | Long-term volatility |
| Hedge Funds | Return coming from traditional betas + 15-year historical idiosyncratic return | Long-term volatility |
| Core Real Estate | Cap rate + real income growth – capex + inflation forecast | 65% of REIT volatility |
| REITs | Core real estate | Long-term volatility |
| Value-Add Real Estate | Core real estate + 2% | Volatility to produce Sharpe Ratio (g) equal to core real estate |
| Opportunistic Real Estate | Core real estate + 3% | Volatility to produce Sharpe Ratio (g) equal to core real estate |
| Infrastructure | Current yield + real income growth + inflation on earnings (inflation forecast) | Long-term volatility |
| Risk Parity | Modeled as the 10-year return expectations of a <i>representative selection of Risk Parity strategies</i> | Target volatility |

*Long-term historical volatility data is adjusted for autocorrelation (see Appendix)

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

10-year return & risk assumptions

| Asset Class | Index Proxy | Ten Year Return Forecast | | Standard Deviation Forecast | Sharpe Ratio Forecast (g) | Sharpe Ratio Forecast (a) | 10-Year Historical Sharpe Ratio (g) | 10-Year Historical Sharpe Ratio (a) |
|---|---|--------------------------|------------|-----------------------------|---------------------------|---------------------------|-------------------------------------|-------------------------------------|
| | | Geometric | Arithmetic | | | | | |
| Equities | | | | | | | | |
| U.S. Large | S&P 500 | 5.9% | 7.0% | 15.5% | 0.12 | 0.19 | 0.72 | 0.75 |
| U.S. Small | Russell 2000 | 6.2% | 8.2% | 21.4% | 0.10 | 0.19 | 0.28 | 0.37 |
| International Developed | MSCI EAFE | 8.1% | 9.5% | 17.6% | 0.23 | 0.31 | 0.18 | 0.25 |
| International Small | MSCI EAFE Small Cap | 8.8% | 10.9% | 21.7% | 0.22 | 0.31 | 0.20 | 0.27 |
| Emerging Markets | MSCI EM | 8.8% | 11.4% | 24.6% | 0.19 | 0.30 | 0.06 | 0.14 |
| Global Equity | MSCI ACWI | 6.9% | 8.2% | 16.7% | 0.17 | 0.25 | 0.44 | 0.50 |
| Global Equity ex USA | MSCI ACWI ex USA | 8.5% | 10.2% | 19.5% | 0.23 | 0.31 | 0.15 | 0.22 |
| Private Equity | CA Private Equity | 8.0% | 10.9% | 25.6% | 0.15 | 0.27 | - | - |
| Private Equity Direct | CA Private Equity | 9.0% | 11.8% | 25.6% | 0.19 | 0.30 | - | - |
| Private Equity (FoF) | CA Private Equity | 7.0% | 9.9% | 25.6% | 0.11 | 0.23 | - | - |
| Fixed Income | | | | | | | | |
| Cash | 30 Day T-Bills | 4.1% | 4.1% | 1.1% | - | - | - | - |
| U.S. TIPS | Bloomberg U.S. TIPS 5-10 | 4.7% | 4.8% | 5.5% | 0.11 | 0.13 | 0.13 | 0.15 |
| Non-U.S. Inflation Linked Bonds | Bbg World Govt. Inflation Linked Bond ex U.S. | 3.9% | 4.2% | 7.4% | (0.03) | 0.01 | (0.15) | (0.11) |
| U.S. Treasury | Bloomberg Treasury 7-10 Year | 4.6% | 4.8% | 7.1% | 0.07 | 0.10 | (0.05) | (0.02) |
| Long U.S. Treasury | Bloomberg Treasury 20+ Year | 4.7% | 5.5% | 13.2% | 0.05 | 0.11 | 0.00 | 0.25 |
| Global Sovereign ex U.S. | Bloomberg Global Treasury ex U.S. | 2.7% | 3.2% | 9.9% | (0.14) | (0.09) | (0.40) | (0.36) |
| Global Aggregate | Bloomberg Global Aggregate | 4.1% | 4.3% | 6.6% | 0.00 | 0.03 | (0.27) | (0.24) |
| Core Fixed Income | Bloomberg U.S. Aggregate Bond | 4.9% | 5.0% | 4.8% | 0.17 | 0.19 | 0.00 | 0.02 |
| Core Plus Fixed Income | Bloomberg U.S. Universal | 5.2% | 5.3% | 4.5% | 0.24 | 0.27 | 0.07 | 0.09 |
| Investment Grade Corp. Credit | Bloomberg U.S. Corporate Investment Grade | 5.7% | 6.0% | 8.4% | 0.19 | 0.23 | 0.17 | 0.20 |
| Short-Term Gov't/Credit | Bloomberg U.S. Gov't/Credit 1-3 Year | 4.7% | 4.8% | 3.6% | 0.17 | 0.19 | (0.07) | (0.07) |
| Short-Term Credit | Bloomberg Credit 1-3 Year | 5.1% | 5.2% | 3.6% | 0.28 | 0.31 | 0.23 | 0.24 |
| Long-Term Credit | Bloomberg Long U.S. Credit | 5.7% | 6.3% | 10.9% | 0.15 | 0.20 | 0.15 | 0.20 |
| High Yield Corp. Credit | Bloomberg U.S. Corporate High Yield | 6.6% | 7.2% | 11.0% | 0.23 | 0.28 | 0.42 | 0.44 |
| Bank Loans | Morningstar LSTA Leveraged Loan | 8.0% | 8.4% | 9.0% | 0.43 | 0.48 | 0.58 | 0.59 |
| Global Credit | Bloomberg Global Credit | 5.1% | 5.4% | 7.7% | 0.13 | 0.17 | 0.01 | 0.04 |
| Emerging Markets Debt (Hard) | JPM EMBI Global Diversified | 8.7% | 9.2% | 10.6% | 0.43 | 0.48 | 0.15 | 0.20 |
| Emerging Markets Debt (Local) | JPM GBI-EM Global Diversified | 6.5% | 7.2% | 12.2% | 0.20 | 0.25 | (0.17) | (0.12) |
| Private Credit | Morningstar LSTA Leveraged Loan | 9.2% | 9.8% | 11.9% | 0.43 | 0.48 | - | - |
| Private Credit (Direct Lending - Unlevered) | Morningstar LSTA Leveraged Loan | 8.0% | 8.4% | 9.0% | 0.43 | 0.48 | - | - |
| Private Credit (Direct Lending - Levered) | Morningstar LSTA Leveraged Loan | 9.5% | 10.2% | 12.6% | 0.43 | 0.48 | - | - |
| Private Credit (Credit Opportunities) | Morningstar LSTA Leveraged Loan | 9.6% | 10.3% | 12.8% | 0.43 | 0.48 | - | - |
| Private Credit (Junior Capital / Mezzanine) | Morningstar LSTA Leveraged Loan | 9.0% | 9.6% | 11.4% | 0.43 | 0.48 | - | - |
| Private Credit (Distressed) | Morningstar LSTA Leveraged Loan | 9.1% | 12.7% | 29.1% | 0.17 | 0.30 | - | - |

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

10-year return & risk assumptions

| Asset Class | Index Proxy | Ten Year Return Forecast | | Standard Deviation Forecast | Sharpe Ratio Forecast (g) | Sharpe Ratio Forecast (a) | 10-Year Historical Sharpe Ratio (g) | 10-Year Historical Sharpe Ratio (a) |
|--------------------------------|-------------------------------|--------------------------|------------|-----------------------------|---------------------------|---------------------------|-------------------------------------|-------------------------------------|
| | | Geometric | Arithmetic | | | | | |
| Other | | | | | | | | |
| Commodities | Bloomberg Commodity | 6.6% | 7.8% | 16.1% | 0.16 | 0.23 | (0.13) | (0.06) |
| Hedge Funds | HFRI Fund Weighted Composite | 4.3% | 4.6% | 7.5% | 0.03 | 0.07 | 0.48 | 0.49 |
| Hedge Fund of Funds | HFRI Fund of Funds Composite | 3.3% | 3.6% | 7.5% | (0.11) | (0.07) | - | - |
| Hedge Funds (Equity Style) | Custom HFRI Benchmark Mix* | 7.2% | 8.1% | 14.1% | 0.22 | 0.28 | - | - |
| Hedge Funds (Credit Style) | Custom HFRI Benchmark Mix* | 7.3% | 7.7% | 9.4% | 0.34 | 0.38 | - | - |
| Hedge Funds (Asymmetric Style) | Custom HFRI Benchmark Mix* | 5.4% | 5.6% | 6.4% | 0.20 | 0.23 | - | - |
| Real Estate Debt | Bloomberg CMBS IG | 7.4% | 7.7% | 7.5% | 0.44 | 0.48 | 0.14 | 0.15 |
| Core Real Estate | NCREIF Property | 6.8% | 7.5% | 12.5% | 0.22 | 0.27 | - | - |
| Value-Add Real Estate | NCREIF Property + 200bps | 8.8% | 9.9% | 15.4% | 0.31 | 0.38 | - | - |
| Opportunistic Real Estate | NCREIF Property + 300bps | 9.8% | 11.7% | 21.1% | 0.27 | 0.36 | - | - |
| REITs | Wilshire REIT | 6.8% | 8.5% | 19.2% | 0.14 | 0.23 | 0.35 | 0.42 |
| Global Infrastructure | S&P Global Infrastructure | 8.4% | 9.7% | 16.9% | 0.25 | 0.33 | 0.20 | 0.28 |
| Risk Parity** | S&P Risk Parity 10% Vol Index | 7.2% | 7.8% | 10.0% | 0.31 | 0.37 | - | - |
| Currency Beta | MSCI Currency Factor Index | 2.3% | 2.4% | 3.4% | (0.52) | (0.49) | (0.06) | 0.21 |
| Inflation | | 2.5% | - | - | - | - | - | - |

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

*To represent hedge fund styles, we use a combination of HFRI benchmarks: Equity Style = 33% HFRI Fundamental Growth, 33% HFRI Fundamental Value, 33% HFRI Activist. Credit Style = 20% HFRI Distressed/Restructuring, 20% HFRI Credit Arbitrage, 20% HFRI Fixed Income-Corporate, 20% HFRI Fixed Income-Convertible Arbitrage, 20% HFRI Fixed Income-Asset Backed. Asymmetric Style = 50% HFRI Relative Value, 50% HFRI Macro

**The Risk Parity forecast shown here assumes a 10% target volatility strategy. We recommend customizing this forecast to the target volatility specifications of the risk parity strategy that an investor wishes to model. Please speak with your Verus consultant for customization needs.

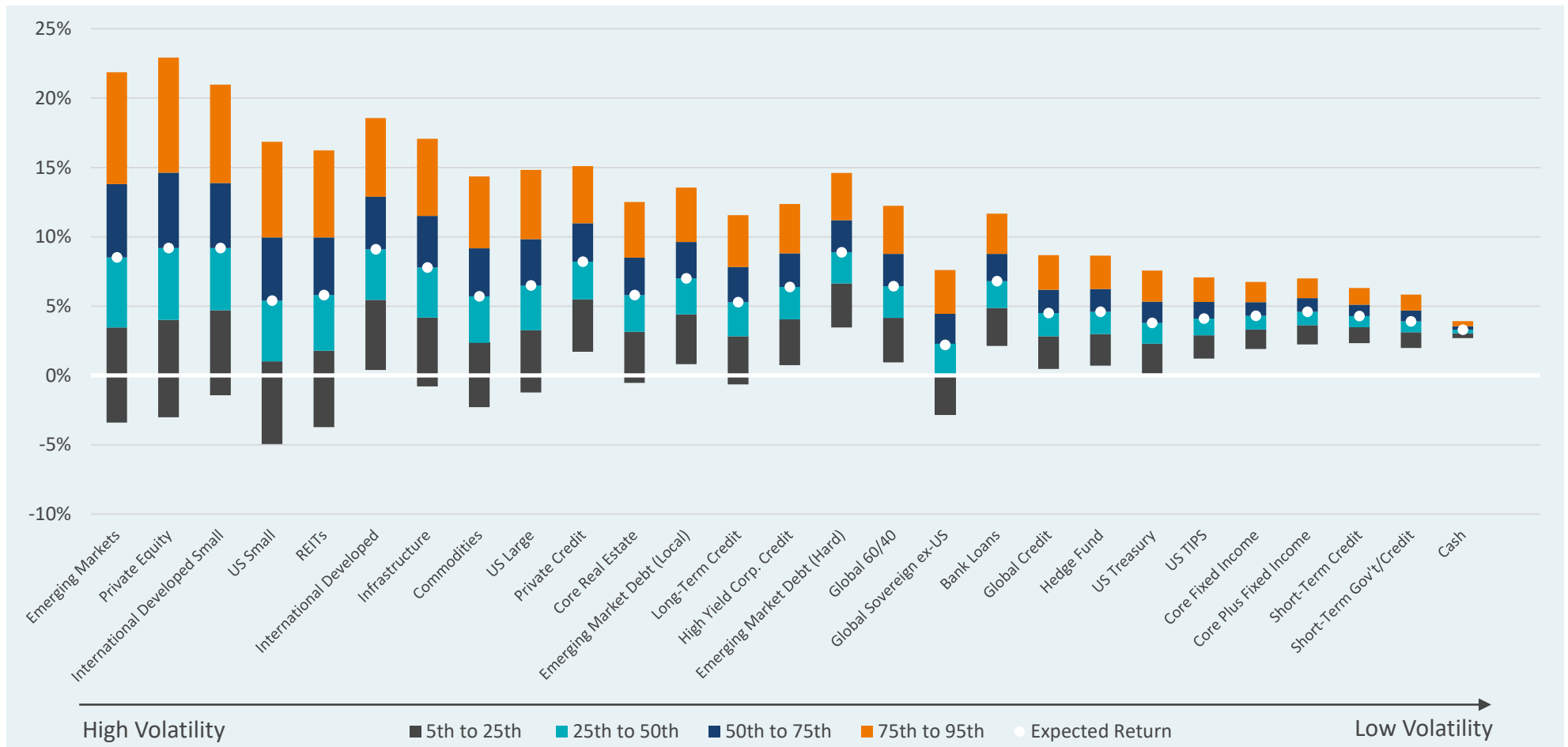
Correlation assumptions

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

Note: as of 9/30/23 - Correlation assumptions are based on the last ten years. Private Equity and Real Estate correlations are especially difficult to model – we have therefore used BarraOne correlation data to strengthen these correlation estimates.

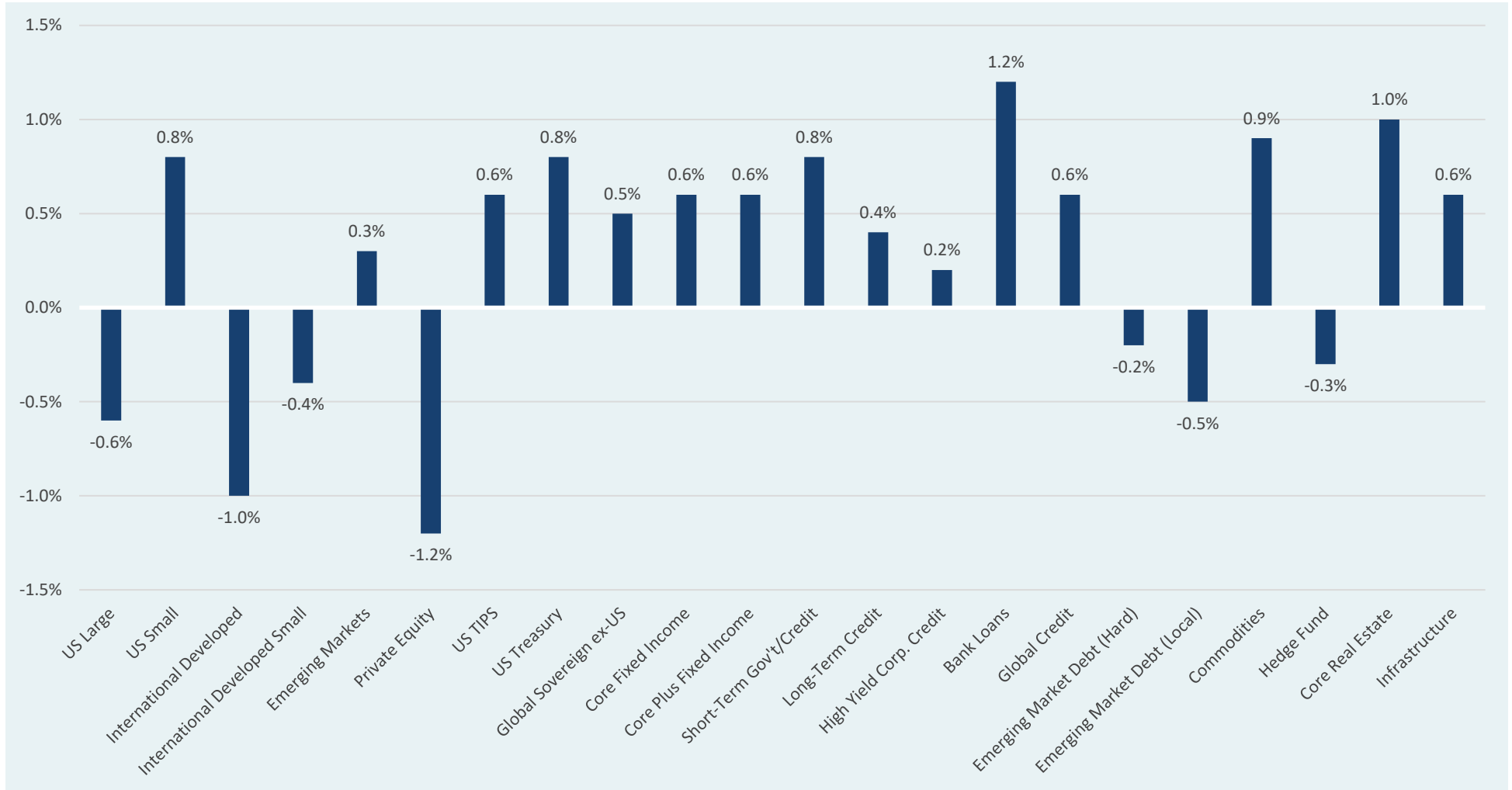
Range of likely 10-year outcomes

10-YEAR RETURN 90% CONFIDENCE INTERVAL



Source: Verus, MPI

2024 vs. 2023 return forecast



Source: Verus, as of 9/30/23

Strategic asset allocation

Mean variance analysis

| | | | | | | | Verus 2024 CMA's (10 Yr) | | | |
|-------------------------------------|---------------------|--------------------|----------------------------------|------------|------------|------------|-----------------------------|---------------|-----------------------|---------------------|
| | Current Dec 2023 | Policy Sep 2023 | Lower Leverage and Alpha Pool | 80-20 | 70-30 | 60-40 | Return (g) | Return (a) | Standard Deviation | Sharpe Ratio (a) |
| Global Equity | 32.5 | 33.0 | 33.0 | 80.0 | 70.0 | 60.0 | 6.9 | 8.2 | 16.7 | 0.17 |
| Total Equity | 33 | 33 | 33 | 80 | 70 | 60 | | | | |
| CORE | 15 | 15 | 15 | 20 | 30 | 40 | | | | |
| Core Fixed Income | 9.3 | 4.0 | 4.0 | 0.0 | 0.0 | 0.0 | 4.9 | 5.0 | 4.8 | 0.19 |
| Core Plus Fixed Income | 5.4 | 0.0 | 0.0 | 20.0 | 30.0 | 40.0 | 5.2 | 5.3 | 4.5 | 0.24 |
| US Treasury | 0.0 | 3.0 | 3.0 | 0.0 | 0.0 | 0.0 | 4.6 | 4.8 | 7.1 | 0.10 |
| US Long Treasury | 0.0 | 4.0 | 4.0 | 0.0 | 0.0 | 0.0 | 4.7 | 5.5 | 13.2 | 0.11 |
| Short-Term Credit | 0.0 | 4.0 | 4.0 | 0.0 | 0.0 | 0.0 | 5.1 | 5.2 | 3.6 | 0.31 |
| CREDIT | 8 | 10 | 10 | 0 | 0 | 0 | | | | |
| High Yield Corp. Credit | 3.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.6 | 7.2 | 11.0 | 0.28 |
| Bank Loans | 0.0 | 2.5 | 2.5 | 0.0 | 0.0 | 0.0 | 8.0 | 8.4 | 9.0 | 0.48 |
| Emerging Market Debt (Hard) | 1.8 | 2.5 | 2.5 | 0.0 | 0.0 | 0.0 | 8.7 | 9.2 | 10.6 | 0.48 |
| Emerging Market Debt (Local) | 1.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.5 | 7.2 | 12.2 | 0.25 |
| Securitized Credit | 1.6 | 5.0 | 5.0 | 0.0 | 0.0 | 0.0 | 7.3 | 7.8 | 10.0 | 0.37 |
| Total Fixed Income | 23 | 25 | 25 | 20 | 30 | 40 | | | | |
| Commodities | 3.7 | 4.0 | 4.0 | 0.0 | 0.0 | 0.0 | 6.6 | 7.8 | 16.1 | 0.23 |
| Core Real Estate | 4.8 | 5.0 | 5.0 | 0.0 | 0.0 | 0.0 | 6.8 | 7.5 | 12.5 | 0.27 |
| Value Add Real Estate | 2.9 | 5.0 | 5.0 | 0.0 | 0.0 | 0.0 | 8.8 | 9.9 | 15.4 | 0.38 |
| Midstream | 5.5 | 5.0 | 5.0 | 0.0 | 0.0 | 0.0 | 6.1 | 10.1 | 24.5 | 0.24 |
| Total Real Assets | 17 | 19 | 19 | 0 | 0 | 0 | | | | |
| Hedge Fund | 10.1 | 10.0 | 10.0 | 0.0 | 0.0 | 0.0 | 4.3 | 4.6 | 7.5 | 0.07 |
| Alpha Pool | 4.0 | 8.0 | 4.0 | 0.0 | 0.0 | 0.0 | | | | |
| Private Equity | 4.1 | 5.0 | 5.0 | 0.0 | 0.0 | 0.0 | 8.0 | 10.9 | 25.6 | 0.27 |
| Private Credit ¹ | 5.5 | 8.0 | 8.0 | 0.0 | 0.0 | 0.0 | | | | |
| Opportunistic ² | 2.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | | |
| Total Non-Public Investments | 26 | 31 | 27 | 0 | 0 | 0 | | | | |
| Short-Term Gov't/Credit | 7.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.7 | 4.8 | 3.6 | 0.19 |
| Cash | -6.1 | -8.0 | -4.0 | 0.0 | 0.0 | 0.0 | 4.1 | 4.1 | 1.1 | -- |
| Cash & Cash Equivalents | 1.4 | -8.0 | -4.0 | 0.0 | 0.0 | 0.0 | | | | |
| Total Allocation | 100 | 100 | 100 | 100 | 100 | 100 | | | | |

Mean Variance Analysis

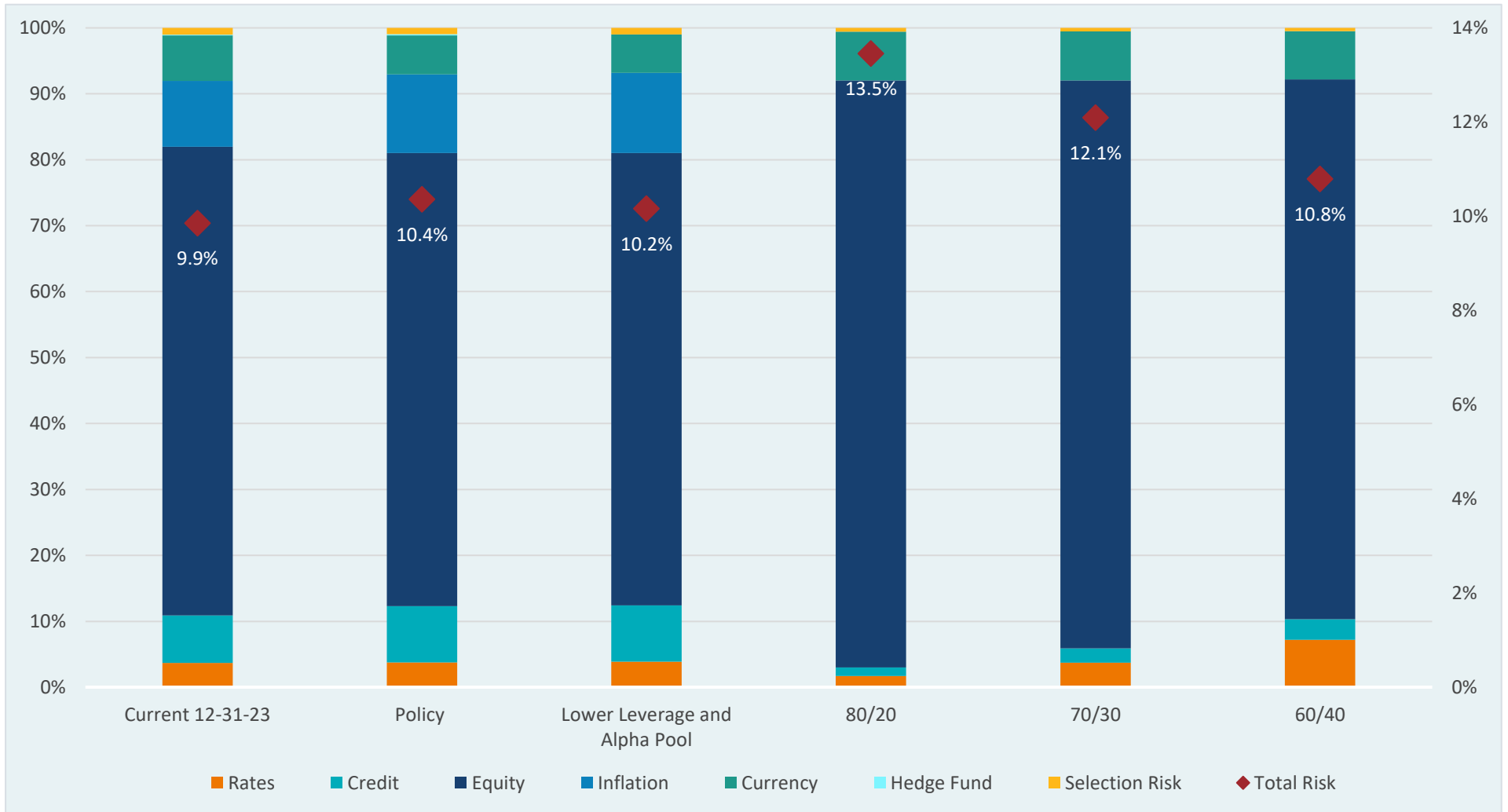
| | | | | | | |
|--------------------------------|------------|------------|------------|------------|------------|------------|
| Forecast 10 Year Return | 7.1 | 7.4 | 7.4 | 6.7 | 6.6 | 6.5 |
| Standard Deviation | 11.3 | 11.8 | 11.5 | 14.0 | 12.6 | 11.1 |
| Return/Std. Deviation | 0.6 | 0.6 | 0.6 | 0.5 | 0.5 | 0.6 |
| 1st percentile ret. 1 year | -16.0 | -16.6 | -16.1 | -21.1 | -18.7 | -16.3 |
| Sharpe Ratio | 0.31 | 0.32 | 0.33 | 0.25 | 0.25 | 0.26 |

Source: Verus/MPI; Current Portfolio as of 12/31/23

¹ The Private Credit allocation is modeled using a mix of Direct Lending, Credit Opps., and Distressed Credit CMAs.

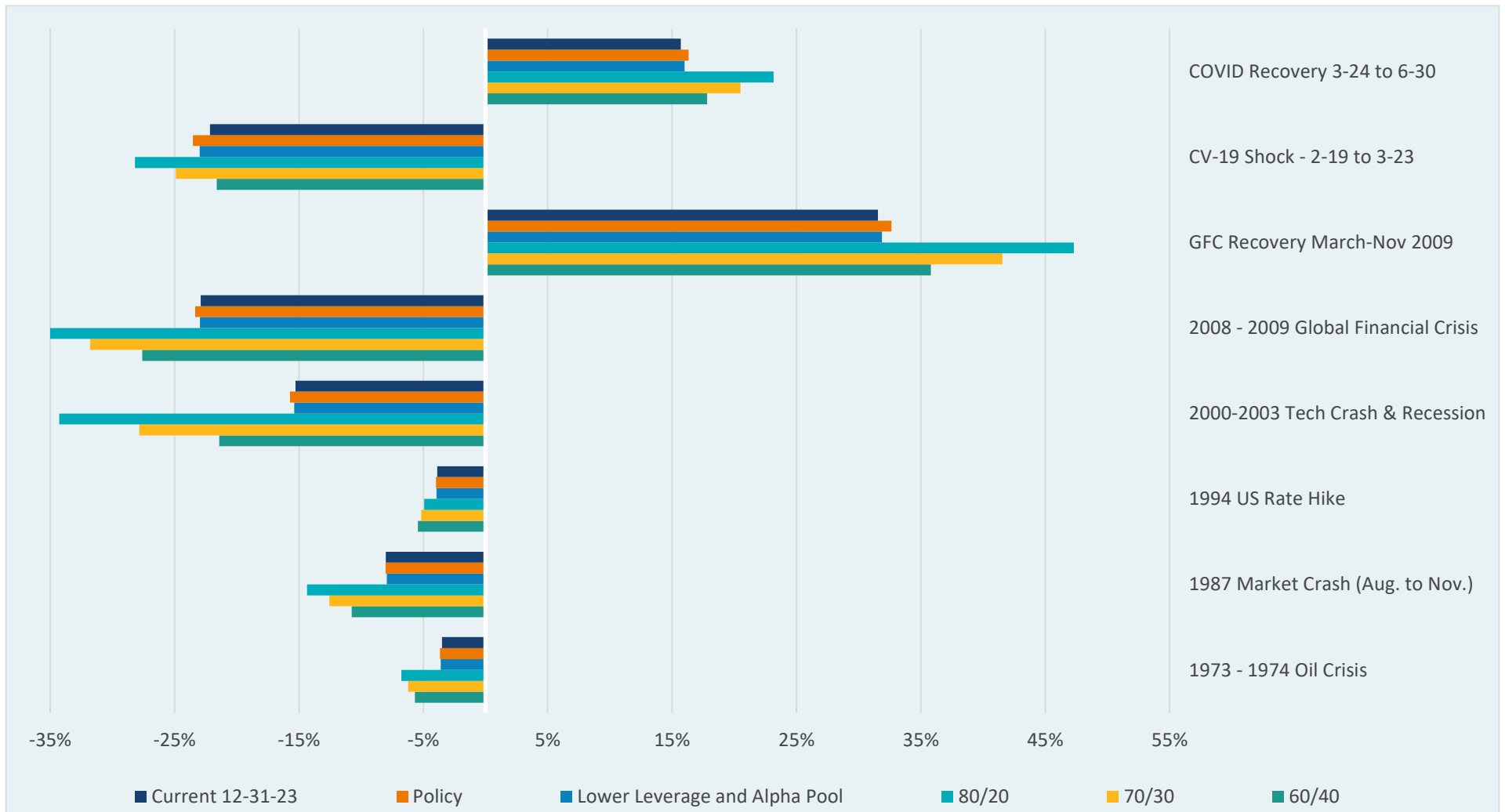
² The Opportunistic allocation is modeled in the Current Portfolio mix using a mix of Private Credit and Global Equity CMAs to align with estimated portfolio betas.

Risk decomposition



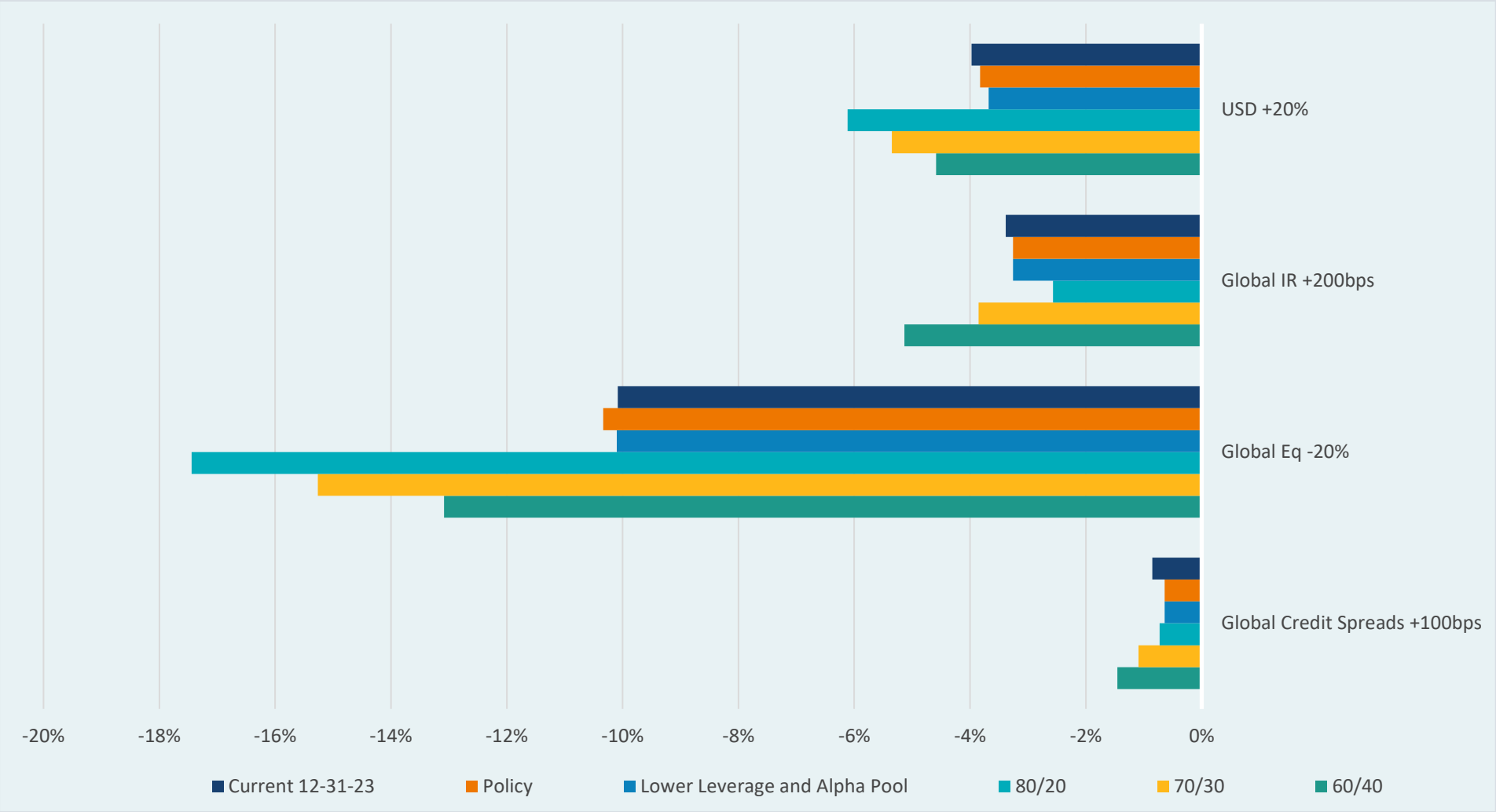
Source: Barra
Policy as of September 2023

Scenario analysis



Source: Barra
Policy as of September 2023

Stress tests



Source: Barra
Policy as of September 2023

Observations / recommendations

Recommended SAA targets and allowable ranges

| Asset Class | Target | Range |
|-------------------------|------------|------------------|
| Public Equity | 33% | 23% – 45% |
| Domestic | | 12% – 28% |
| International Developed | | 5% – 18% |
| Emerging Market | | 0% – 9% |
| Fixed Income | 25% | 15% – 35% |
| Core | 15% | 10% – 25% |
| Credit | 10% | 5% – 10% |
| Commodities | 4% | 0% – 8% |
| Hedge Funds | 10% | 5% – 15% |
| Alpha Pool | 4% | 2% – 6% |
| Midstream | 5% | 0% – 10% |
| Core Real Estate | 5% | 2% – 8% |
| Opportunistic | 0% | 0% – 10% |
| Private Markets | 18% | 0 – 33% |
| Private Equity | 5% | 0% – 10% |
| Private Credit | 8% | 0% – 13% |
| Private Real Estate | 5% | 0% – 10% |
| Cash | -4% | -6% – 2% |

Verus and KCERA Investment Staff recommend adjusting the Plan's SAA to reduce leverage and the Alpha Pool by four percentage points each, along with a corresponding adjustment to the allowable allocation ranges.



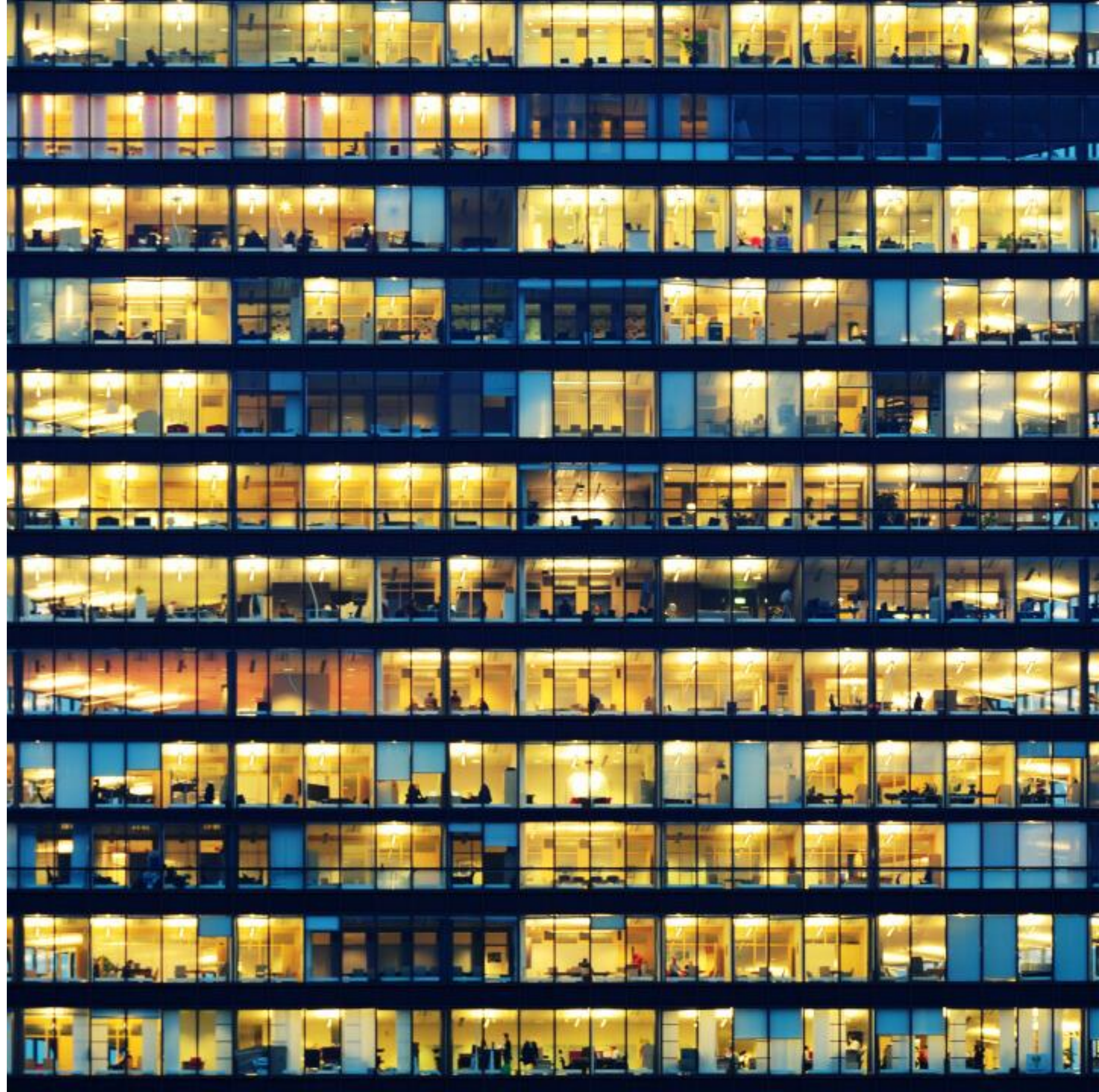
Kern County Employees' Retirement Association Governance Report- January 1 – December 31, 2023

Julie Becker, Partner
Benita Harper, Associate Partner

May 1, 2024

Fiduciary services provided by Aon Consulting, Inc.

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Introduction

The Board of Trustees (“Board”) of the Kern County Employees’ Retirement Association (“KCERA”) has created a solid 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 January 1 – December 31, 2023 (“Review Period”).

As the Report will show, we believe KCERA has a strong governance structure, and Trustees and Staff are mindful of and comply with the governance requirements set forth in the adopted policies and charters.

Introduction

Our Report sets forth our compliance findings with the Board policy requirements. In formulating our findings, we reviewed the applicable policies and charters, relevant board and committee minutes, and held discussions with Staff. We do not repeat our findings regarding the adopted charters, as it would be repetitive to those findings regarding the adopted policies.

Our review did not indicate a need for board policy or charter changes. The Board approved various policy revisions during the Review Period. The Board also adopted a Strategic Plan during the Review Period.

Introduction

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

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

Board Communications Policy

Aon Compliance Comments

Aon recommends periodic Trustee training to remind Trustees of the policy guidelines. The most recent legal guidance regarding gifts of travel was issued by the Chief Legal Officer in February 2023. Note that this policy is subjective, making evaluation less definitive for purposes of this Report.

Board Operations Policy

Aon Compliance Comments

1. Consistent with policy:
 - a) The Nominating Committee put forth their recommendations for Board Chair and Vice Chair at the December 2023 meeting. The Board elected a Chair and Vice Chair at the December 2023 meeting for calendar year 2024.
 - b) The 2023 committee assignments were approved at the January 2023 Board meeting. In June 2023, the Board revised the committee assignments due to the filled Trustee vacancy.
 - c) At its October meeting in 2023, the Board approved its 2024 meeting schedule.
 - d) The scheduling of regular Board meetings was generally consistent.
 - e) During the Review Period, the Administrative Committee Chair appointed an alternate Trustee for purposes of meeting quorum requirements.
 - 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 received 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.

Board Operations Policy

Aon Compliance Comments

- j) The last comprehensive review of Board charters and policies was accomplished in 2021, which conforms to the minimum five-year review cycle.
- k) No issues were identified for consideration.

Board Performance Evaluation Policy

Aon Compliance Comments

1. Consistent with the policy:
 - a) In February 2023, the Administrative Committee reviewed and approved the 2023 Self-Assessment and Educational Needs Assessment survey.
 - b) Aon administered the survey. Seven Trustees participated.
 - c) The Administrative Committee reviewed the results of the survey at its April 19, 2023, meeting. On May 3, 2023, the full Board reviewed the results.

2. During the results discussion, the Board indicated that Aon revise the survey for 2024.

Chief Executive Officer Performance Evaluation Policy

Aon Compliance Comments

1. The Administrative Committee met on February 28, 2023, to review the criteria and weights for the upcoming fiscal year for recommendation to the Board. The Board subsequently approved the criteria in March 2023.
2. Aon issued the Chief Executive Evaluation packet and survey for 2023 on November 2, 2023. Nine Trustees completed the survey by the November 15 deadline.
3. Aon provided the survey results on November 21, 2023.
4. The Administrative Committee met on December 11, 2023, to review the results of the survey which was also reviewed by the full Board on December 13, 2023.
5. No issues were identified for consideration.

Chief Executive Officer Succession Policy

Aon Compliance Comments

1. The Chief Executive Officer reported on staffing issues throughout the year, and also issued the Human Resources Report.
2. No issues were identified for consideration.

Code of Conduct

Aon Compliance Comments

1. The scope of this 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. Four Trustees did not meet the minimum attendance requirements for committee meetings. Please see Appendix A for a summary of Trustee attendance.

Due Diligence and Service Provider Selection Policy

Aon Compliance Comments

1. Consistent with the policy:
 - a) The Board approved ten private market funds, two opportunistic funds, one co-investment, two Japanese equity investment managers, one transition manager, one real estate fund, as well as providers for audit services, portfolio risk analytics systems, and custodial services. The Board considered recommendations from the corresponding Board Committee, Staff and corresponding consultant.
 - b) Staff confirmed that the investment consultants perform onsite due diligence for managers at least triennially.
 - c) According to the Due Diligence schedule provided to the Board, planned onsite due diligence is planned for Cambridge Associates in 2024, and Albourne American and Verus Advisory in 2026.
2. No issues were identified for consideration.

Evaluation Period Policy

Aon Compliance Comments

1. Consistent with the policy:
 - a) Evaluation periods were initiated during the Review Period for service providers pursuant to policy.
 - 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

Aon Compliance Comments

1. Consistent with the policy, the Board received the required routine reports during the Review Period covering Governance, Investment and Funding, and Administration/Operations.
2. No issues were identified for consideration.

Service Provider Evaluation Policy

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 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 | 2022 |
| Auditor | 2023 | 2022 |
| Custodian | 2024 | 2023 |
| General Investment Consultant | 2022 | 2021 |
| Fiduciary Counsel | 2021 | 2012 |

2. The 2023 Board Self-Assessment included Board satisfaction levels for the Key Service Providers.
3. No issues were identified for consideration.

Trustee Education Policy

Aon Compliance Comments

1. Consistent with the policy:
 - a) Several in-house education sessions were provided to the Board during its meeting. Appendix B lists the sessions provided during the Review Period.
 - b) One new Trustee joined the Board during the Review Period. Staff provided the required orientation during the forty-five days following election/appointment to the Board. Staff provided the new Trustee with the required documentation and briefings by key senior management. Although it is past the 6-month timeframe as required by the policy, Staff is in the process of scheduling the follow-up discussion with the new Trustee.
 - c) The Education Compliance Reported ended December 2023 indicate that:
 - i. The five Trustees who had education cycle January 2022–December 2023 all met the required 24 hours of continuing education.
 - ii. Four Trustees have education cycles that do not expire until December 2024. Two Trustees have education cycles that expired in June 2025, and one Trustee has an education cycle that expires in April 2025.
 - iii. Trustees are encouraged to ensure they are taking advantage of the educational opportunities available to them in order to comply with the policy requirements.

Trustee Travel Policy

Aon Compliance Comments

1. During the Review Period, Trustees obtained Board pre-approval for education related travel, and made arrangements through the Chief Executive Officer's office. This review does not constitute an audit of travel expenses as it is outside the scope of this review.
2. No issues were identified for consideration.

Appendix A

Current Trustees – Attendance Summary

Regular Board Meetings – January 1-December 31, 2023

| Trustee | Total meetings | Total meetings attended | Total Meetings Missed |
|-----------|----------------|-------------------------|-----------------------|
| Contreras | 10 | 10 | 0 |
| Couch | 10 | 10 | 0 |
| Franey | 10 | 10 | 0 |
| Gonzalez | 10 | 10 | 0 |
| Hughes | 10 | 8 | 2 |
| Kaufman | 10 | 4 | 6 |
| Kratt | 10 | 9 | 1 |
| Nunneley | 10 | 8 | 2 |
| Sanders | 7 | 6 | 1 |
| Seibly | 10 | 10 | 0 |
| Whitezell | 10 | 10 | 0 |

Appendix A

Current Trustees – Attendance Summary

Assigned Committee Meetings- January 1-December 31, 2023

| Trustee | Total meetings | Total meetings attended | Total Meetings Missed |
|-----------|----------------|-------------------------|-----------------------|
| Contreras | 5 | 5 | 0 |
| Couch | 8 | 8 | 0 |
| Franey | 11 | 11 | 0 |
| Gonzalez | 7 | 7 | 0 |
| Hughes | 6 | 4 | 2 |
| Kaufman | 7 | 5 | 2 |
| Kratt | 7 | 7 | 0 |
| Nunneley | 13 | 8 | 5 |
| Sanders | 2 | 2 | 0 |
| Seibly | 6 | 4 | 2 |
| Whitezell | 11 | 9 | 2 |

Appendix B

In-House Education

| Topic | Date | Educational Hour Credit |
|---|---------|-------------------------|
| Administrative Committee | | |
| AB 2449 continued Education | 2/28/23 | .37 |
| Board | | |
| AB 2449 | 2/8/23 | .53 |
| Fiduciary duties, with emphasis on investment considerations, including evaluation of ESG factors | 3/8/23 | 1 |
| Proxy voting | 3/8/23 | .25 |
| Chief Legal Officer regarding case review | 3/8/23 | .23 |
| Special District Status considerations | 4/12/23 | .76 |
| Triennial Actuarial Experience Study | 4/12/23 | .98 |
| History on KPI (Part 1) | 4/12/23 | .25 |
| KCERA Disability Retirement Process | 5/3/23 | .23 |
| KCERA Internal Revenue Code limits on Plan Sponsor Contributions under 26 USCA §401(a)(17) | 5/3/23 | .18 |
| Service purchases and community property | 5/3/23 | .16 |
| Managed Medical Review Organization Disability Workflow status update | 6/14/23 | .58 |
| Wellness Audit communication initiative | 8/9/23 | .27 |
| Life Cycle of an Investment | 11/1/23 | 1 |
| Fiduciary Training | 11/1/23 | .35 |
| Alameda Administrative Appeals Orientation | 11/1/23 | .25 |

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2024 Self-Assessment Report

Kern County Employees' Retirement Association

Julie Becker, Partner

Benita Falls Harper, Associate Partner

May 1, 2024

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What do you hope to gain during the Board Self-Assessment discussion?

- *The self-assessment will help us focus on being better.*
- *Understand if other board members feel the same as I do.*
- *Any short comings the board may have that need addressing.*



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Board Member Individual Self-Assessment Results

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Overall Board Evaluation Results

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Satisfaction with Key KCERA Board Vendors Results

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Board Education Results

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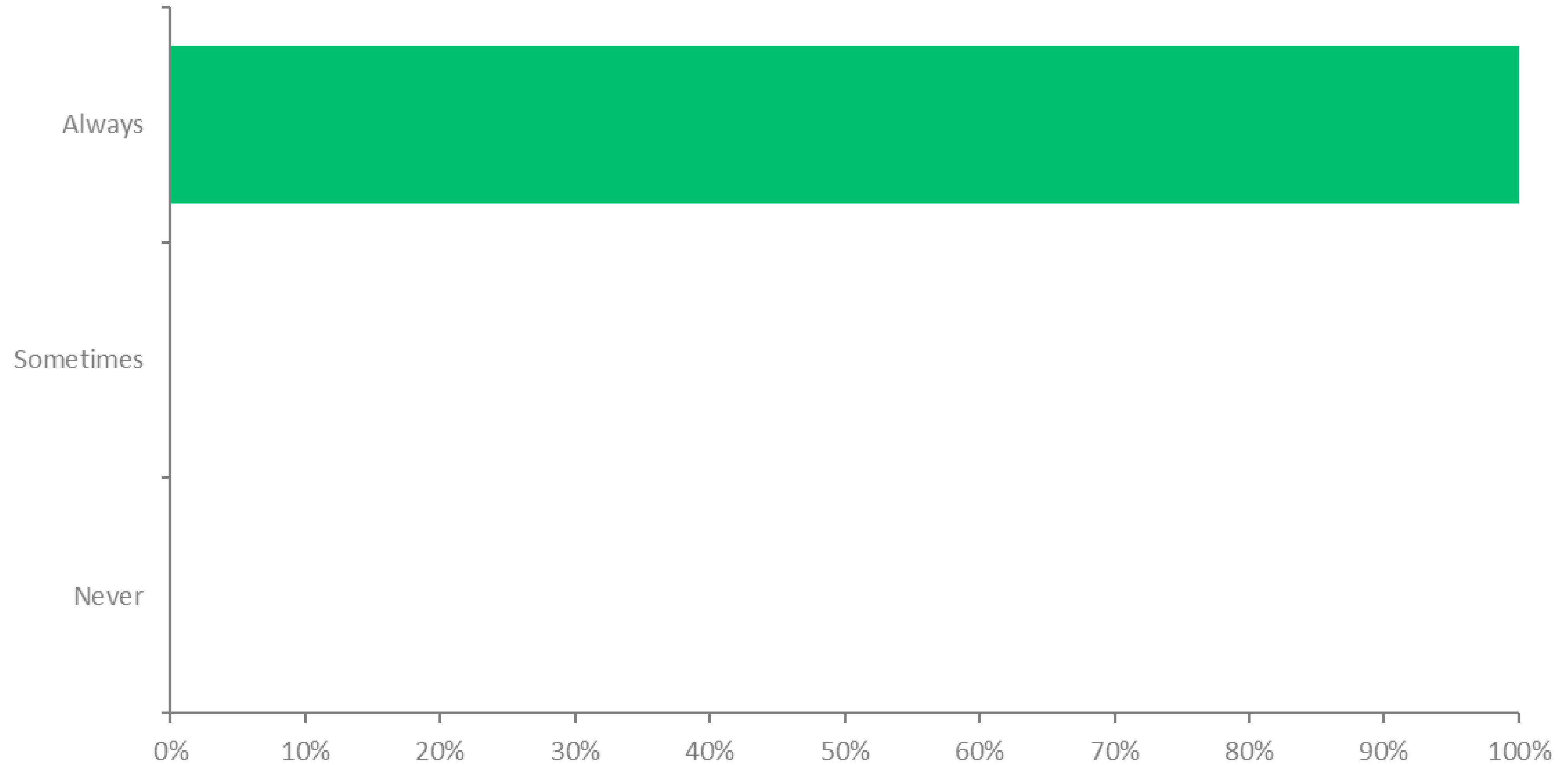
Open-Ended Questions Results

1

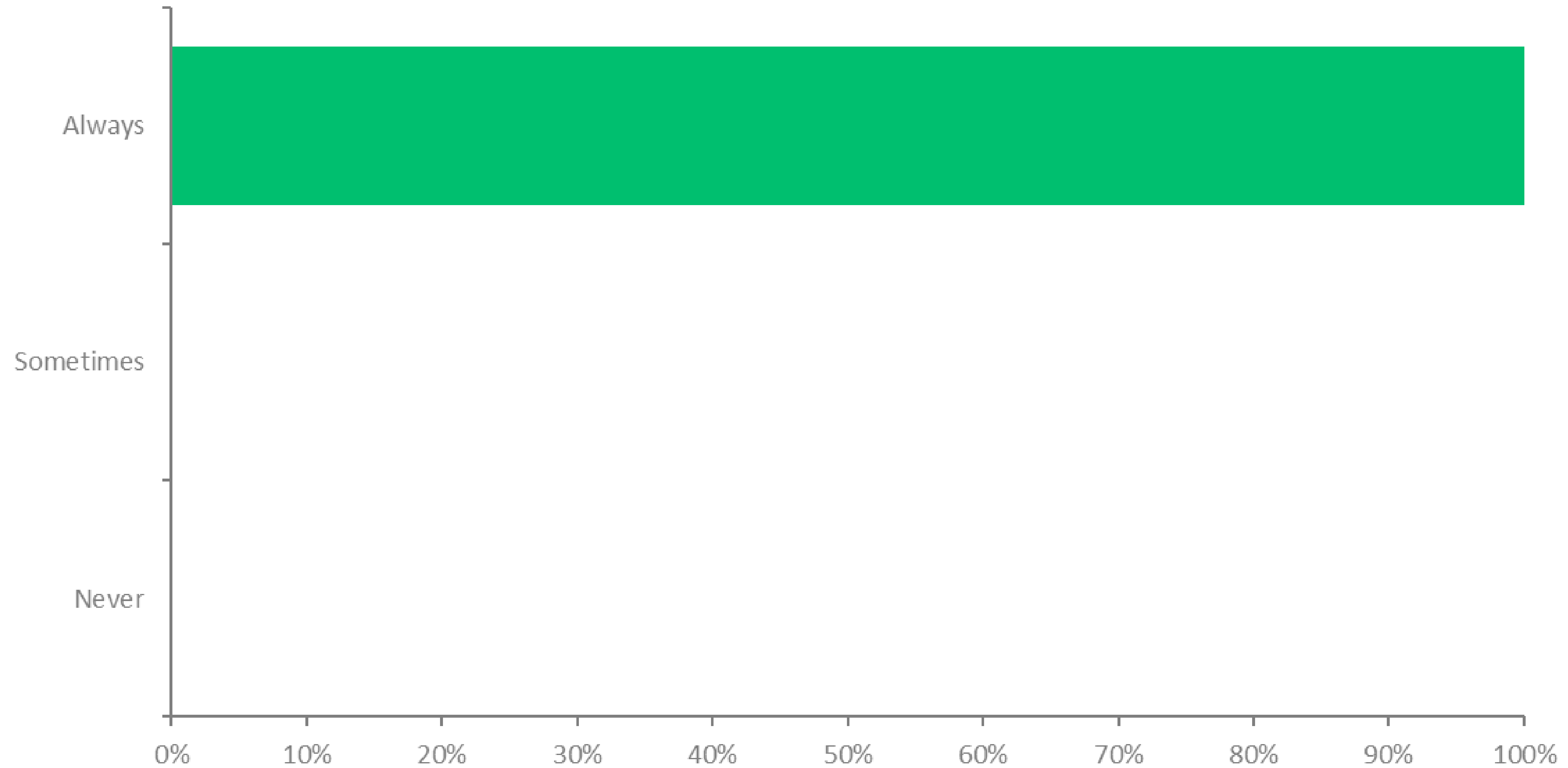
Board Member Individual Self-Assessment Results



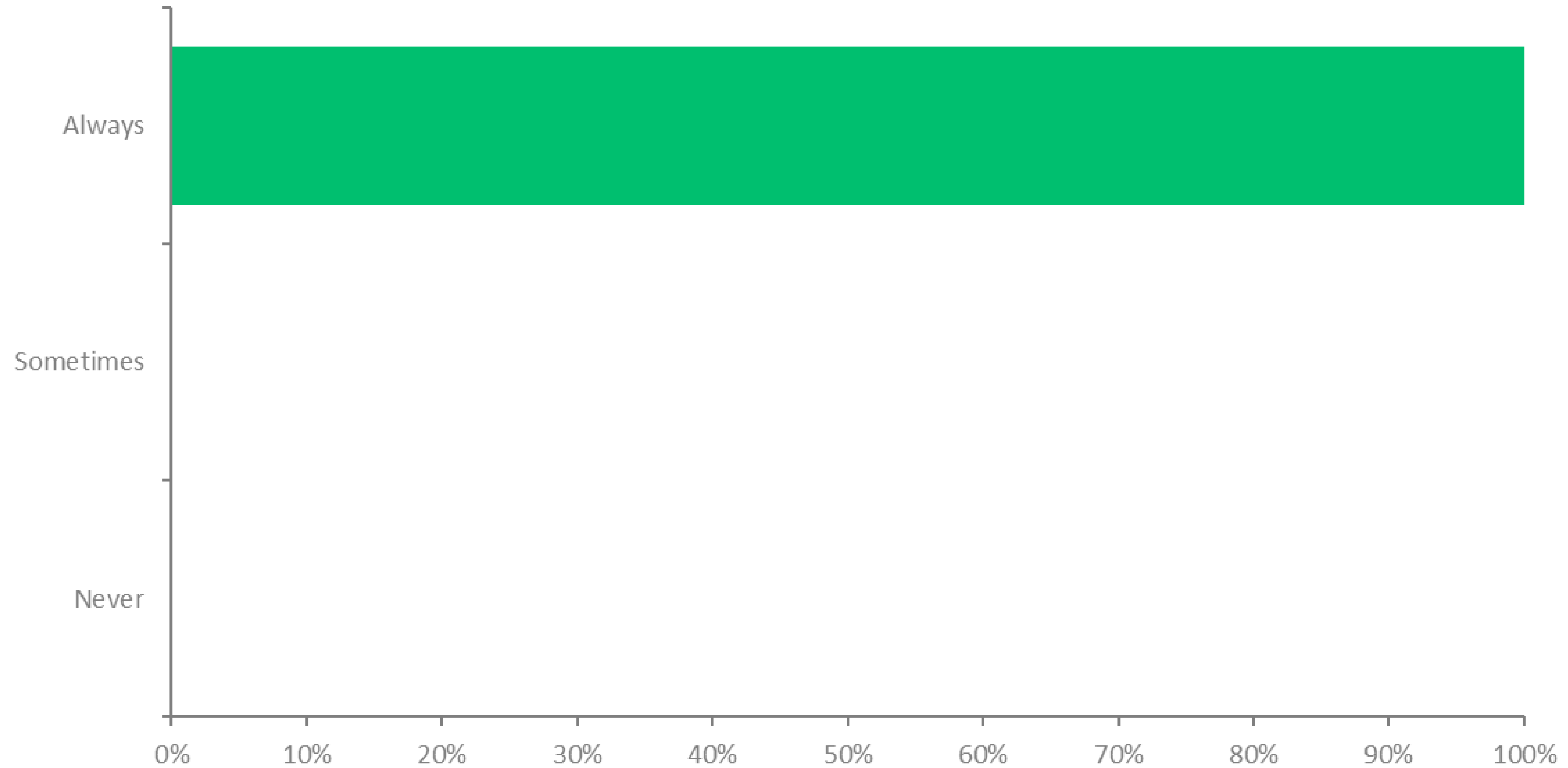
Q1: I attend and am prepared for Board and my Committee meetings.



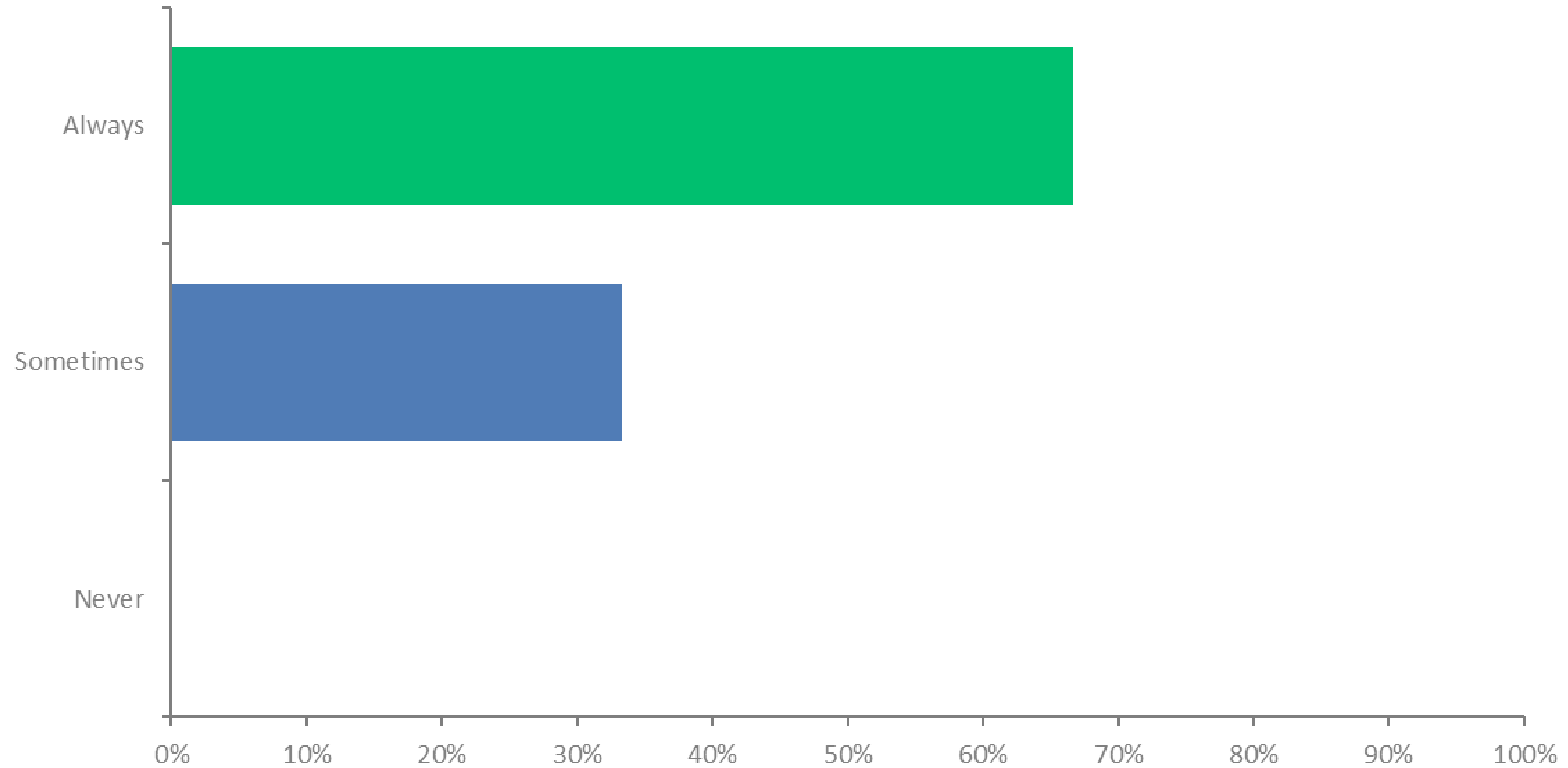
Q2: I understand my fiduciary duties regarding the funds for which we are responsible.



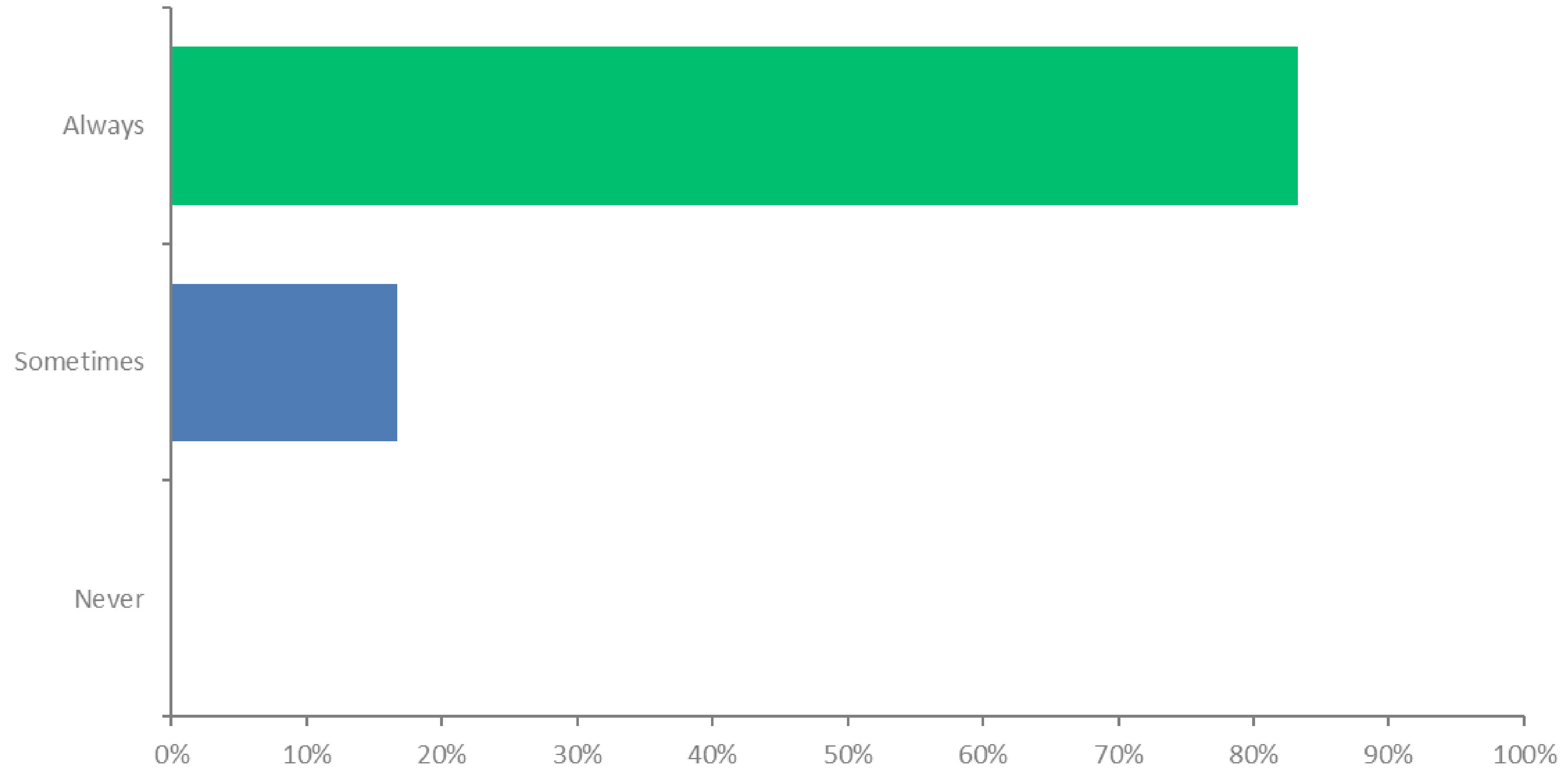
Q3: I understand conflicts of interest and refrain from activities that could give rise to the appearance of impropriety.



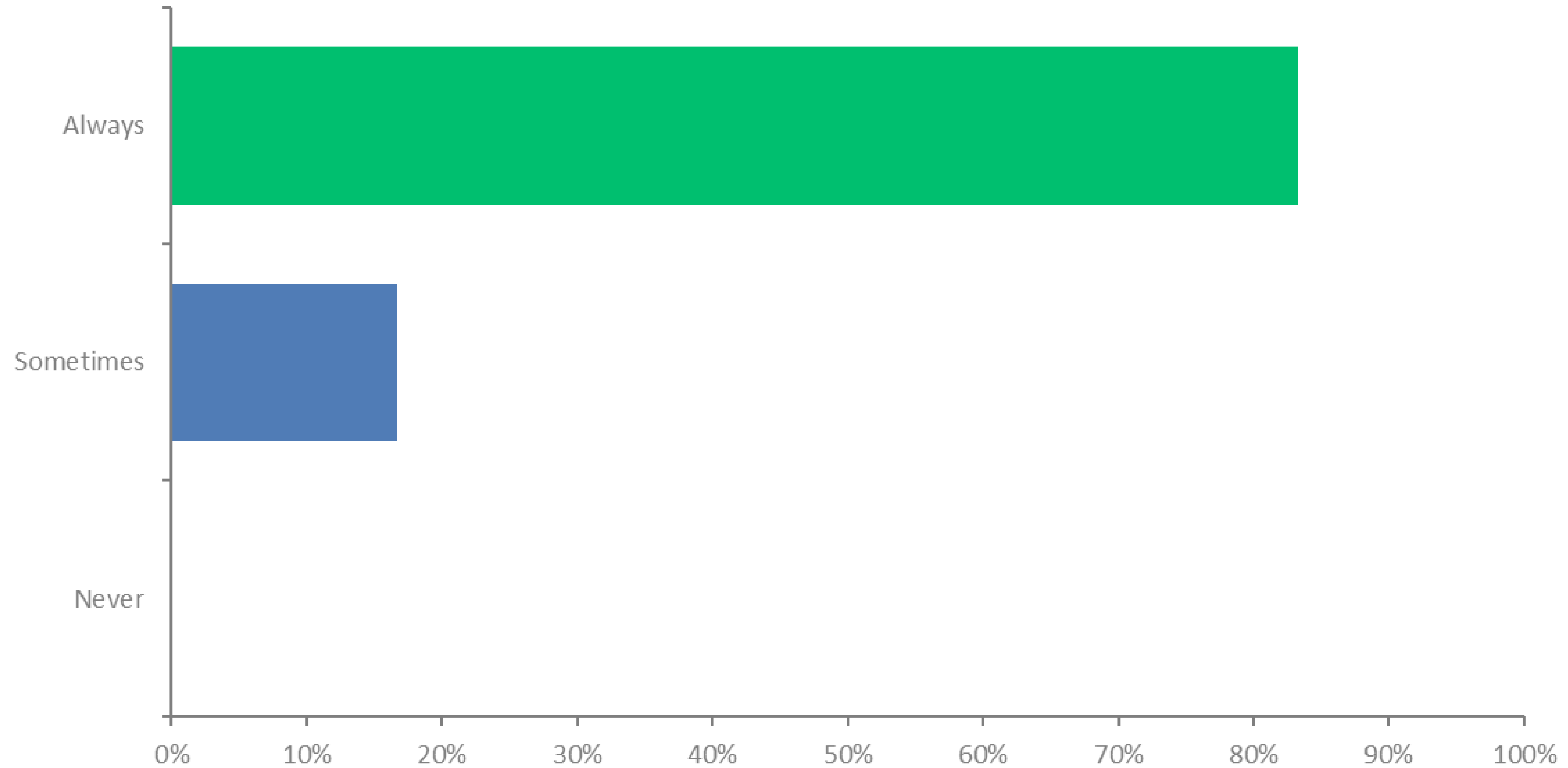
Q4: I contribute to the discussion in a meaningful and helpful way.



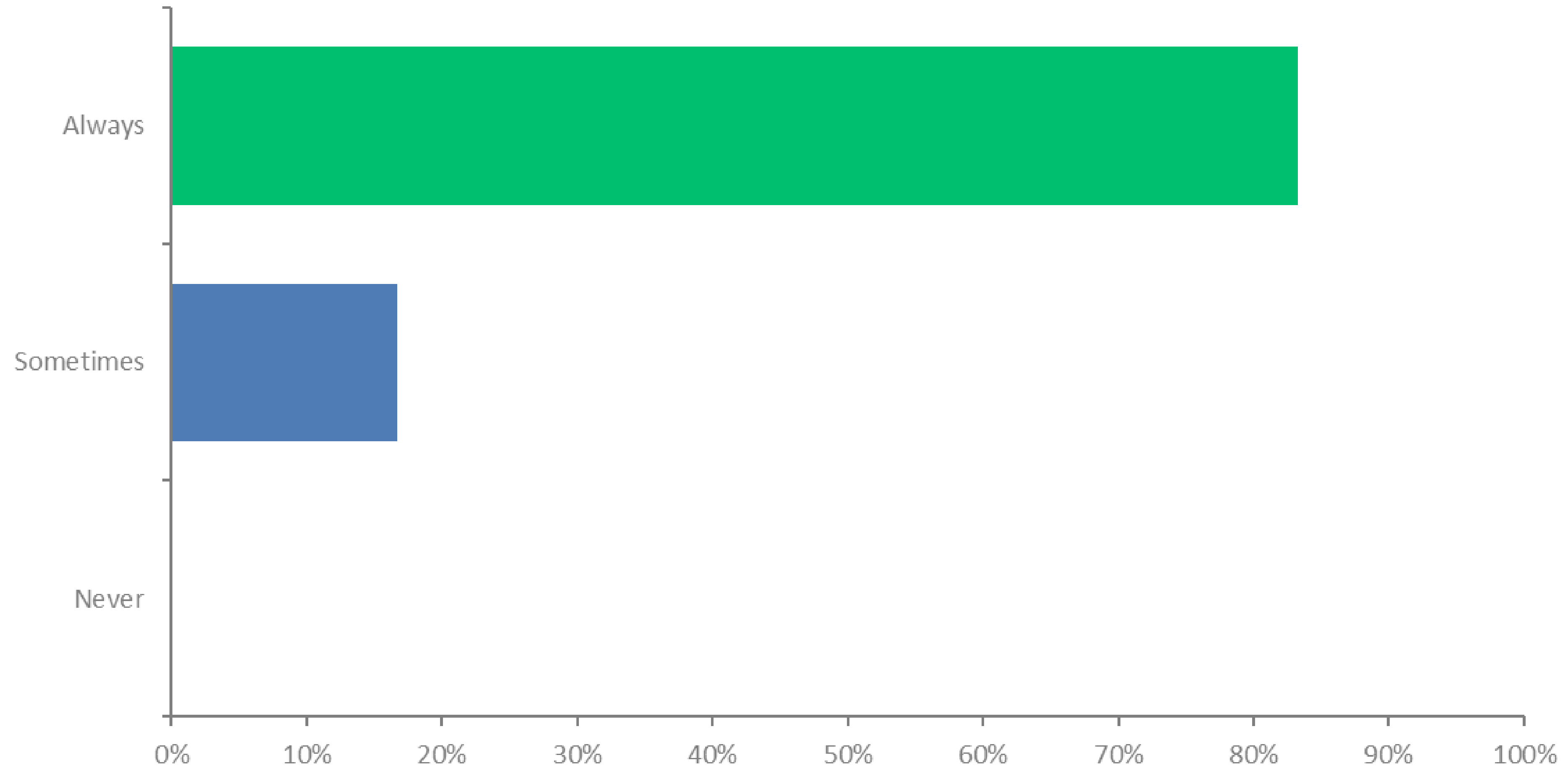
Q5: I have read and am familiar with the KCERA Board policies and procedures.



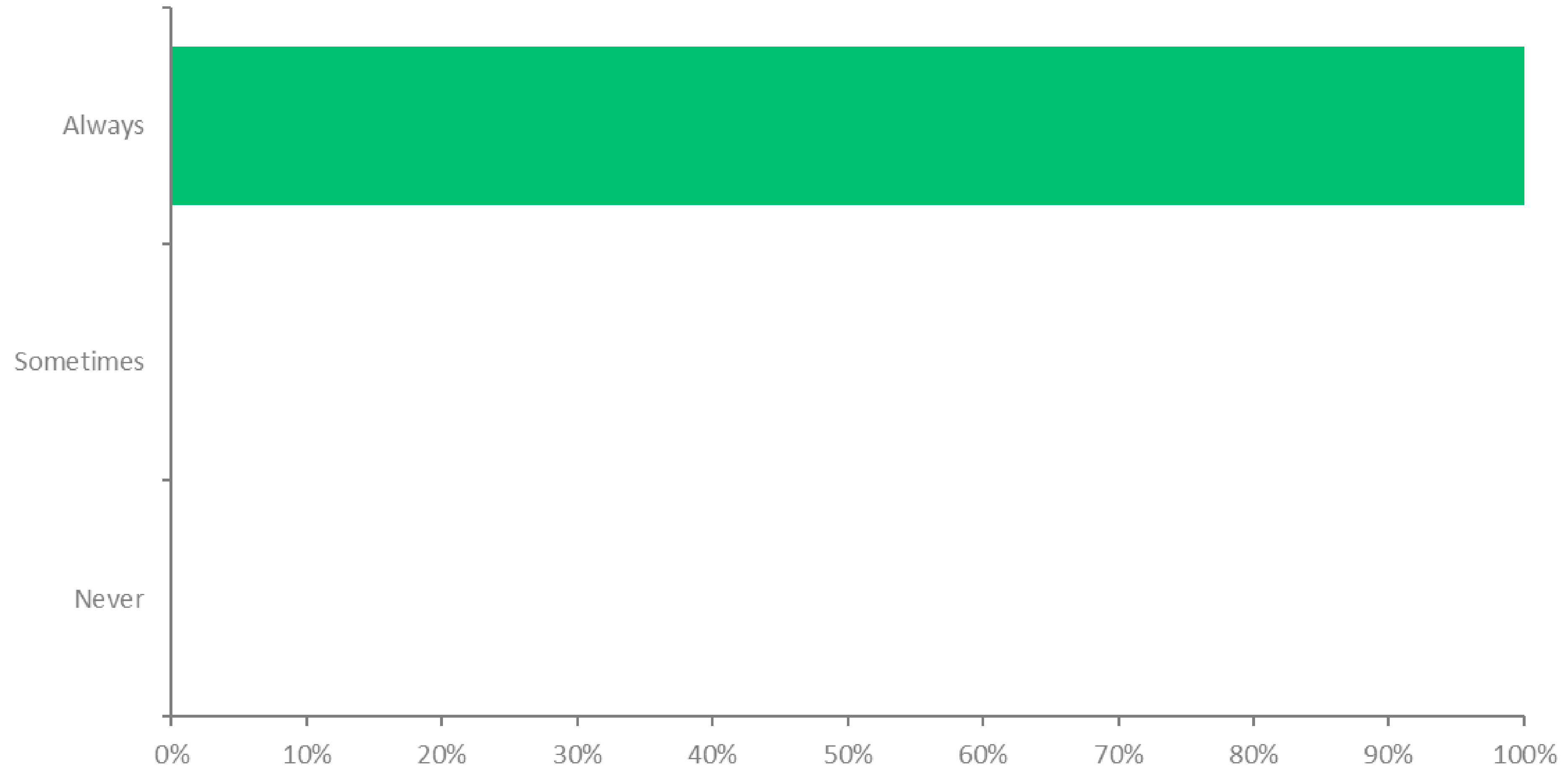
Q6: The highest and best use of the Board is to establish policy and the role of the Staff is to implement policy.



Q7: I show respect to Staff and service providers.



Q8: If I am aware of any Board governance problems, I know how to report those properly.

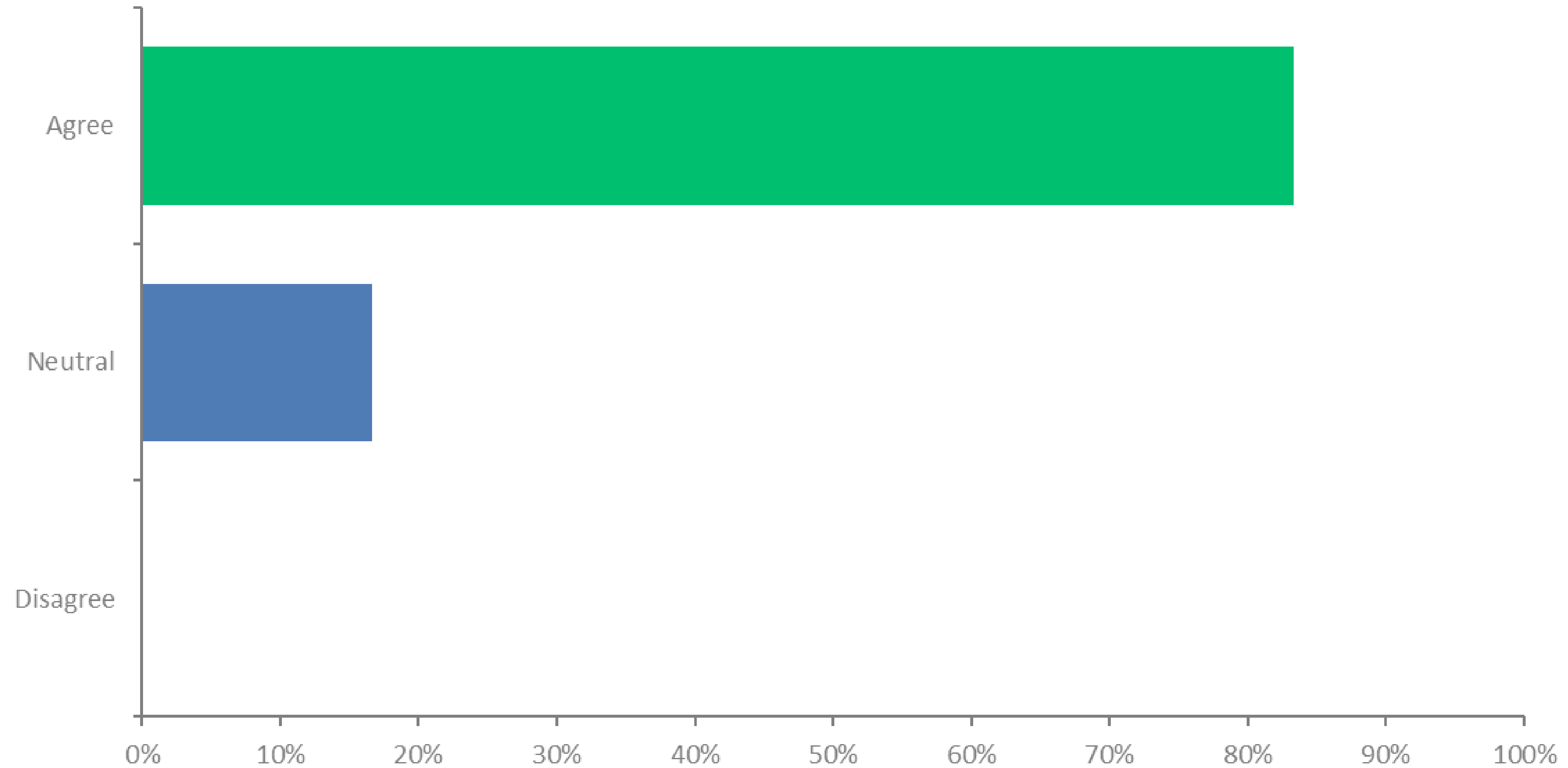


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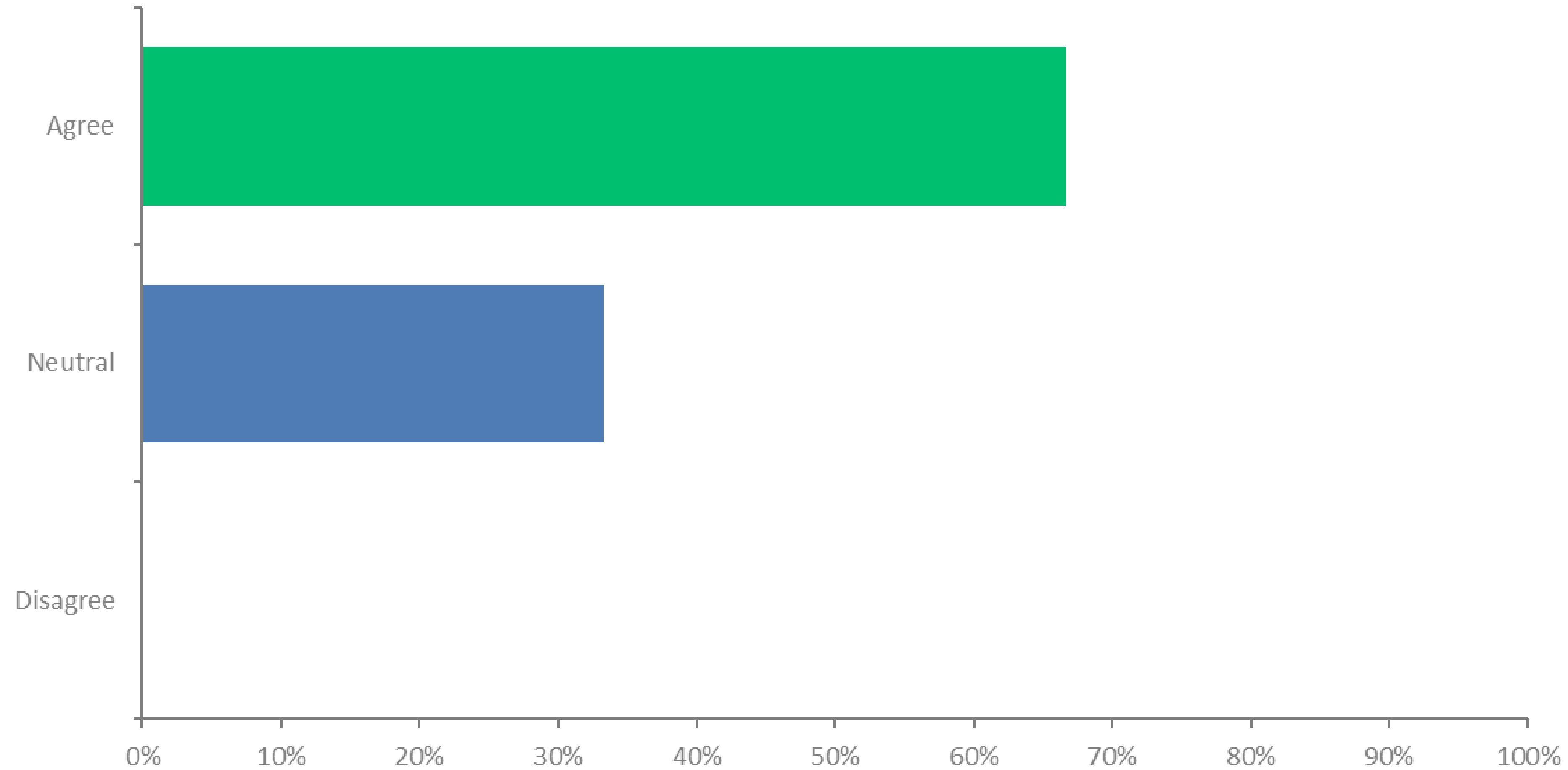
Overall Board Evaluation Results



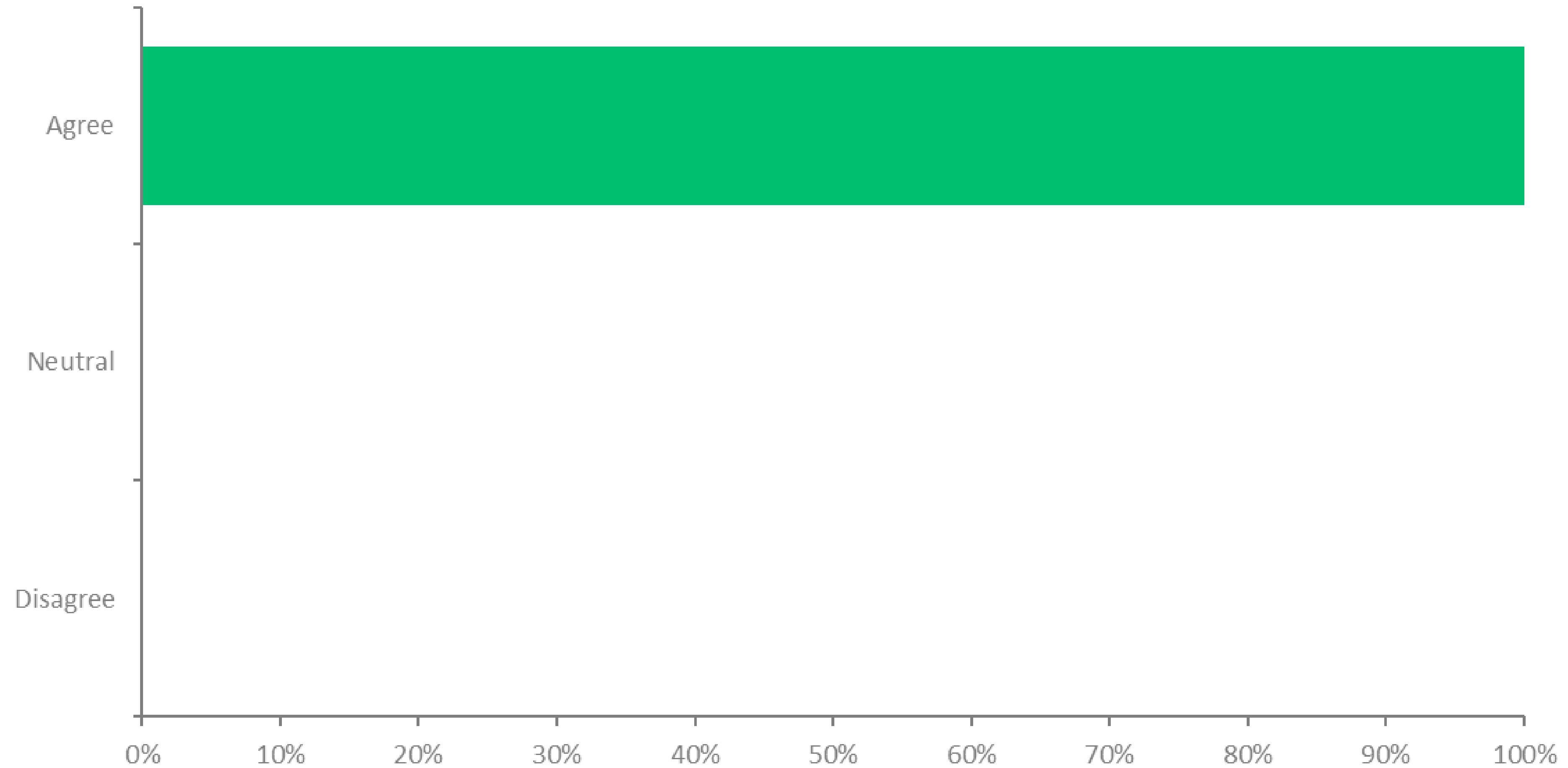
Q1: Board members refrain from actions that would suggest real or perceived conflicts of interest.



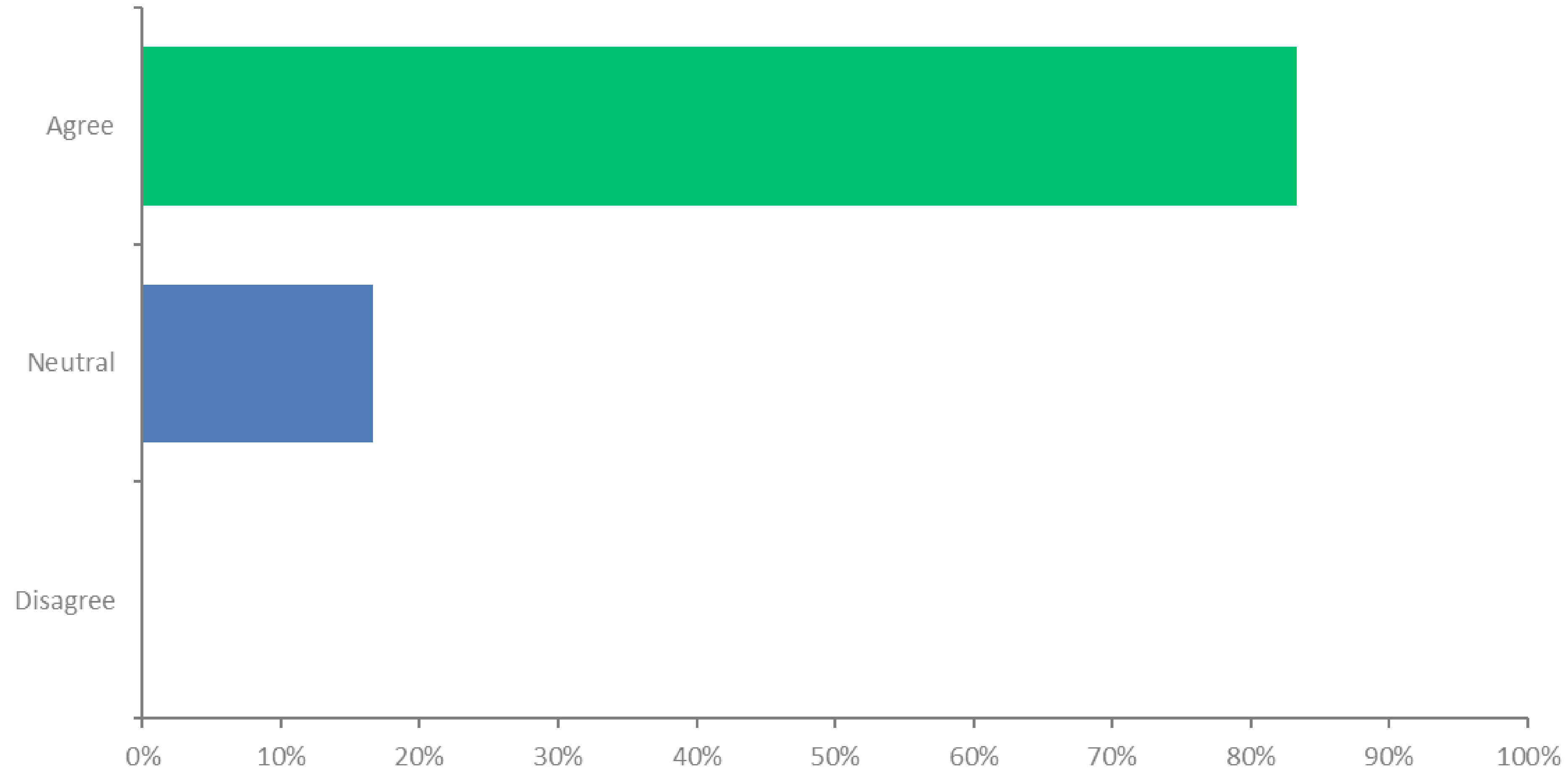
Q2: The Board does not "rubber stamp" the recommendations of senior management or its external advisors.



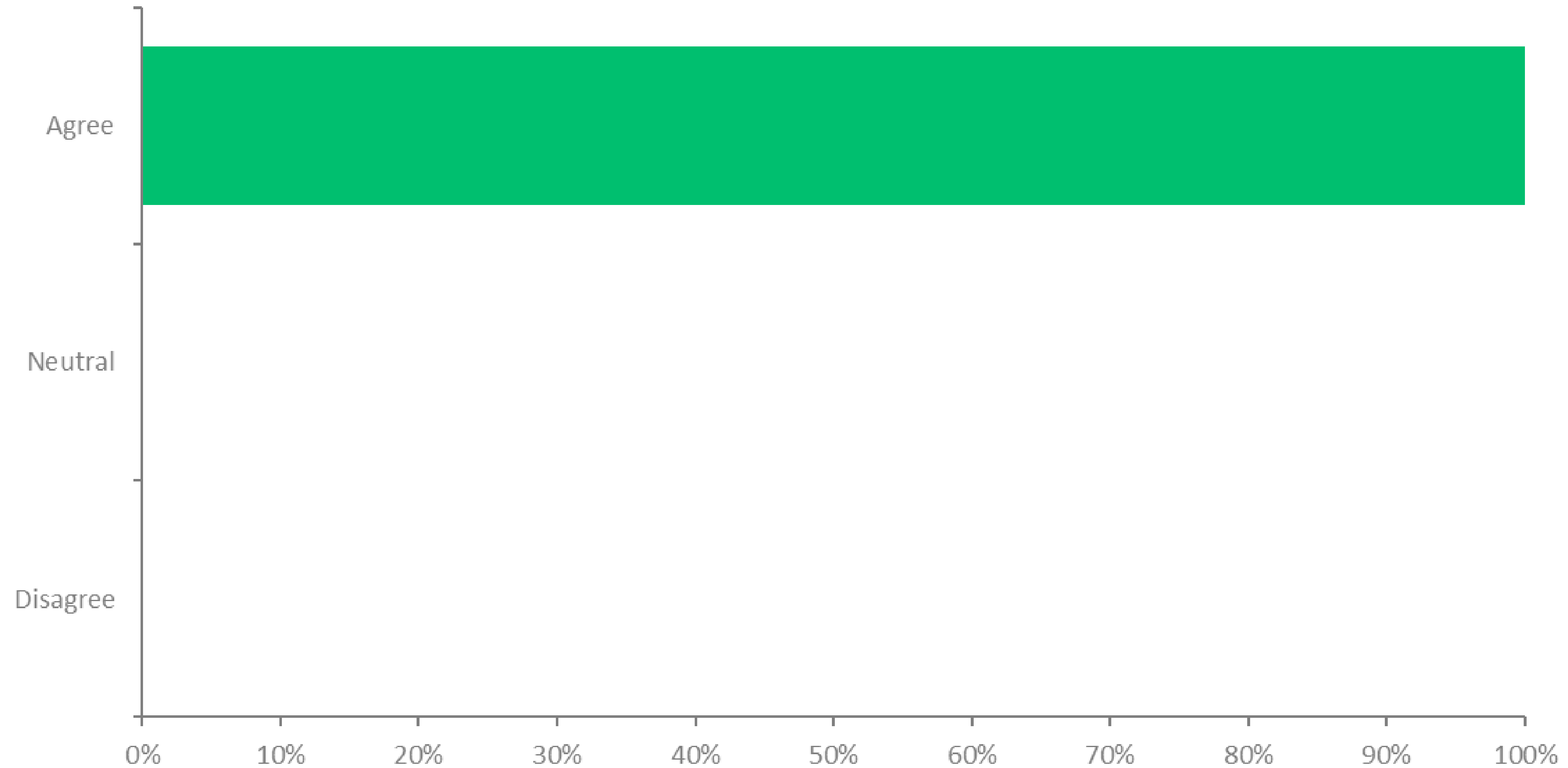
Q3: Sufficient interaction and deliberation exist between Board members as part of the decision-making process.



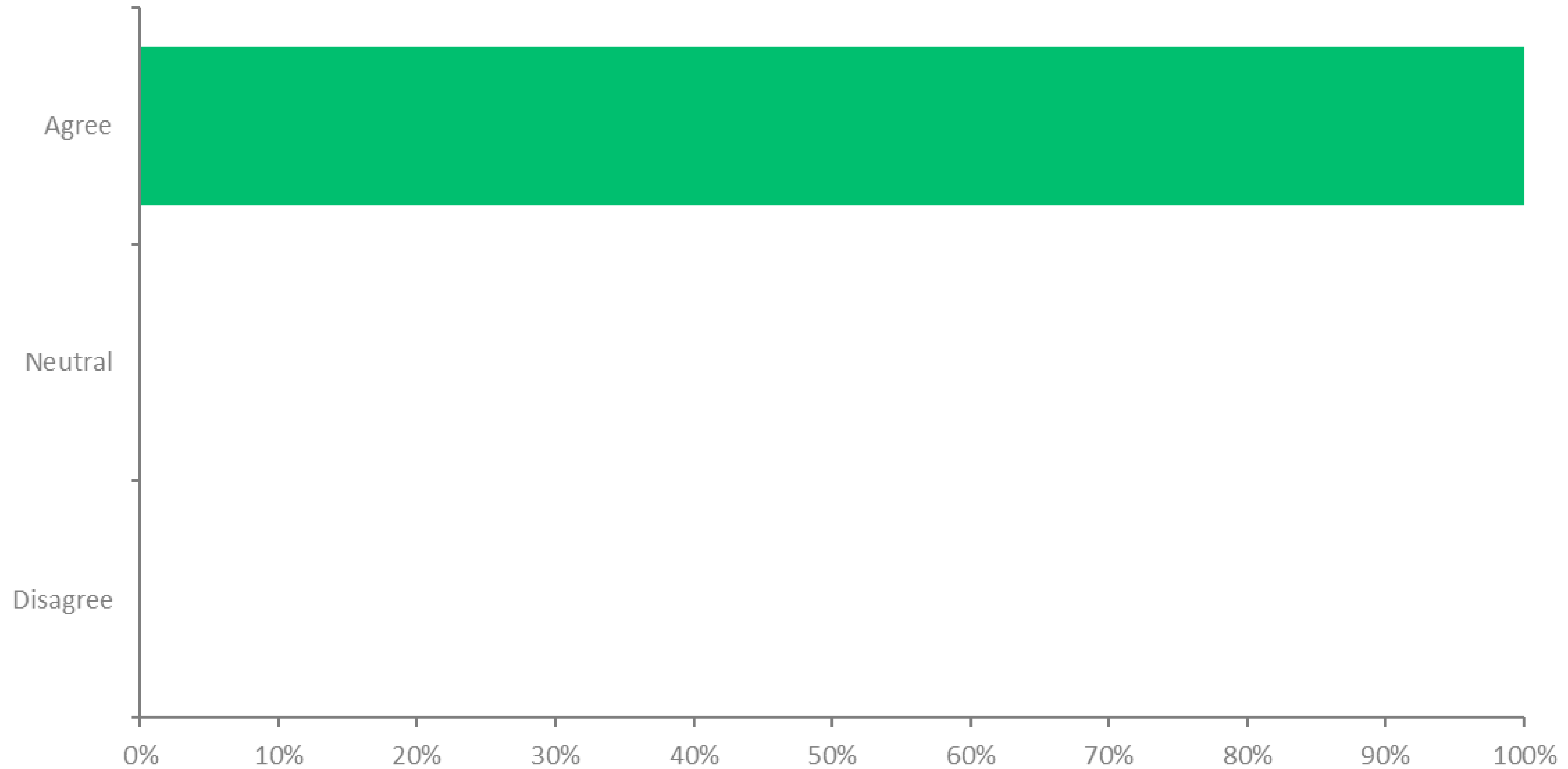
Q4: Board members keep decision-making at the policy level, delegate implementation of policy to Staff, and do not engage in micro-management.



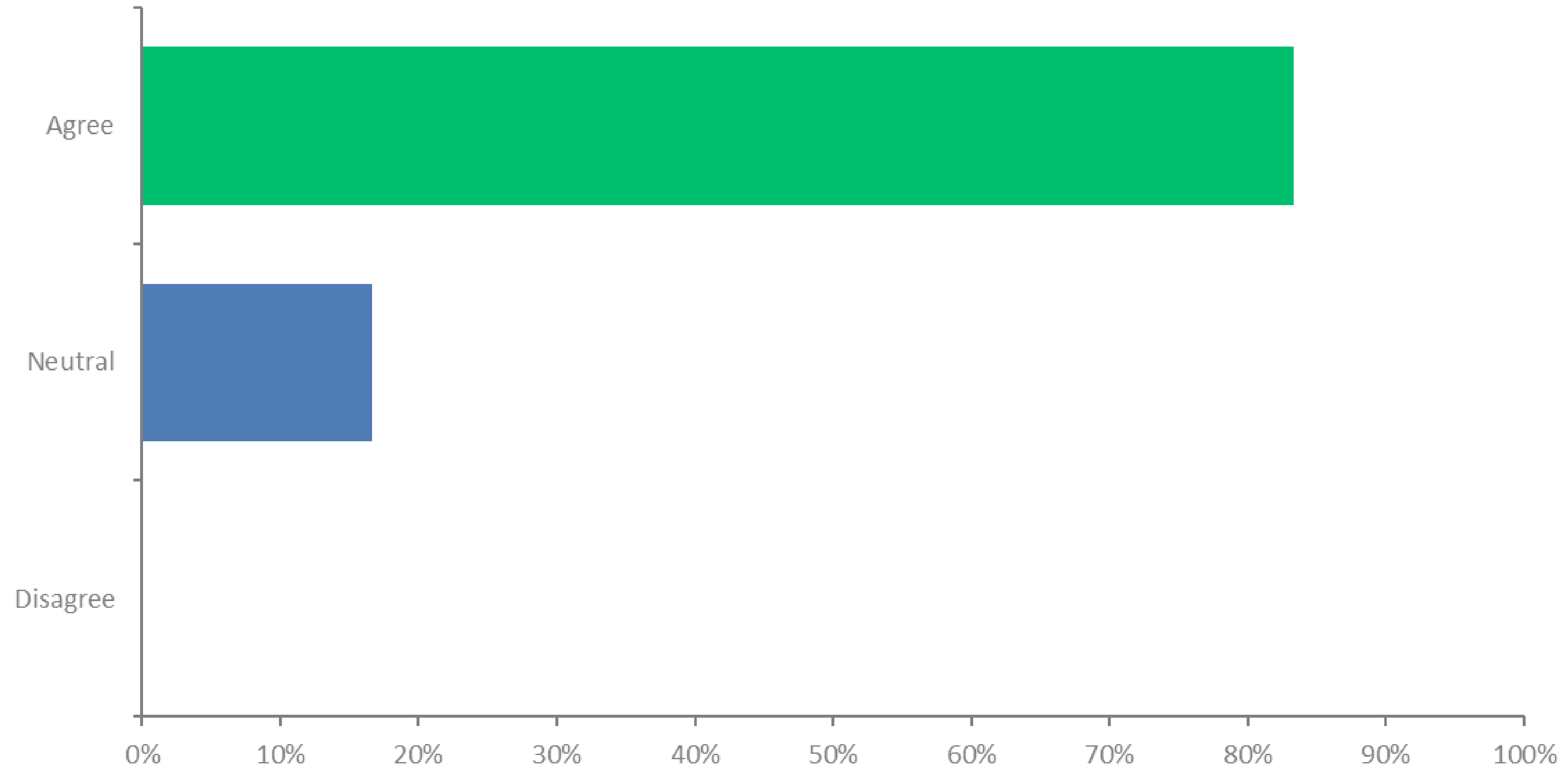
Q5: The Board engages in active oversight of the responsibilities it has delegated to Staff and service providers.



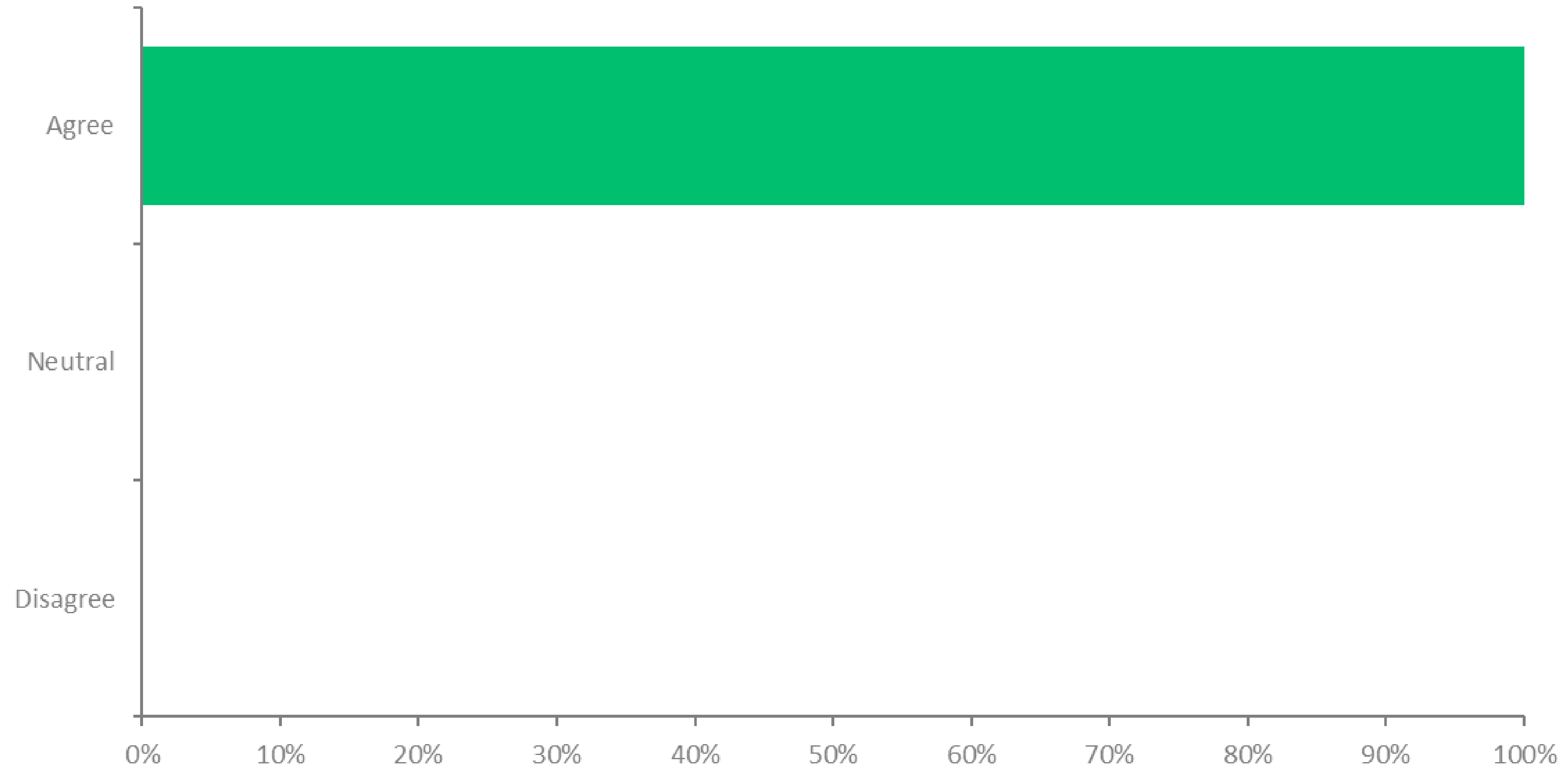
Q6: The Board operates in a manner that promotes candid sharing of thoughts and ideas.



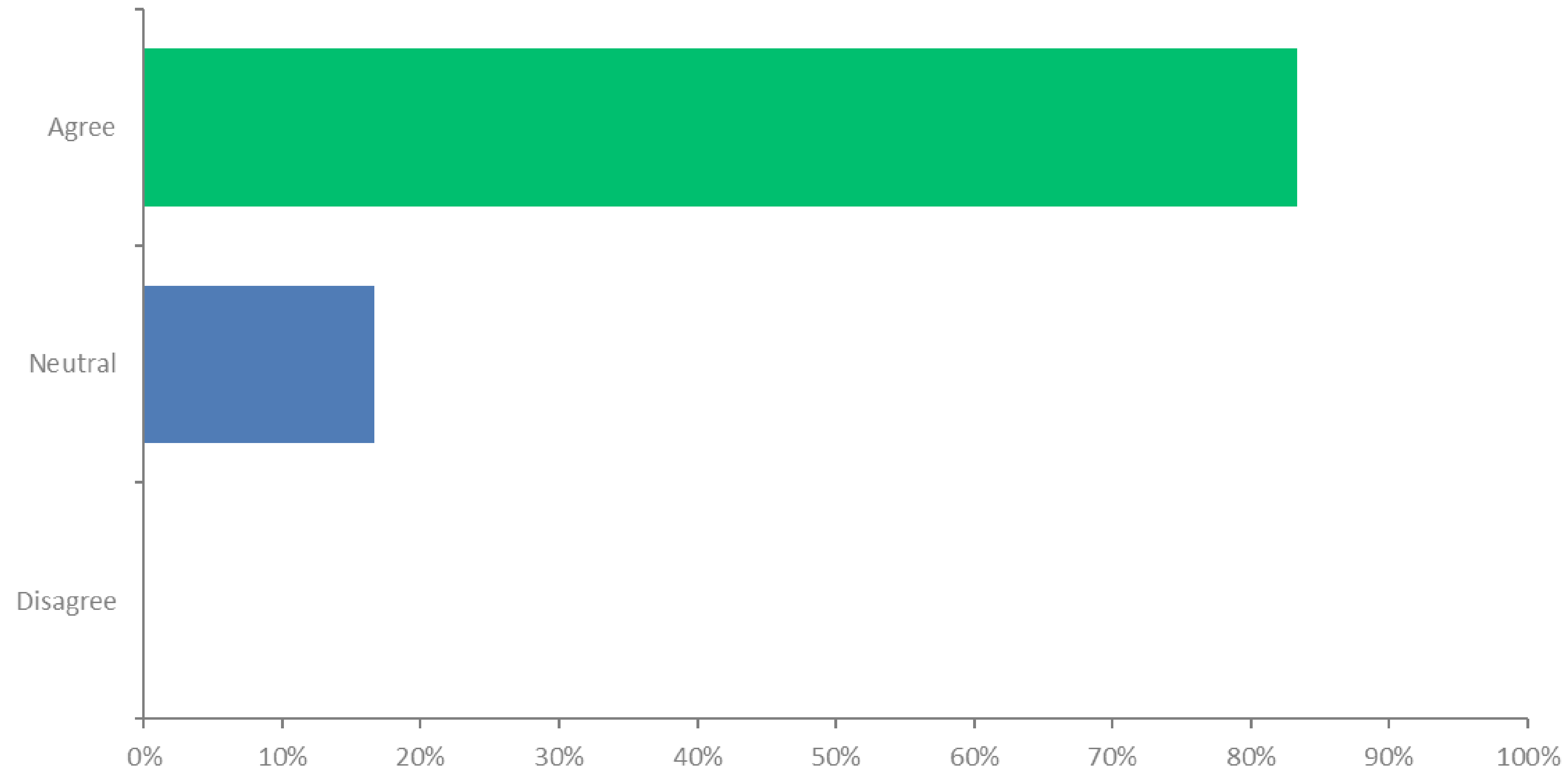
Q7: The length of meetings is reasonable with appropriate time to address the most critical issues.



Q8: The Board operates with trust of each other, Staff, and the existing board processes.



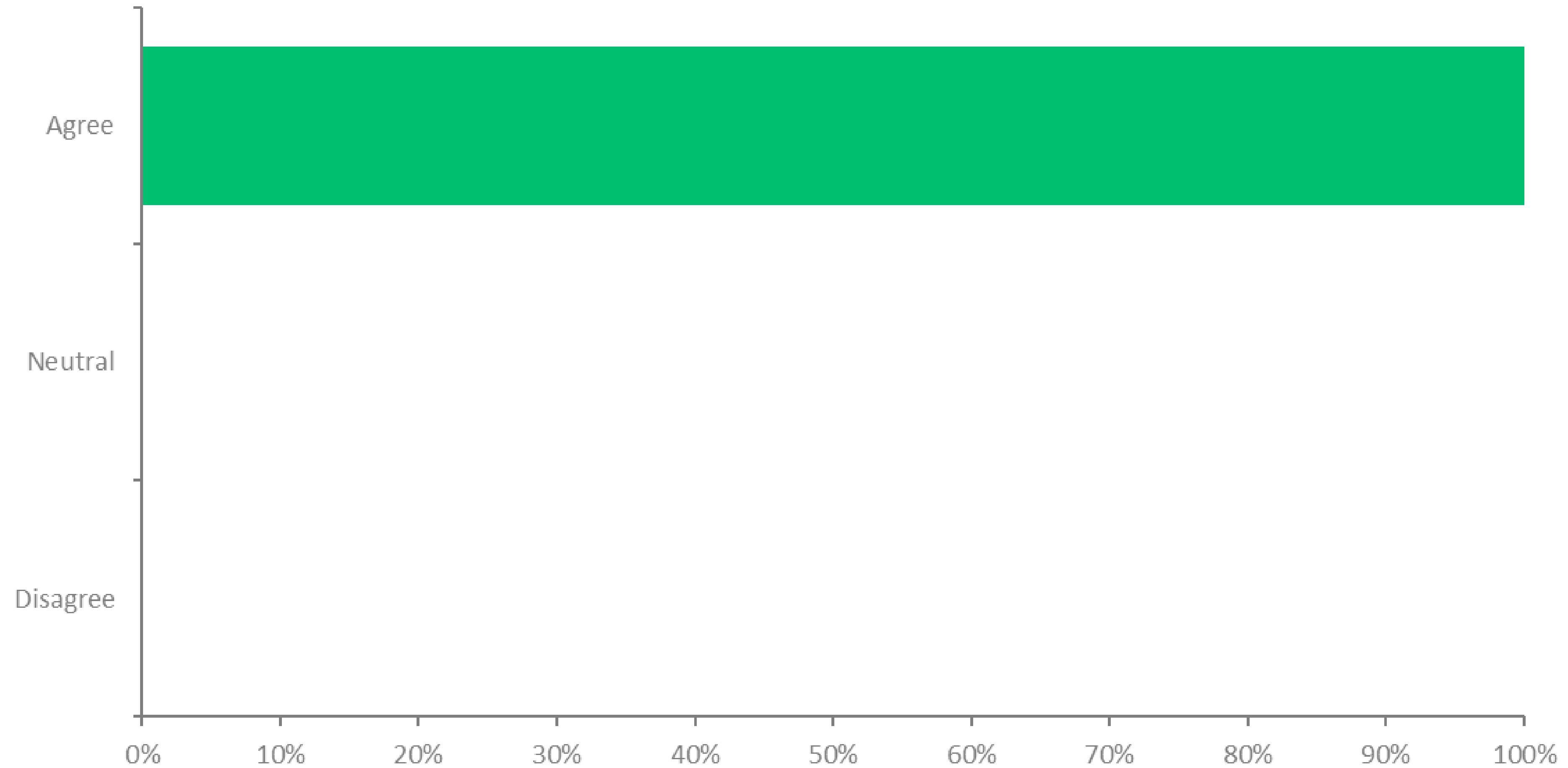
Q9: The Board stays abreast of public pension fund issues and trends.



Comment

- It appears we do from the comments and discussions i have been part of.

Q10: The Board's actions reflect a commitment to the KCERA mission and vision.

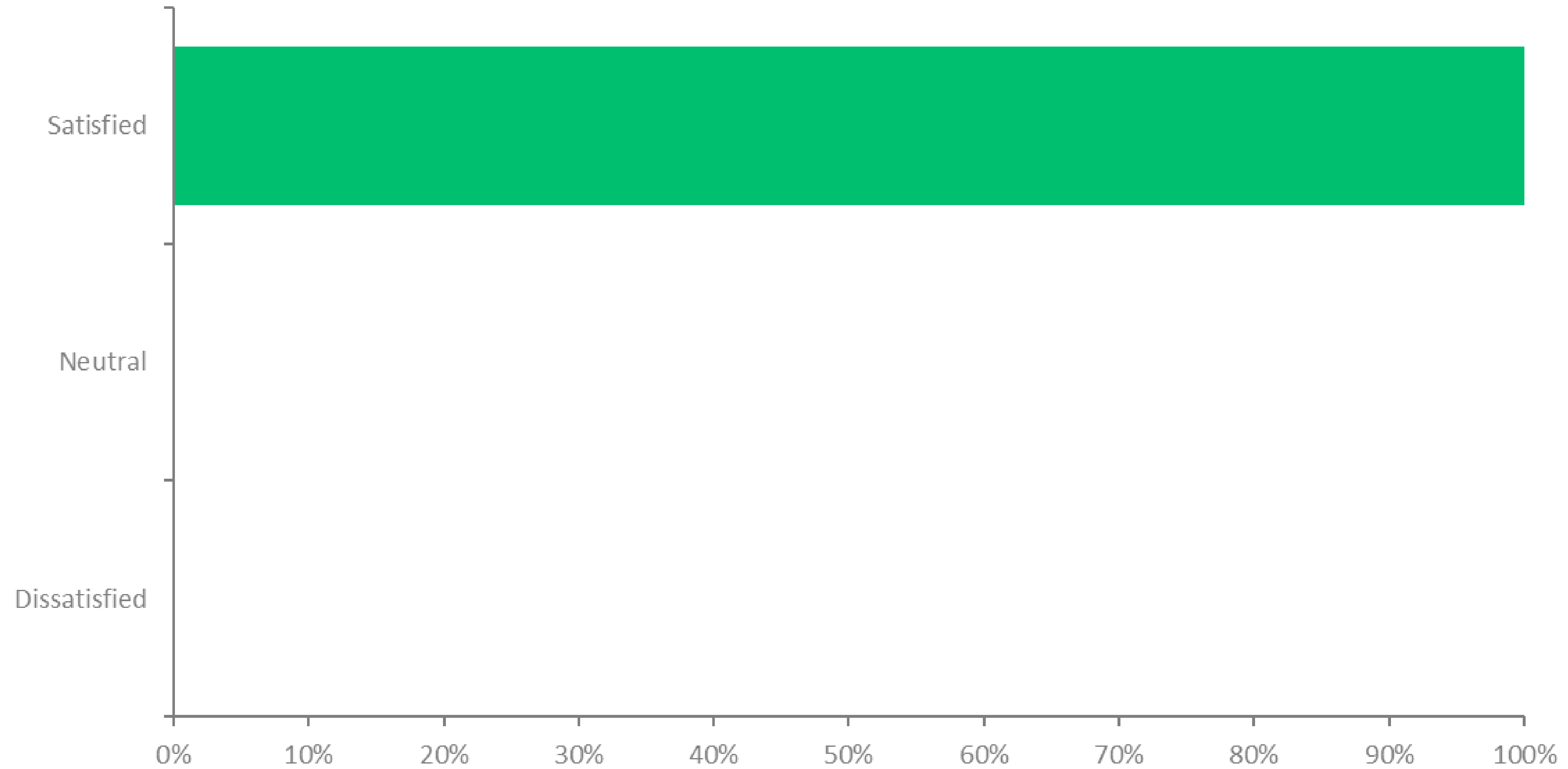


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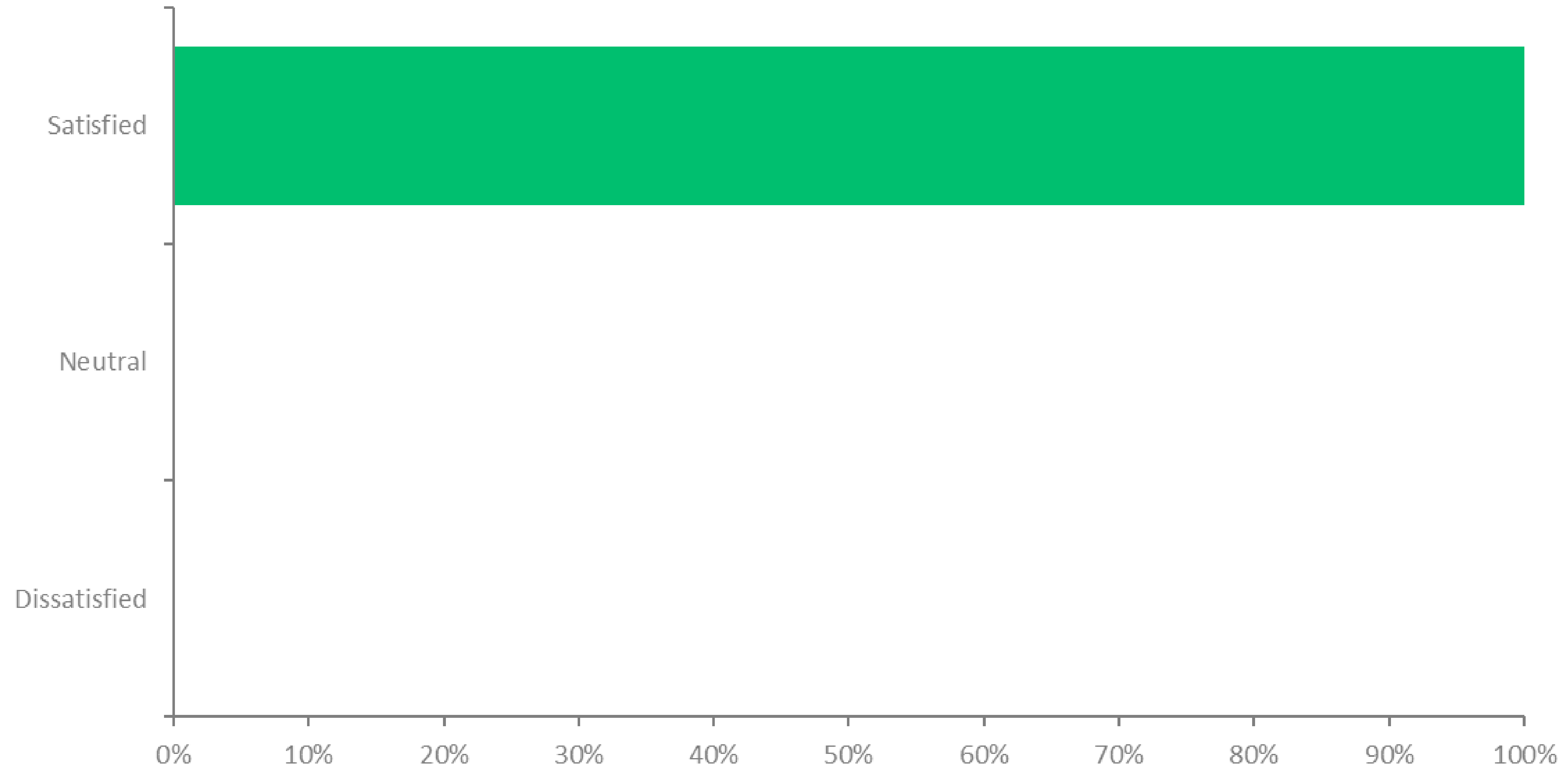
Satisfaction with Key KCERA Board Vendors Results



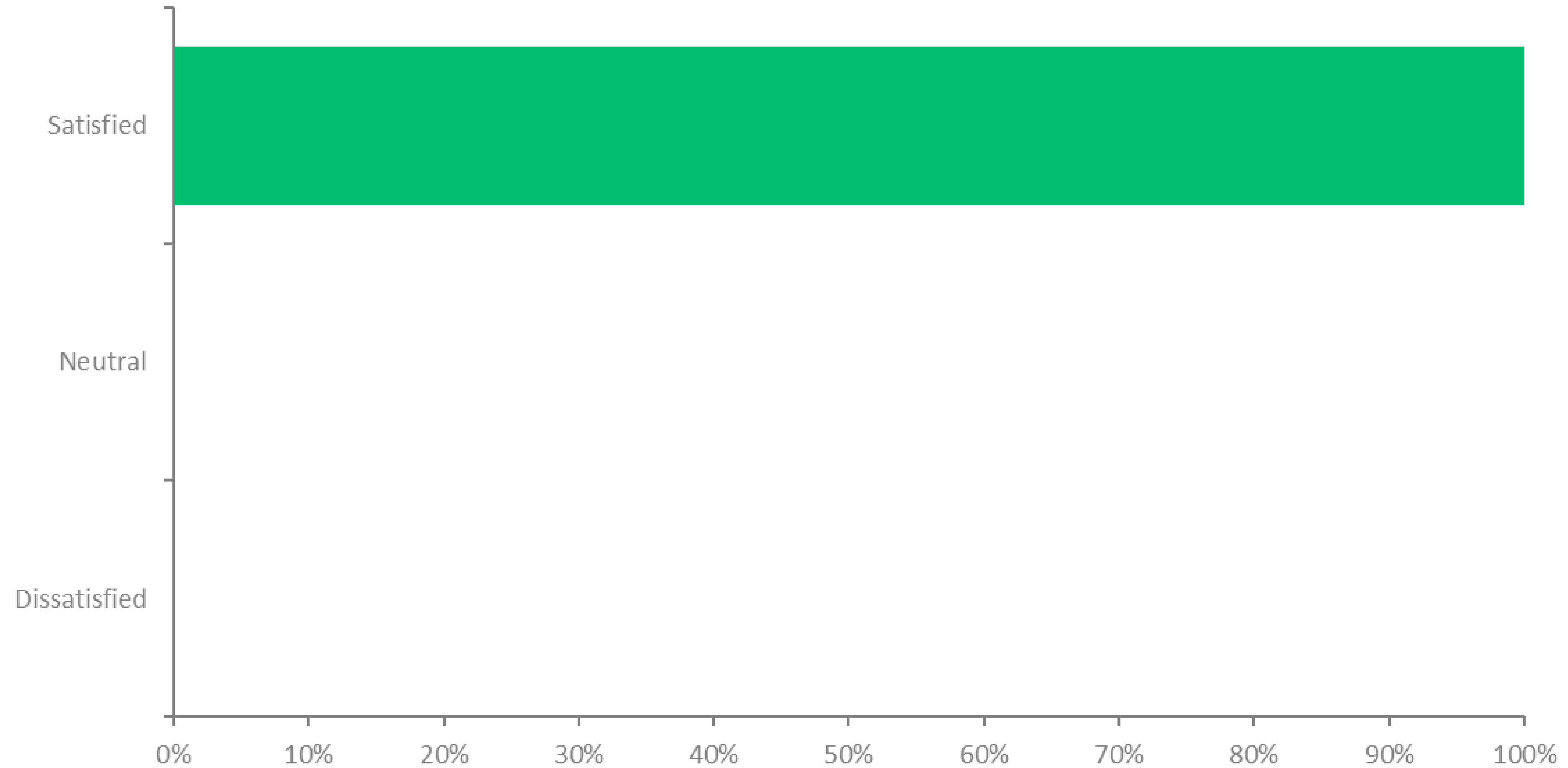
Q1: Actuary – The Segal Company, Inc.



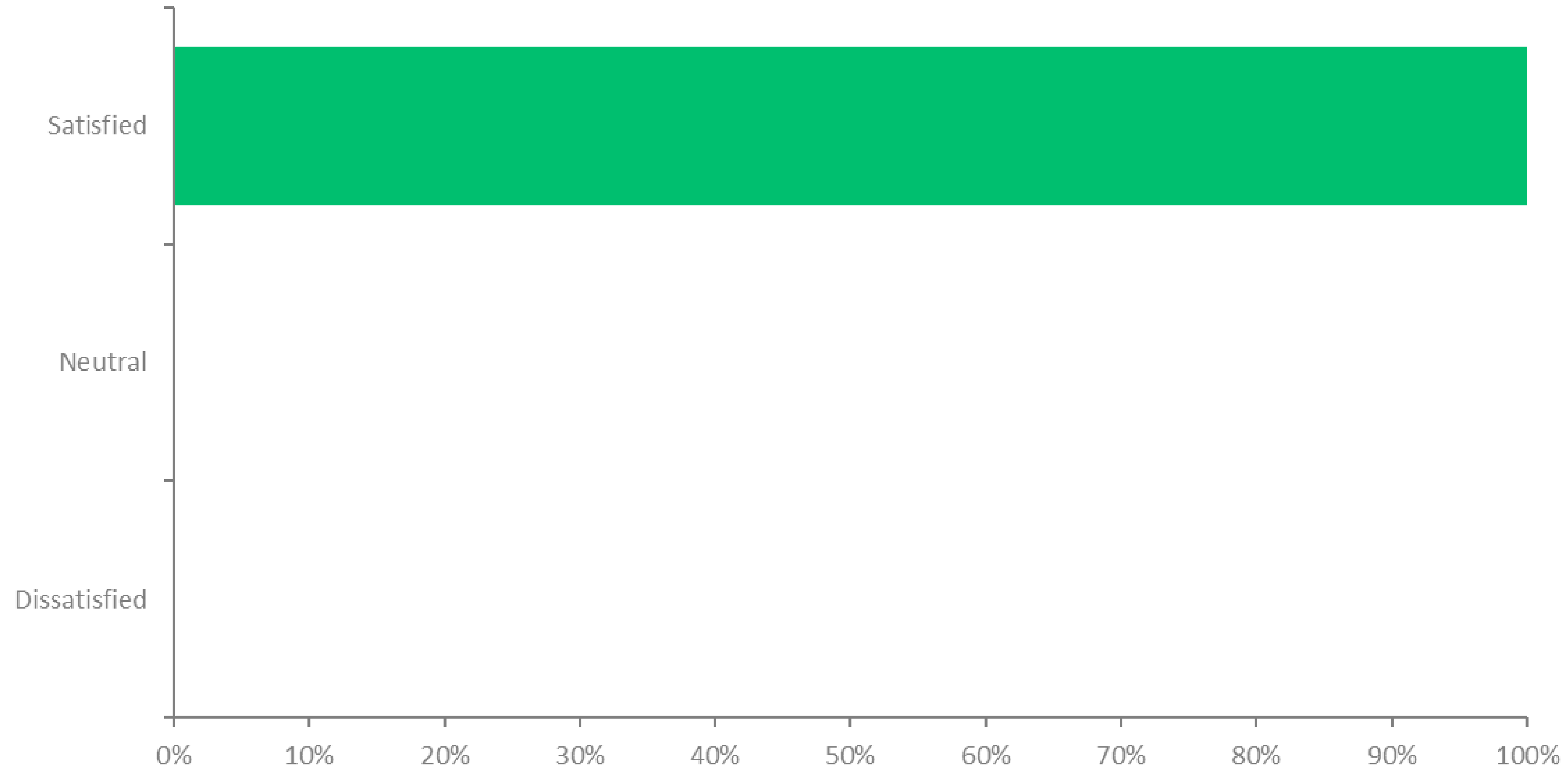
Q2: General Investment Consultant – Verus



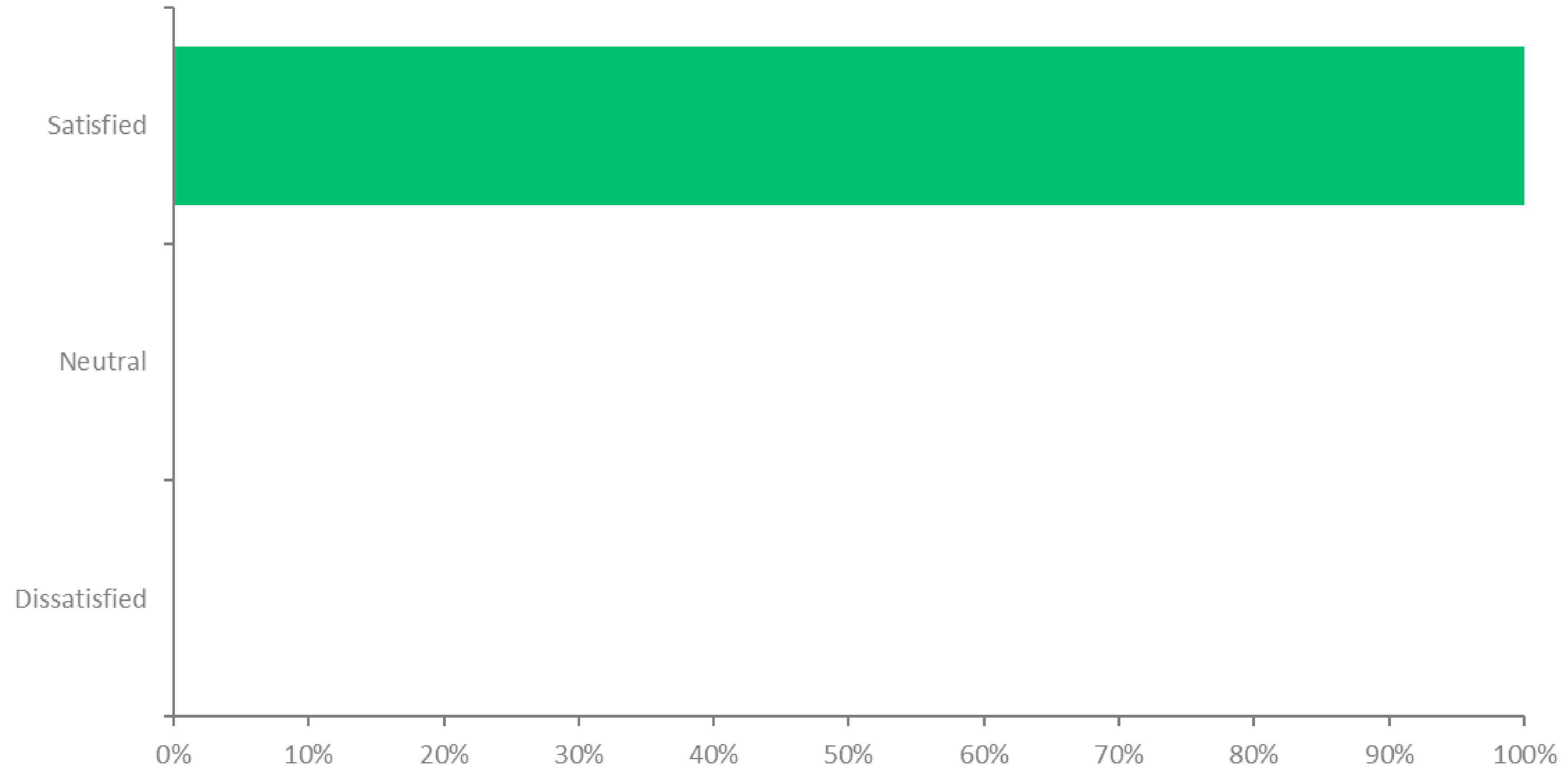
Q3: Hedge Fund Consultant – Albourne America LLC



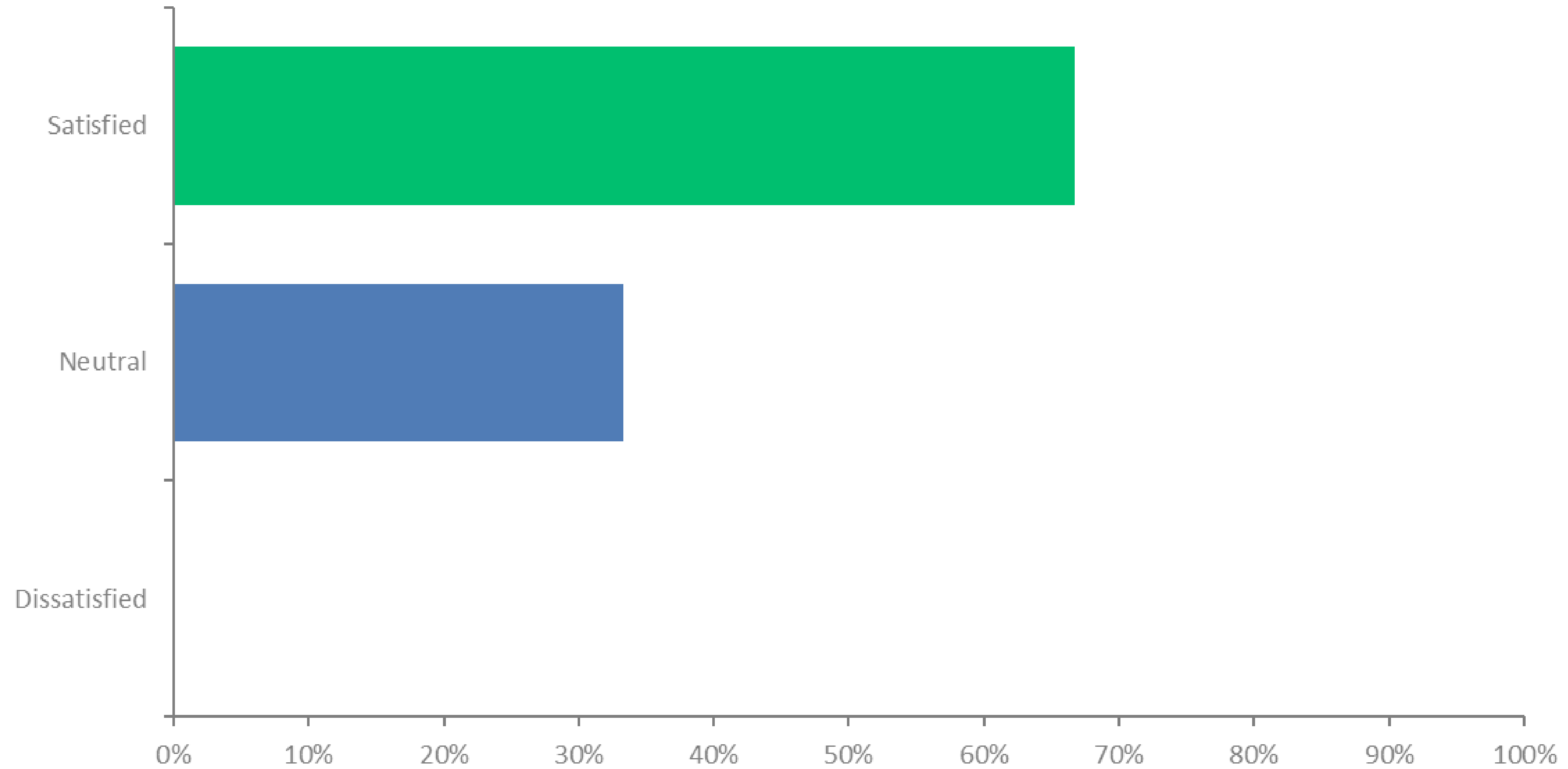
Q4: Private Markets Consultant – Cambridge Associates



Q5: Legal Counsel – Nossaman, LLP



Q6: Legal Counsel – Reed Smith, LLP

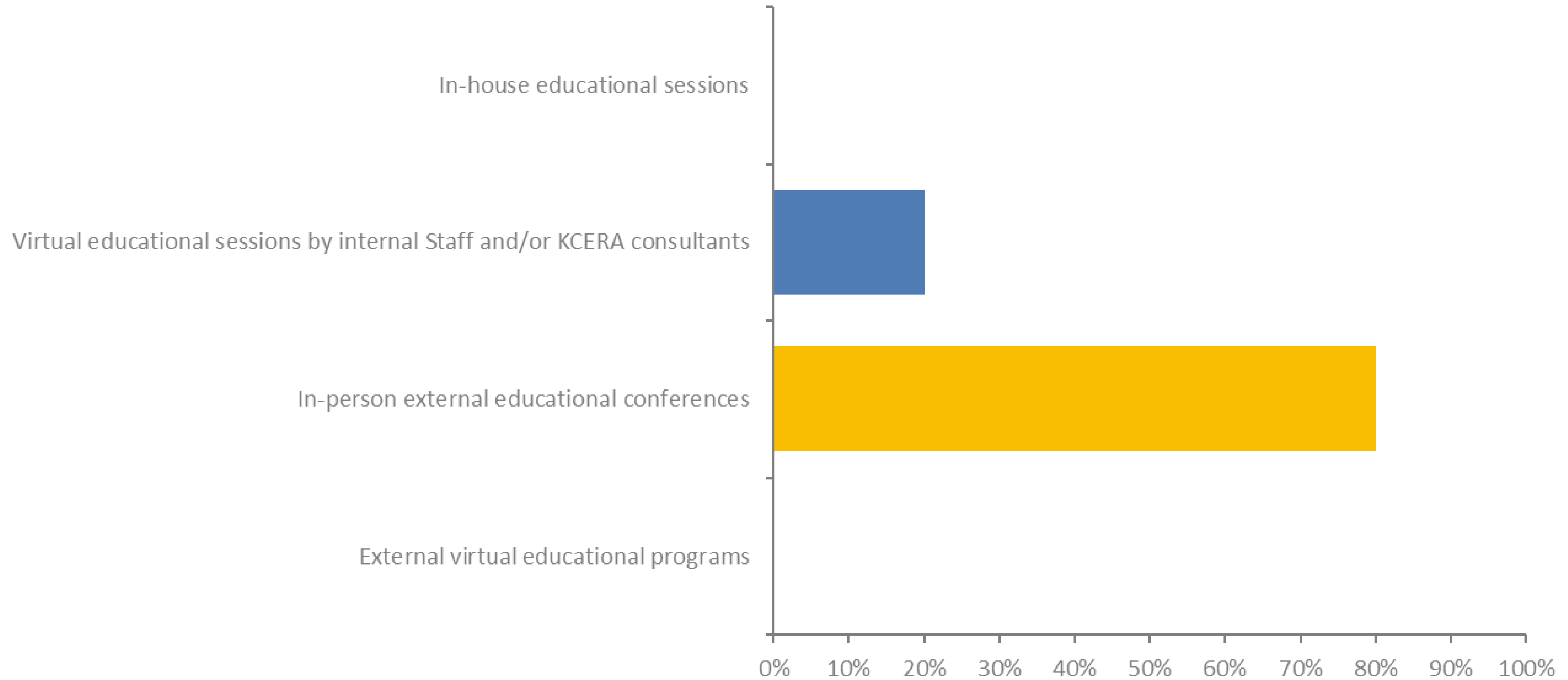


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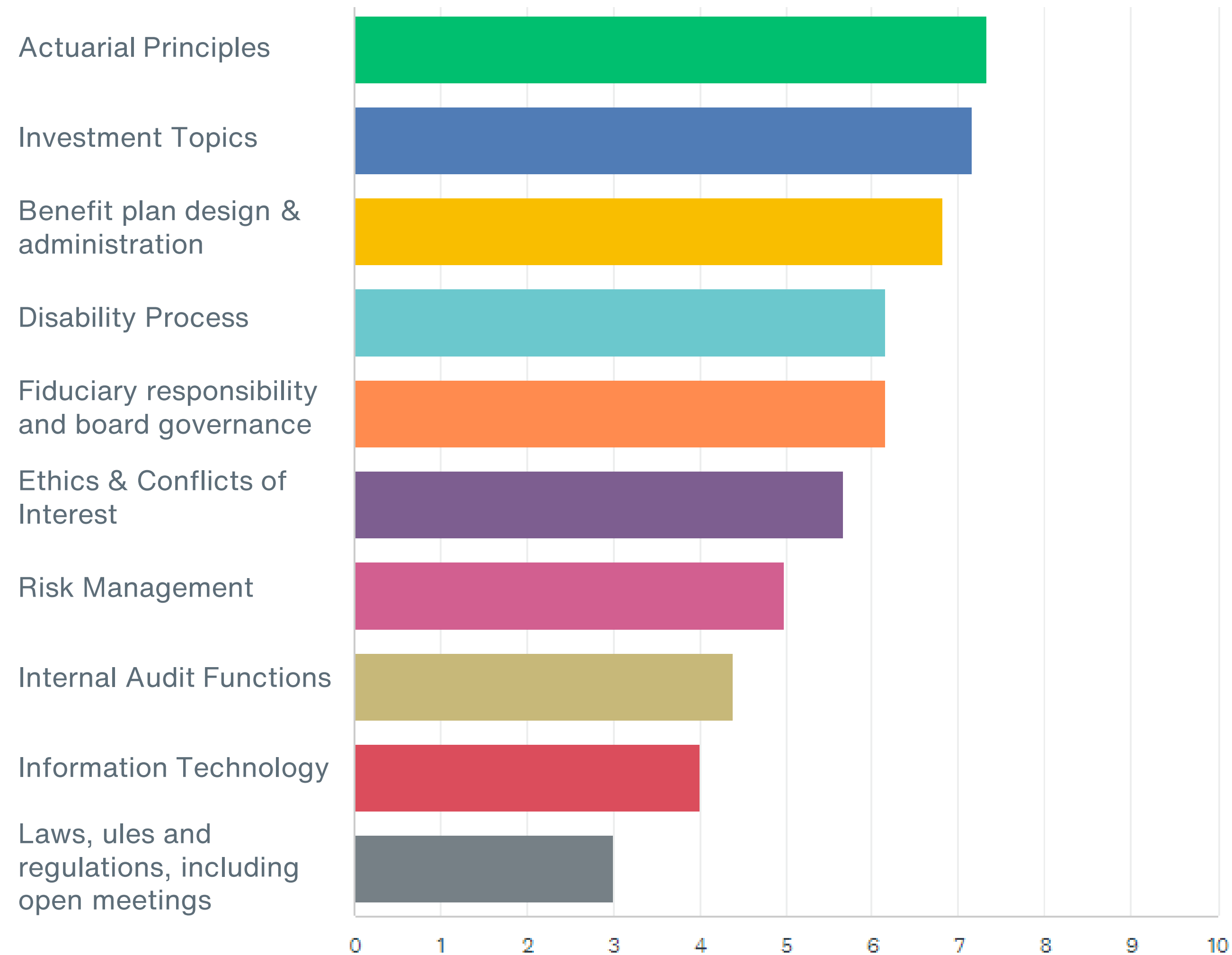
Board Education Results



Q1: Please indicate your preferred method of continuing board education.



Q2: Please rank the order of the following continuing board educational topics from 1 – 10 (1 = most desired, 10 = least desired).



Q3: What other continuing board educational topics do you believe would be beneficial to you to perform your board duties and responsibilities?

- I learn something new each meeting. I do not need to add to the list at this time.*

5

Open-Ended Questions Results



What do you believe are the Board's greatest strengths?

- *Open dialogue, mutual respect, wide range of backgrounds.*
- *Years of experience among board members.*
- *The board is diverse and well qualified. A lot of experience.*
- *Works well together and is engaged.*
- *The board is diverse with many different backgrounds and experiences. The level of wisdom makes it easy for me, a newer trustee, to understand what the board's mission is.*

What do you believe is needed to assist the Board in becoming even better?

- *Having staff listen to the board.*
- *It's hard to answer this. As I said before, I am new to this, so I am still climbing the education hill.*
- *More education.*
- *I think administrative/management training will always be a benefit to the board as a whole.*

What are the top 3 priorities for the Board over the next year?

- 1. Get the leadership pay bands adjusted to private rates.*
- 2. Find the happy medium between returns and risk.*
- 3. Actuarial matters due to current Actuarial retirement in 2024.*

- 1. Speedy disability to clear the backlog.*
- 2. Implement a more streamlined process for disability claims.*
- 3. continue to ensure key investments are made.*

- 1. Investments.*
- 2. Ethics.*
- 3. Delegation.*

I can't answer that. The board has not had a discussion on that.

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Presentation to The Board of Retirement for Kern County Employees' Retirement Association

John T. Kennedy, Esq.



Our Team



John Kennedy
Partner



Julia Botezatu
Associate



Allison Callaghan
Partner (Back Up)



Lorraine Burgess
Legal/Administrative
Assistant

Representation of KCERA

- When Staff Recommend Denial of Application and Applicant Requests Hearing
 1. Selection of Hearing Officer
 2. Initial Scheduling Call
 3. File Review and Identification of Possible Witnesses and Exhibits
 4. Preparation of Prehearing Conference Statement/Prehearing Conference
 5. Preparation of Hearing Brief
 6. Attend Hearing
 7. Oral, or if Ordered, Written Closing Arguments

Disability Retirement Litigation

6 - Assigned

2 - Withdrew

1 - Hearing held – Written Closing Arguments Required

3 - In process

Questions?





HUMAN RESOURCES REPORT

May 1, 2024
Dominic D. Brown, CEO



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

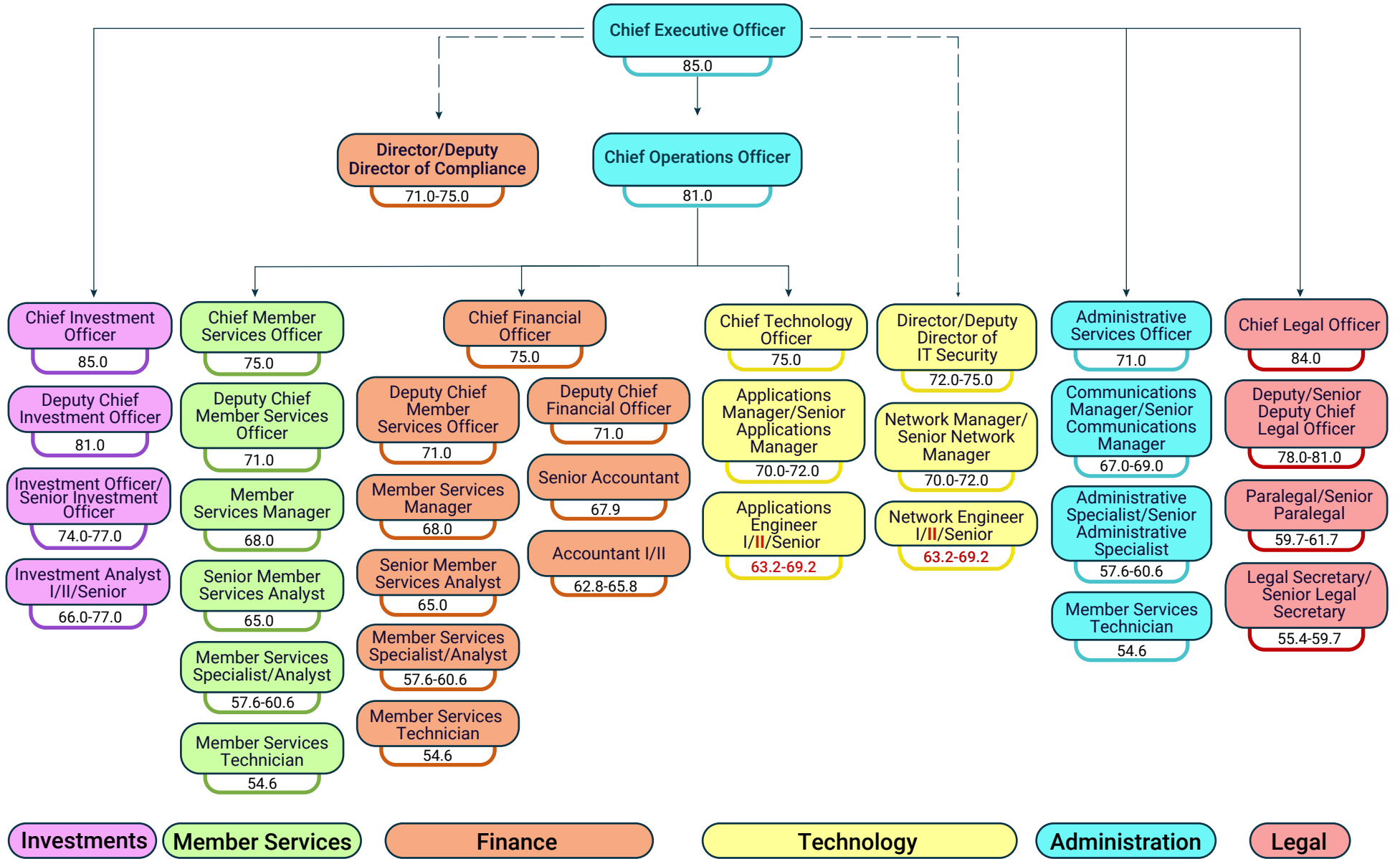
For Review and Discussion

The Second Annual Human Resources Report

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 (org 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.



Board of Retirement



Investments

Member Services

Finance

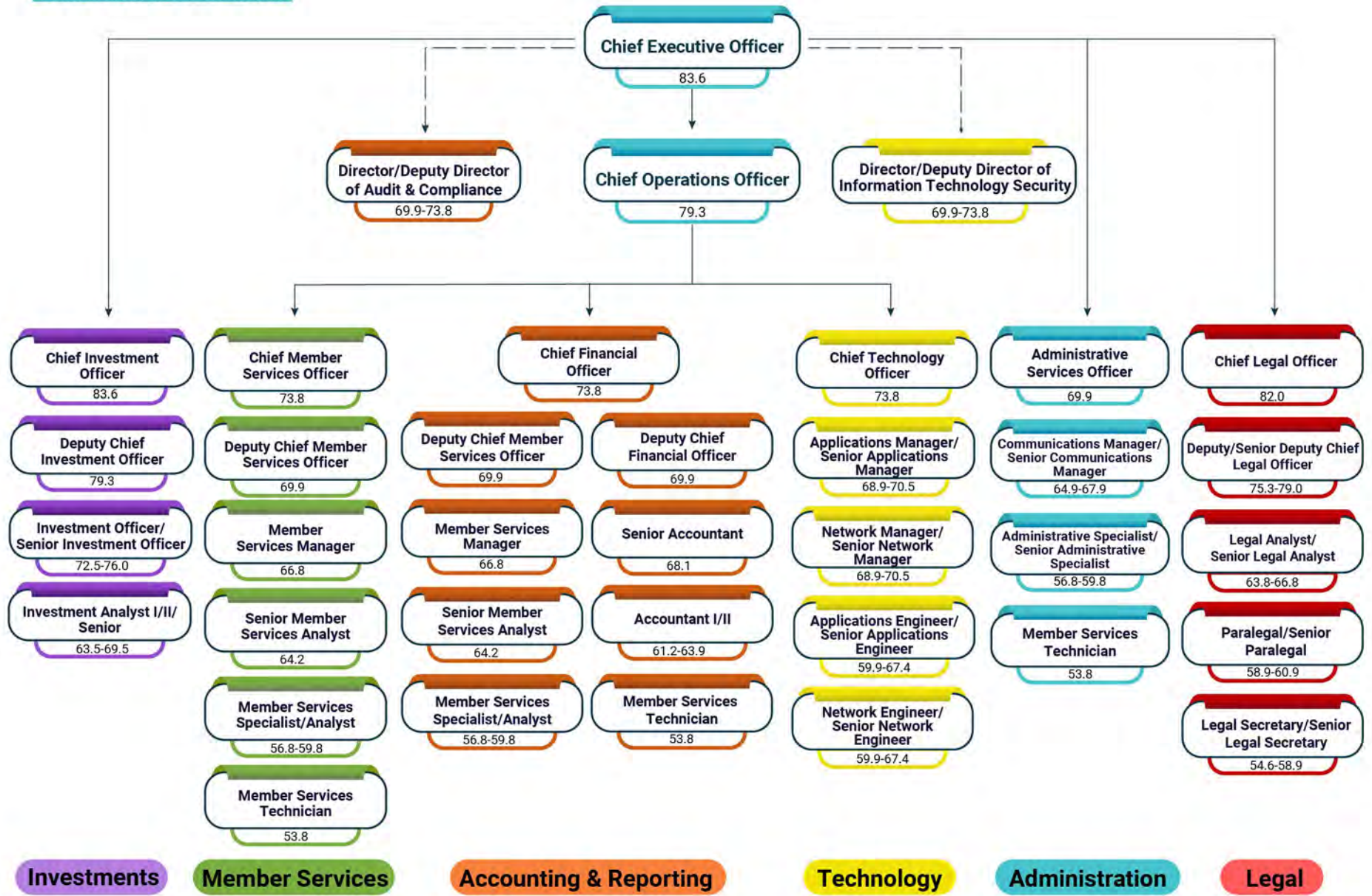
Technology

Administration

Legal



Board of Retirement



Investments

Member Services

Accounting & Reporting

Technology

Administration

Legal

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

| | Position | Range | Minimum | Maximum |
|----------------------------------|--|--------------|----------------|----------------|
| Management | KCERA Chief Executive Officer | 85.0 | 190,224 | 227,335 |
| | KCERA Chief Investment Officer | 85.0 | 190,224 | 227,335 |
| | KCERA Chief Legal Officer | 84.0 | 180,969 | 216,274 |
| | KCERA Chief Operations Officer | 81.0 | 155,820 | 186,219 |
| | KCERA Deputy Chief Investment Officer | 81.0 | 155,820 | 186,219 |
| | KCERA Senior Deputy Chief Legal Officer | 81.0 | 155,820 | 186,219 |
| | KCERA Senior Investment Officer | 77.0 | 127,639 | 152,540 |
| | KCERA Deputy Chief Legal Officer | 78.0 | 134,166 | 160,341 |
| | KCERA Chief Financial Officer | 75.0 | 115,521 | 138,058 |
| | KCERA Chief Technology Officer | 75.0 | 115,521 | 138,058 |
| | KCERA Chief Member Services Officer | 75.0 | 115,521 | 138,058 |
| | KCERA Director of Compliance | 75.0 | 115,521 | 138,058 |
| | KCERA Director of Information Technology Security | 75.0 | 115,521 | 138,058 |
| | KCERA Investment Officer | 74.0 | 109,901 | 131,341 |
| | KCERA Deputy Director of Info. Technology Security | 72.0 | 99,467 | 118,872 |
| | KCERA Senior Network Manager | 72.0 | 99,467 | 118,872 |
| | KCERA Senior Applications Manager | 72.0 | 99,467 | 118,872 |
| | KCERA Administrative Services Officer | 71.0 | 94,628 | 113,089 |
| | KCERA Deputy Chief Financial Officer | 71.0 | 94,628 | 113,089 |
| | KCERA Deputy Chief Member Services Officer | 71.0 | 94,628 | 113,089 |
| | KCERA Deputy Director of Compliance | 71.0 | 94,628 | 113,089 |
| | KCERA Senior Investment Analyst | 71.0 | 94,628 | 113,089 |
| | KCERA Network Manager | 70.0 | 90,023 | 107,586 |
| | KCERA Applications Manager | 70.0 | 90,023 | 107,586 |
| | KCERA Senior Communications Manager | 69.0 | 85,644 | 102,352 |
| | KCERA Member Services Manager | 68.0 | 81,477 | 97,372 |
| | KCERA Investment Analyst II | 68.0 | 81,477 | 97,372 |
| | KCERA Communications Manager | 67.0 | 77,513 | 92,635 |
| KCERA Investment Analyst I | 66.0 | 73,742 | 88,128 | |
| Represented | KCERA Senior Network Engineer | 69.2 | 86,502 | 103,378 |
| | KCERA Senior Applications Engineer | 69.2 | 86,502 | 103,378 |
| | KCERA Senior Accountant | 67.9 | 81,072 | 96,888 |
| | KCERA Applications Engineer II | 66.2 | 74,481 | 89,012 |
| | KCERA Network Engineer II | 66.2 | 74,481 | 89,012 |
| | KCERA Senior Member Services Analyst | 65.0 | 70,154 | 83,841 |
| | KCERA Accountant II | 65.0 | 70,154 | 83,841 |
| | KCERA Applications Engineer I | 63.2 | 64,130 | 76,642 |
| | KCERA Network Engineer I | 63.2 | 64,130 | 76,642 |
| | KCERA Accountant I | 62.0 | 60,405 | 72,190 |
| | KCERA Senior Paralegal | 61.7 | 59,508 | 71,117 |
| | KCERA Member Services Analyst | 60.6 | 56,331 | 67,321 |
| | KCERA Senior Administrative Specialist | 60.6 | 56,331 | 67,321 |
| | KCERA Paralegal | 59.7 | 53,858 | 64,366 |
| | KCERA Senior Legal Secretary | 59.7 | 53,858 | 64,366 |
| | KCERA Member Services Specialist | 57.6 | 48,503 | 57,965 |
| | KCERA Administrative Specialist | 57.6 | 48,503 | 57,965 |
| | KCERA Legal Secretary | 55.4 | 43,462 | 51,941 |
| KCERA Member Services Technician | 54.6 | 41,762 | 49,910 | |

*Proposed range change or new position.

Note: Ranges listed are subject to change by County COLA.



**PROPOSED POSITIONS
FISCAL YEAR 2024-25**

| | Positions | Range | Position Limit | Section Limit |
|--------------------------|---|--------------|-----------------------|----------------------|
| Administration | Chief Executive Officer | 85.0 | 1 | 6 |
| | Chief Operations Officer | 81.0 | 1 | |
| | Administrative Services Officer | 71.0 | 1 | |
| | Senior Communications Manager | 69.0 | 1 | |
| | Communications Manager | 67.0 | | |
| | Senior Administrative Specialist | 60.6 | 2 | |
| | Administrative Specialist | 57.6 | | |
| | Member Services Technician | 54.6 | | |
| Investments | Chief Investment Officer | 85.0 | 1 | 5 |
| | Deputy Chief Investment Officer | 81.0 | 1 | |
| | Senior Investment Officer | 77.0 | 3 | |
| | Investment Officer | 74.0 | | |
| | Senior Investment Analyst | 71.0 | 3 | |
| | Investment Analyst II | 68.0 | | |
| | Investment Analyst I | 66.0 | | |
| Legal | Chief Legal Officer | 84.0 | 1 | 5 |
| | Senior Deputy Chief Legal Officer | 81.0 | 1 | |
| | Deputy Chief Legal Officer | 78.0 | | |
| | Senior Paralegal | 61.7 | 3 | |
| | Paralegal | 59.7 | | |
| | Senior Legal Secretary | 59.7 | | |
| | Legal Secretary | 55.4 | | |
| Finance | Chief Financial Officer | 75.0 | 1 | 11 |
| | Director of Compliance | 75.0 | 1 | |
| | Deputy Director of Compliance | 71.0 | 1 | |
| | Deputy Chief Financial Officer | 71.0 | 1 | |
| | Senior Accountant | 67.9 | 3 | |
| | Accountant II | 65.0 | | |
| | Accountant I | 62.0 | | |
| | Deputy Chief Member Services Officer | 71.0 | 1 | |
| | Member Services Manager | 68.0 | 2 | |
| | Senior Member Services Analyst | 65.0 | 3 | |
| | Member Services Analyst | 60.6 | 5 | |
| | Member Services Specialist | 57.6 | | |
| | Member Services Technician | 54.6 | | |
| Technology | Chief Technology Officer | 75.0 | 1 | 5 |
| | Director of Information Technology Security | 75.0 | 1 | |
| | Deputy Director of Information Tech. Security | 72.0 | | |
| | Senior Network Manager | 72.0 | 3 | |
| | Network Manager | 70.0 | | |
| | Senior Network Engineer | 69.2 | | |
| | Network Engineer II | 66.2 | 3 | |
| | Network Engineer I | 63.2 | | |
| | Senior Applications Manager | 72.0 | | |
| | Applications Manager | 70.0 | 3 | |
| | Senior Applications Engineer | 69.2 | | |
| Applications Enginner II | 66.2 | | | |
| Applications Engineer I | 63.2 | | | |
| Member Services | Chief of Member Services Officer | 75.0 | 1 | 9 |
| | Deputy Chief Member Services Officer | 71.0 | 2 | |
| | Member Services Manager | 68.0 | 2 | |
| | Senior Member Services Analyst | 65.0 | 4 | |
| | Member Services Analyst | 60.6 | 6 | |
| | Member Services Specialist | 57.6 | | |
| | Member Services Technician | 54.6 | | |

*Proposed range change or new position.

Total 41

KCERA Certification Pays

| Positions | Certifications | | | | | | | | | | | |
|--|----------------|------|-----|------|-----|-------|-----|------|------|---------|----------|--|
| | CPA | CPFO | CFE | CISA | CIA | CISSP | CFA | CAIA | CEBS | SHRM-CP | SHRM-SCP | |
| Administration | | | | | | | | | | | | |
| KCERA Administrative Services Officer | | | | | | | | | CEBS | SHRM-CP | SHRM-SCP | |
| KCERA Senior Administrative Specialist* | | | | | | | | | CEBS | | | |
| KCERA Administrative Specialist* | | | | | | | | | CEBS | | | |
| Investment | | | | | | | | | | | | |
| KCERA Chief Investment Officer | | | | | | | CFA | CAIA | | | | |
| KCERA Deputy Chief Investment Officer | | | | | | | CFA | CAIA | | | | |
| KCERA Senior Investment Officer | | | | | | | CFA | CAIA | | | | |
| KCERA Investment Officer | | | | | | | CFA | CAIA | | | | |
| KCERA Senior Investment Analyst | | | | | | | CFA | CAIA | | | | |
| KCERA Investment Analyst II | | | | | | | CFA | CAIA | | | | |
| KCERA Investment Analyst I | | | | | | | CFA | CAIA | | | | |
| Finance | | | | | | | | | | | | |
| KCERA Chief Financial Officer | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Director of Compliance | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Deputy Chief Financial Officer | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Deputy Director of Compliance | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Senior Accountant* | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Accountant II* | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Accountant I* | CPA | CPFO | CFE | | CIA | | | | | | | |
| KCERA Member Services Manager | | | | | | | | | CEBS | | | |
| KCERA Senior Member Services Analyst* | | | | | | | | | CEBS | | | |
| KCERA Member Services Analyst* | | | | | | | | | CEBS | | | |
| KCERA Member Services Specialist* | | | | | | | | | CEBS | | | |
| Member Services | | | | | | | | | | | | |
| KCERA Chief Member Services Officer | | | | | | | | | CEBS | | | |
| KCERA Deputy Chief Member Services Officer | | | | | | | | | CEBS | | | |
| KCERA Member Services Manager | | | | | | | | | CEBS | | | |
| KCERA Senior Member Services Analyst* | | | | | | | | | CEBS | | | |
| KCERA Member Services Analyst* | | | | | | | | | CEBS | | | |
| KCERA Member Services Specialist* | | | | | | | | | CEBS | | | |
| Information Technology | | | | | | | | | | | | |
| KCERA Chief Technology Officer | | | | CISA | | CISSP | | | | | | |
| KCERA Director of Information Technology Security | | | | CISA | | CISSP | | | | | | |
| KCERA Deputy Director of Information Technology Security | | | | CISA | | CISSP | | | | | | |
| KCERA Senior Network Manager | | | | CISA | | CISSP | | | | | | |
| KCERA Network Manager | | | | CISA | | CISSP | | | | | | |
| KCERA Senior Network Engineer* | | | | CISA | | CISSP | | | | | | |
| KCERA Network Engineer II* | | | | CISA | | CISSP | | | | | | |
| KCERA Network Engineer I* | | | | CISA | | CISSP | | | | | | |
| KCERA Senior Applications Manager | | | | CISA | | CISSP | | | | | | |
| KCERA Applications Manager | | | | CISA | | CISSP | | | | | | |
| KCERA Senior Applications Engineer* | | | | CISA | | CISSP | | | | | | |
| KCERA Applications Engineer II* | | | | CISA | | CISSP | | | | | | |
| KCERA Applications Engineer I* | | | | CISA | | CISSP | | | | | | |

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

*County in negotiations with represented groups.

Legend:

Certifications

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

Summary of Proposed Changes

Position Additions:

- Applications Engineer II
- Network Engineer II

Range Changes:

- Senior Application Engineer 68.2 to 69.2
- Application Engineer 60.7 to 63.2
- Senior Network Engineer 68.2 to 69.2
- Network Engineer 60.7 to 63.2

Staff Additions:

- Director/Deputy Director of Compliance







2024-2026



**Kern County Employees'
Retirement Association**

Strategic Communications Plan



02

Introduction

This is the inaugural Strategic Communications Plan for KCERA and is designed to set out the objectives, messages, and strategies that will be used for the years 2024-2026 to communicate KCERA's programs and policies to various audiences. This plan and its associated communication activities' purpose is to more effectively communicate and engage with KCERA's members, plan sponsors, and other stakeholders.

KCERA's strategic communications plan is designed to be consistent with the Mission of the association, the Guiding Principles, and accomplish the following:

- Establish the Association's direction for communications
- Outline the messaging that will be used in all efforts
- Detail the tools that will be used to deploy the plan
- Identify the metrics that will be used to measure its effectiveness

This plan is created as a guide to define and shape KCERA's communications and strategic priorities, build awareness, and increase understanding of the association. This plan should be considered during every interaction, from one-on-one meetings with members, to communicating with stakeholders, email correspondence, and beyond.

As communication avenues evolve, analytic data is recorded, metrics shift, and technology continues to progress, it may be prudent to re-evaluate this plan and make updates as needed.

Mission

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

Guiding Principles

This plan is built on the foundation of four concepts that guide KCERA in the development of communications strategies.

Clear & Direct KCERA will strive to use the most direct and straightforward plain language to communicate our policies and programs. We will explain technical terms, avoid jargon, and provide background information to ensure that all of our communications are understandable to the widest possible audience.

Proactive Whenever possible, we will provide information on issues as they come to light, to ensure the most accurate and complete information is available to our members as soon as is practical. KCERA will endeavor to educate members about their benefits as they navigate their careers and retirement.

Transparent We will be open in communicating KCERA business and making information about the policies, finances, and operations available to all stakeholders.

Listening & Learning Communication is interactive, both providing information and receiving feedback. When KCERA listens to stakeholders, it gains by building trust and credibility.

Research

This Communications Plan for KCERA was one of the main objectives for the new Communications Manager. The ideas in this plan were crafted by assessing the state of Communications, attending meetings with Member Services, and engaging in member outreach events.

Administration of KCERA

Oversight of the retirement plan is vested in the nine-member Board of Retirement. The day-to-day administration of KCERA is carried out by the Chief Executive Officer, whose leadership team manages the following areas: Administration, Member Services, Accounting & Reporting, Investments, Information Technology and Communications.

04

Goals & Objectives

- Provide accurate, timely, and understandable information that delivers a consistent, defined brand to members and other stakeholders.
- Improve the effectiveness of KCERA's services and the efficiency of its operations.
- Identify opportunities to improve member communications and education.
- Identify and clearly define the stakeholders and how to engage and educate them.
- Establish significant relationships between KCERA and its stakeholders.
- Keep the lines of communications open to ensure stakeholders continue to receive accurate, timely information.
- Analyze communications activity and track performance.
- Anticipate key stakeholder questions before they ask them.



05 Target Audiences

KCERA has a number of various stakeholder groups who have different needs, interests and preferred means of communicating. KCERA may communicate broadly to many of these audiences at once, or tailor its messaging to a specific group, depending on the topic.

Primary Audiences

- Active Members
 - Early-Career 1-5 Years
 - Mid-Career 5+ Years (Vested)
 - Late-Career Eligible to Retire
- Members with Life Changing Event
 - Marriage, Divorce, Incapacity, Death
- Retiring Members (Active/Deferred)
 - Alternate Payees
- Retired Members
 - Fiduciaries of Retired Members
- Deferred Members
 - Reciprocal (Pre/Post KCERA Membership)
- Terminated (W/Funds on Deposit)
- Beneficiaries
 - Surviving Spouses
 - Surviving Minor Children
 - Guardianships and Powers of Attorney
 - Other Named Beneficiaries
- Prospective Members

Secondary Audiences

Participating Employers/Plan Sponsors

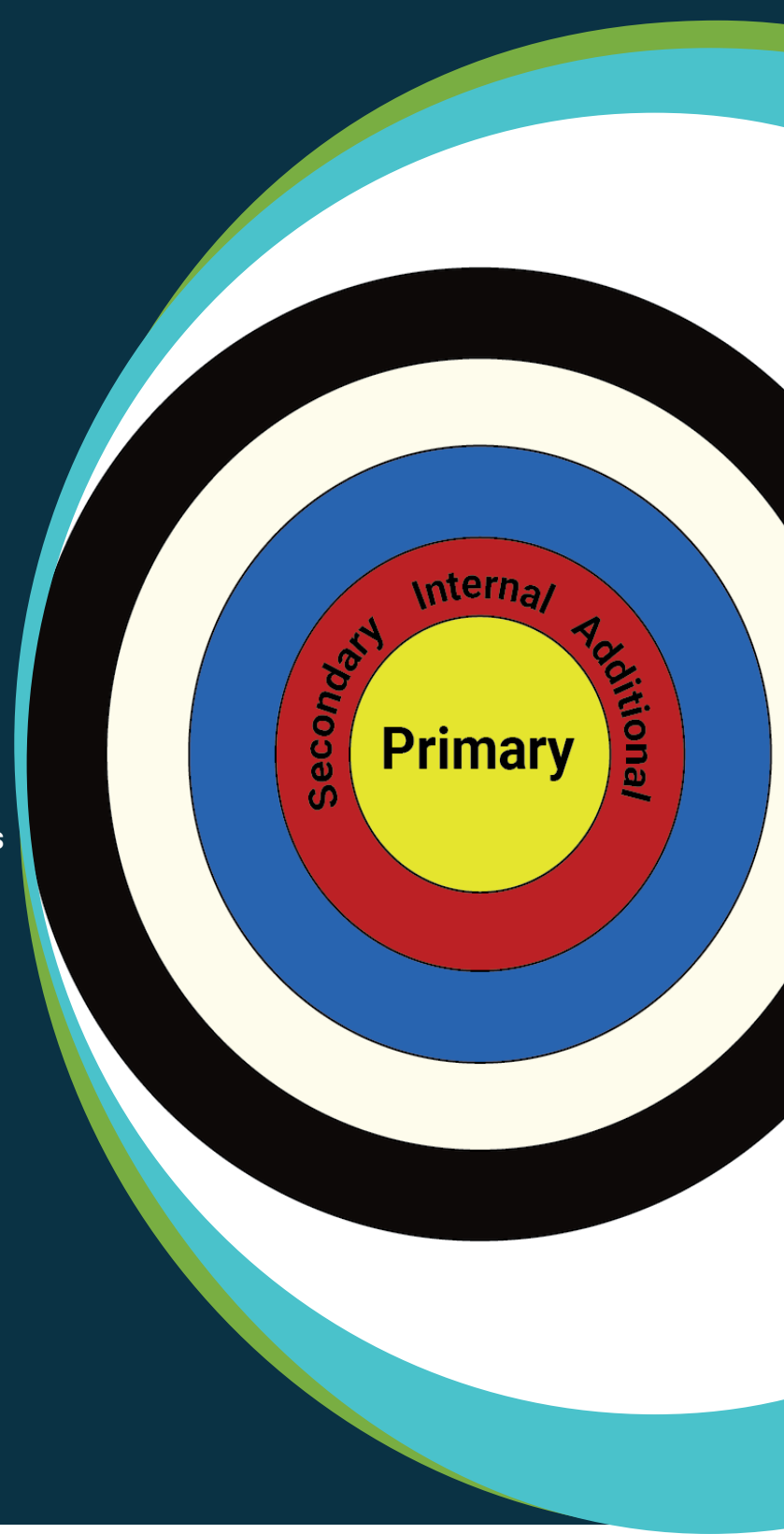
- Senior Leadership
- Payroll and HR Staff
- Communications Staff
- Elected Officials

Internal Audiences

- Board Members
- Employees
- Consultants and Vendors

Additional Audiences

- Member Associations
- Labor Groups
- Other Retirement Systems
- Related Professionals
- Contractors
- Media



New and Ongoing Activities

Administrative

Review and update printed and digital content and outreach materials.

Update website and ensure the site is user-friendly, communicates key messages, and compliments the member portal.

Attend communications-related seminars and conferences to learn about new methods, techniques, and tools.

Member Communications & Education

Attend plan sponsor events & other outreach opportunities. Attend all New Employee and End of Career seminars and identify ways to increase member communication. Attend Retired Employees of Kern County events to communicate directly to retired members. Ensure every *Target Audience* is being communicated to.

Create a local photography library.

Improve internal communications with staff to inform them about upcoming communications activities.

Monitor & Report Performance

Utilize Google Analytics to monitor website traffic and identify trends and anomalies.

Attend KCERA Member Services meetings regularly to survey front line staff on member interactions and frequently asked questions.

Survey members and analyze data to ensure the communications are reaching and being understood by all audiences.

Stakeholder Relations: Multiple strategies should be utilized to inform and educate our stakeholders. The work in this area is instrumental in creating substantial relationships with members and plan sponsors.

Collateral Development: Collateral is any communication tool used to help share KCERA's message. Examples include: fact sheets, milestone cards, web pages, videos, photos, presentations, folders, brochures, rack cards, displays, etc.

- **Printed Collateral:** Assess printed material and redesign with thoughtful consideration of KCERA brand and this communications plan's *Guiding Principles*.
Target Completion: Mid 2025
- **Multimedia:** Expand multimedia resources for member education and outreach by creating quick-tip videos focused on frequently asked questions and popular topics. Produce a short explainer video that helps tell KCERA's story, increases educational awareness, and highlights the impact KCERA has on those who serve Kern County communities. Make videos available on KCERA'S website and YouTube channel.
Target Completion: Early 2025





Stakeholder Relations (Continued):

Member Outreach: Thoughtful member outreach plays an instrumental part of this plan. The work done in this area is a key ingredient for KCERA to nurture positive relationships with the members we serve, while providing them with the tools they need, no matter what stage they're at in their career.

- **Member Engagement:** Create and distribute member surveys. Survey active members yearly. Survey all retiring members directly after retirement to get timely accurate data and compile quarterly. Use data to monitor if communications are effective.
Target Completion: Mid 2024

Stakeholder Outreach: Informing, engaging, and educating our stakeholders is a critical component of this plan. The work done in this area helps KCERA strengthen positive, collaborative relationships with our employers and other stakeholders alike.

- **Plan Sponsor Engagement/Outreach:** Utilize Stakeholder Summits to engage and educate Plan Sponsors. Create and implement Plan Sponsor surveys. Use data to monitor if communications are effective.
Target Completion: Mid 2024
- **Multimedia:** Create video resources specific to each plan sponsor to help educate them on policies that specifically affect their employees. Create a New Employee Orientation video specific for Plan Sponsors when useful.
Target Completion: Mid 2025
- **Networking:** Reach out to plan sponsors to identify common questions and create a FAQ.
Target Completion: Late 2024





Conclusion

At KCERA, we are committed to creating and implementing effective communication objectives and methods to establish delivery of consistent, clear, and helpful messaging. This plan will help ensure our stakeholders are well-informed, engaged, and truly understand the retirement information being delivered and the value of their pension.

Evaluation

The KCERA Strategic Communication Plan is designed to be reviewed at 36 months to determine if goals were accomplished and objectives met.

Excellent Administration Prudent Investment Quality Service



Date: May 1, 2024

To: Trustees, Board of Retirement

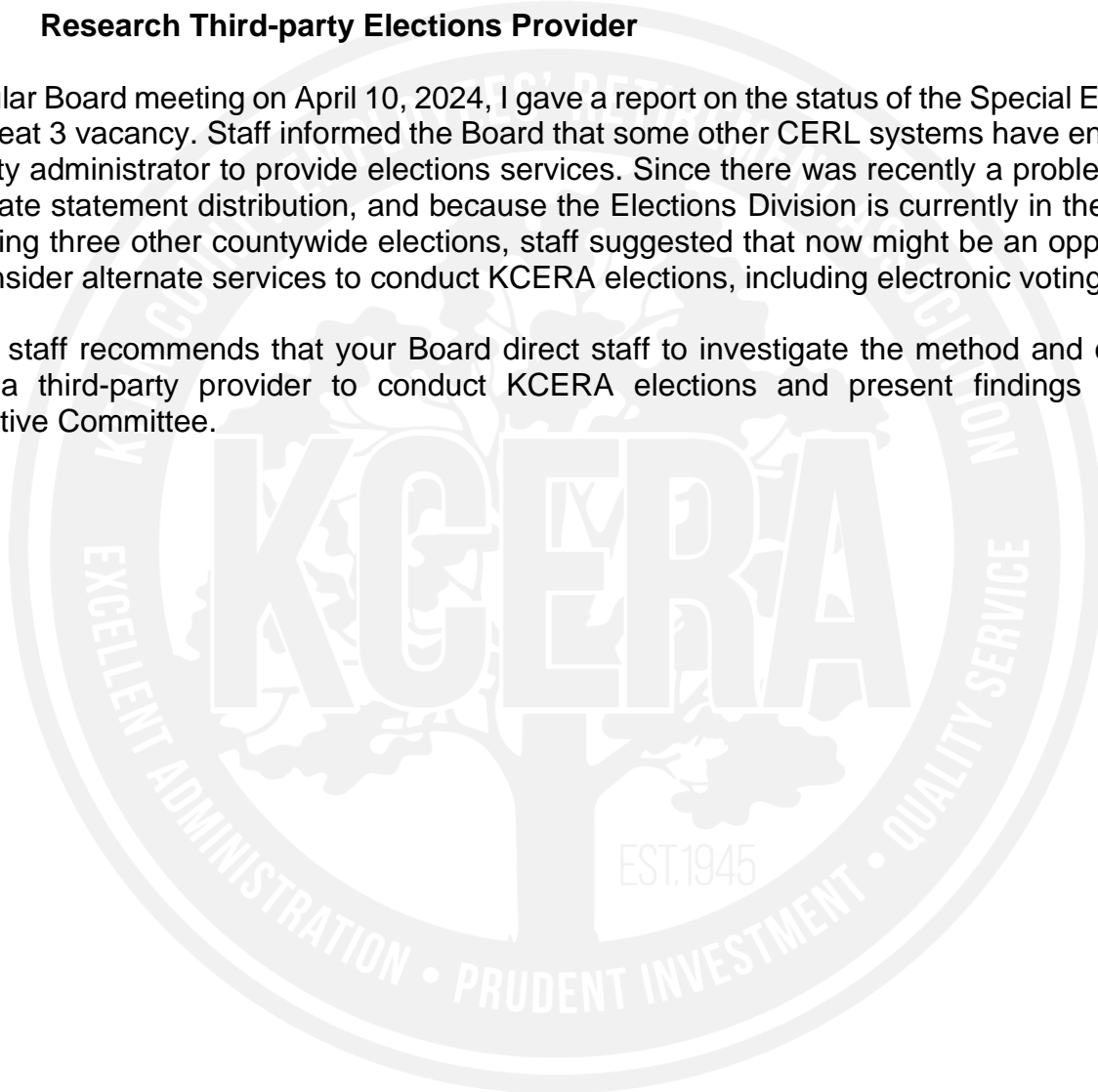
From: Dominic D. Brown, Chief Executive Officer

Subject: **Research Third-party Elections Provider**



At the regular Board meeting on April 10, 2024, I gave a report on the status of the Special Election to fill the Seat 3 vacancy. Staff informed the Board that some other CERL systems have engaged a third-party administrator to provide elections services. Since there was recently a problem with the candidate statement distribution, and because the Elections Division is currently in the midst of conducting three other countywide elections, staff suggested that now might be an opportune time to consider alternate services to conduct KCERA elections, including electronic voting.

Therefore, staff recommends that your Board direct staff to investigate the method and cost of engaging a third-party provider to conduct KCERA elections and present findings to the Administrative Committee.





Chief Executive Officer's Report

Presented by: Dominic D. Brown, Chief Executive Officer

May 2024



Office Update

- Recruitments: Network Engineer, Investment Analyst
- Disability: One file on agenda for today, Nossaman presentation today, MMRO presentation next month
- Special Election for KCERA Board of Retirement



Operations Activity

- Member Services
 - 43 new retirements and calculations
 - 51 death benefit calculations
 - 31 service-credit purchase calculations
 - 31 retirement estimates
 - 167 new active members
 - 68 terminations with disposition packets
 - 20 in-person appointments
 - 197 walk-ins
 - 647 phone calls
 - 118 emails
- Communications
 - Monitoring website traffic analytics
 - Stakeholder Survey
- Accounting & Reporting
 - Service Purchases – <30 days
- Information Technology
 - Monitoring full-time members working less than full-time
 - Working with Finance to upgrade general ledger software



Upcoming Events

- Administrative Committee – No meetings scheduled
- Finance Committee – Meeting will be scheduled to discuss 2024-25 Budget
- Investment Committee – Meeting will be scheduled for Equity Deep Dive, and Delegation Update
- Board of Retirement – Next regular monthly meeting will be June 12, 2024





CIO REPORT

INVESTMENT PROGRAM
UPDATE
May 2024

Presented by:
Daryn Miller, CFA
Chief Investment Officer



Rebalancing

APRIL ACTIVITY

- Equities
 - Buy 10MM AB SC

Reporting period covers 04/01/2024 to 04/19/2024



Public Equities: increase US small cap exposure due to recent pull back. Still maintain a slight underweight to adjusted policy target for public equity.

| Asset Class | Actual | Policy Target | Adj. Policy Target | Diff. Act. vs. Adj. Pol. |
|---------------------|--------|---------------|--------------------|--------------------------|
| Public Equities | 33.2% | 33.0% | 33.8% | -0.6% |
| Fixed Income | 23.1% | 25.0% | 27.2% | -4.1% |
| Core | 15.1% | 15.0% | 17.2% | -2.1% |
| Credit | 8.0% | 10.0% | 10.0% | -2.0% |
| Commodities | 4.0% | 4.0% | 4.0% | 0.0% |
| Hedge Funds | 10.2% | 10.0% | 10.0% | 0.2% |
| Alpha Pool | 4.0% | 8.0% | 8.0% | -4.0% |
| Midstream Energy | 5.2% | 5.0% | 5.0% | 0.1% |
| Core Real Estate | 4.5% | 5.0% | 6.9% | -2.4% |
| Private Real Estate | 3.1% | 5.0% | 3.1% | 0.0% |
| Private Equity | 4.2% | 5.0% | 4.2% | 0.0% |
| Private Credit | 5.9% | 8.0% | 5.9% | 0.0% |
| Opportunistic | 2.6% | 0.0% | 0.0% | 2.6% |
| Cash | 0.1% | -8.0% | -8.0% | 8.1% |
| Total | 100.0% | 100.0% | 100.0% | 0.0% |

Positioning

ACTUAL VS POLICY TARGET

Public Equity: roughly inline with adjusted policy target.

Core Fixed Income: underweight relative adjusted policy target.

Credit: underweight both high yield and EMD.

Exposures to Core Fixed Income and Credit have effectively been reallocated to Cash.

Core Real Estate: underweight relative to adjusted policy target.

Cash: overweight cash; taking advantage of a weighted average cash return of ~6%.



Key Initiatives

Enhancing return while managing risk

- **Asset Class Deep Dives**
 - Public Equity
 - Core Real Estate
 - Opportunistic
- **Currency management**
- **Improve hedge fund program returns**
- **Multi-asset research / tactical asset allocation**
- **Opportunistic investments**
- **Private markets**
- **Repositioning fixed income**

Investment Committee Meetings

Next meeting ~late-May

The next IC meeting agenda will include the following items:

- Delegation
- Public equity deep dive

The last IC meeting was held on April 26th



Investment Activity

Passed Investments

The following investment opportunities were diligenced, but not pursued (last 12 months)

| Description | Comments |
|--|---|
| Private Equity, technology buyout | Passed due to portfolio fit |
| Private Equity, Japan buyout | No access, fund oversubscribed |
| Private Equity, secondaries | Passed due to investment team turnover |
| Private Credit, special situations lending | Passed due to lower-middle market exp. |
| Private Credit, credit opportunities | Passed, found opportunity with better risk-adjusted returns |
| Private Credit, opportunistic lending | Passed, found opportunity with better risk-adjusted returns and portfolio fit |
| Private Credit, opportunistic lending | Passed due to portfolio fit |
| Private Credit, direct lending | Passed due to lower-middle market exp. |
| Private Credit, direct lending | Passed due to lower-middle market exp. |
| Private Credit, direct lending | Passed due to lower-middle market exp. |
| Private Credit, direct lending | Passed, found opportunity with better risk-adjusted returns and portfolio fit |
| Private Credit, direct lending | Passed due to portfolio fit |

| Description | Comments |
|--|---|
| Private Real Estate, alternative sectors | Passed, found opportunity with better risk-adjusted returns |
| Private Real Estate, opportunistic real estate | Passed, target return & portfolio fit |
| Private Real Assets, energy | Passed, found opportunity with better risk adjusted opportunity |
| Private Real Assets, energy | Passed, found opportunity with better risk adjusted opportunity |
| Hedge Fund, multi-strategy | Passed, lack of conviction in strategy |
| Hedge Fund, equity market neutral | No access |



CLO Report May 2024

Jennifer Esquivel Zahry, Chief Legal Officer
Kristen McDonald, Deputy Chief Legal Officer
Maggie Peralta-Lee, KCERA Senior Paralegal
Irma Chavez, KCERA Senior Legal Secretary

Legislative Update

- AB 2474 – Post-Retirement Employment Violations
- AB 3025 – *Alameda* Implementation, Repayments, and Pay Code Designations
- AB 2284 – Definition of “Grade or class” – Compensation Earnable

Litigation Update

Alameda Health System, et al. v. Alameda County Employees' Retirement Association, et al. (First DCA, Div. 2, A165587 (AHS Decision)).

- **Dispute:** Percentage of Pay actuarial funding methodology vs. Percentage of Liability
- **Finding:** Record contains substantial evidence that ACERA carefully considered AHS's requests and made decisions supported by recommendations of its actuary and its staff based on legitimate reasons
- **Take away:** Boards of Retirement maintain fiduciary and discretionary authority over the plans they administer. When Boards engage in "deliberate and prudent processes" to address concerns raised, courts will likely defer to the agency's expertise and discretionary actions made in the best interests of its members.

4.1.2024 Nossaman eAlert



May Calendar

| | Pending CLO Review |
|---|--------------------|
| Administrative Appeals | 2 |
| Board/Committee Meetings/Staff Meetings/ Conferences | 12 |
| Board Material | 3 |
| Community Property Matters | 9 |
| Disability Matters | 15 |
| Investment/ Custodial Documents | 1 |
| Member Inquiries | 2 |
| Operational Contracts | 3 |
| Public Records Act Requests | 1 |
| Staff Inquiries | 30 |
| Training of new DCLO | 6 |