

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

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

**SUMMARY OF PROCEEDINGS**

**Board of Retirement Meeting  
March 13, 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**

Present: Contreras, Couch, Franey, Nunneley, Sanders, Seibly

Absent: Gonzalez, Hughes, Kaufman, Kratt, Whitezell

**SALUTE TO FLAG – TRUSTEE NUNNELEY**

**MOMENT OF SILENCE**

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

**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*Items 1 and 2 withdrawn from agenda.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 Daniel Fecke, Hospital Authority (General) – **ADOPTED RECOMMENDATION OF SDAG TO GRANT NON-SERVICE-CONNECTED DISABILITY PENSION**

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

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

- February 5, 2024 Investment Committee
- February 14, 2024 Board of Retirement

RECEIVED AND FILED

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt  
Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez  
and vacant 3<sup>rd</sup> seat*

\*5. Report from the KCERA office on members retired from service for the month of February 2024 – RATIFIED

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt  
Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez  
and vacant 3<sup>rd</sup> seat*

\*6. Report from the KCERA office on deceased retirees for the month of February 2024 – RECEIVED AND FILED

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt  
Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez  
and vacant 3<sup>rd</sup> seat*

\*7. Report of current disability retirement applications and appeals of KCERA Board decisions for the period ending February 29, 2024 – RECEIVED AND FILED

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt  
Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez  
and vacant 3<sup>rd</sup> seat*

\*8. Securities Lending Earnings Summary Report for the period January 1-31, 2024 from Deutsche Bank – RECEIVED AND FILED

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt  
Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez  
and vacant 3<sup>rd</sup> seat*

- \*9. KCERA asset allocation, cash flow position, investment fees cash flow, and operating expense budget status reports for the month of January 2024 – RECEIVED AND FILED

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

- \*10. Agreement for Custodian Services with the Wells Fargo Bank, effective March 1, 2024 – RECEIVED AND FILED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN, SUBJECT TO LEGAL ADVICE AND REVIEW

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

- \*11. Invitation from State Association of County Retirement Systems (SACRS) to Board of Directors to attend the SACRS Board of Directors Meeting March 25-26, 2024, in Santa Barbara, California – APPROVED ATTENDANCE OF TRUSTEE JORDAN KAUFMAN

**Couch-Sanders – 5 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

THE FOLLOWING ITEM HEARD OUT OF ORDER

**INVESTMENT MATTERS**

13. Presentation on the 4<sup>th</sup> Quarter Investment Performance Review for the period ending December 31, 2023 by Scott Whalen, CFA, Verus – SCOTT WHALEN, CFA, VERUS, HEARD; CHAIR PHIL FRANNEY HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, HEARD

TRUSTEE JOSEPH D. HUGHES ARRIVED AT 8:51 A.M.

RECEIVED AND FILED

**Sanders-Couch – 6 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

## **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
14. Presentation on the 4<sup>th</sup> Quarter 2023 Portfolio Review presented by Spencer Edge, Albourne America<sup>1</sup> – SPENCER EDGE, ALBOURNE AMERICA, HEARD; CHIEF INVESTMENT OFFICER DARYN MILLER, CFA, HEARD

RECEIVED AND FILED

### **Nunneley-Couch – 6 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

## **ADMINISTRATIVE MATTERS**

15. Discussion and review of the 2024-2025 Chief Executive Officer Performance Evaluation Criteria presented by Chief Executive Officer Dominic Brown and the Administrative Committee – TRUSTEE DUSTIN CONTRERAS HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD

APPROVED THE CHIEF EXECUTIVE OFFICER PERFORMANCE EVALUATION CRITERIA FOR EVALUATION PERIOD OF 2024-2025

### **Contreras-Sanders – 6 Ayes**

*Trustee Dustin Contreras voted in place of Trustee Rick Kratt*

*Trustee Robb Seibly was not called on to vote in place of Trustee Juan Gonzalez and vacant 3<sup>d</sup> seat*

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<sup>1</sup> Written materials and investment recommendations from the consultants, fund managers and KCERA investment staff relating to alternative investments are exempt from public disclosure pursuant to California Government Code § 7928.710, § 7922.000, and §54957.5.

## **STAFF REPORTS**

16. Report from Chief Executive Officer

CHIEF OPERATIONS OFFICER MATTHEW HENRY REPORTED THE FOLLOWING:

- STAFFING UPDATE
- STAKEHOLDER SUMMIT
- DISABILITY UPDATE
- SOLAR UPDATE
- SPECIAL ELECTION UPDATE
- PAUL ANGELO RETIRING
- RFP FOR ACTUARIAL AUDIT BEING RELEASED SOON
- BOARD SELF ASSESMENT BEING CONDUCTED
- OPERATIONS ACTIVITY
- UPCOMING MEETINGS AND EVENTS

CHAIR PHIL FRANEY HEARD; VICE-CHAIR DAVID COUCH HEARD; CHIEF EXECUTIVE OFFICER DOMINIC BROWN HEARD; CHIEF OPERATIONS OFFICER MATTHEW HENRY HEARD

17. Report from Chief Investment Officer

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

- REBALANCING – FEBRUARY ACTIVITY
- POSITIONING UPDATE
- FIXED INCOME UPDATE
- KEY INITIATIVES
- INVESTMENT ACTIVITY
- RISK ANALYTICS

18. Report from Chief Legal Officer:

CHIEF LEGAL OFFICER JENNIFER ZAHRY REPORTED THE FOLLOWING:

- LEGISLATIVE UPDATE
- PROCESS UPDATE
- MARCH CALENDAR

CHAIR PHIL FRANEY HEARD; VICE-CHAIR DAVID COUCH HEARD; TRUSTEE DUSTIN CONTRERAS 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 TO BE SCHEDULED
  - b. Finance Committee: SANDERS – NONE
  - 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 11:30 A.M.

### **ROLL CALL**

*To establish quorum present upon resuming public session*

Present: Contreras, Couch, Franey, Hughes, Nunneley, Sanders, Seibly

Absent: Gonzalez, Kaufman, Kratt, Whitezell

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 – CHAIR PHIL FRANNEY HEARD;  
CHIEF LEGAL OFFICER JENNIFER ZAHRY HEARD

24. ADJOURNED – 11:35 A.M.



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Secretary, Board of Retirement



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Chair, Board of Retirement