

**KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
BOARD OF RETIREMENT CERL REGULATIONS**

**(As Amended April 14, 2021)**

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BOARD OF RETIREMENT CERL REGULATIONS**

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

**ARTICLE I - ADMINISTRATION**

**A. Election of Officers.**

Annually at the regular October meeting of the KCERA Board of Retirement ("Board"), a Nominating Committee shall be formed, consisting of two (2) members designated by the Chairman of the Board and two (2) members designated by the full Board. The Nominating Committee shall select one member of the Board as its nominee for Chair and one member as its nominee for Vice-Chair to hold office during the ensuing year. The Nominating Committee shall present its slate of nominees to the full Board at its regular December meeting. Once the slate of nominees is presented, and before the Board votes to elect its officers, the Chair shall call for other nominations, which may be made by any member of the Board.

At the end of the regular December meeting, the Board shall elect one of its members as Chair and one of its members Vice-Chair, each to hold office for a term of one year. Should a vacancy occur in the Chair position, the Vice-Chair will be the successor. Should a vacancy occur in the Vice-Chair position, the Board shall select a successor for the balance of the unexpired term at its next regular meeting.

**B. Meetings.**

1. Regular meetings of the Board shall be held on the second Wednesday of each month at 8:30 a.m., except as approved at a Regular meeting of the Board of Retirement and set forth in its annual meeting schedule. The Administrative, Finance, and Investment Committees of the Board shall meet, as scheduled by the Executive Director, the Board Chair, or the relevant Committee Chair. Such meetings will be held at the KCERA office building, located at 11125 River Run Boulevard, Bakersfield, California unless an alternate location is authorized under Sections 54953 or 54954 of the Brown Act. If a scheduled meeting of the full Board falls on a County holiday, the meeting will be held on the next Wednesday that is not a County holiday. Any scheduled Board meeting may be canceled by the Executive Director, acting in consultation with the Chair of the Board.
2. Special meetings may only be called as provided in California Government Code Section 54956.<sup>1</sup>
3. Rules of Order. The conduct of Board and committee meetings shall be determined in accordance with the Simplified Rules of Order (Board

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<sup>1</sup> All statutory references relate to the California Government Code unless otherwise specified.

Operations Policy, Appendix A), the Board Operations Policy, these Regulations, open meeting laws and other applicable laws.

The Chair shall be entitled to vote on all questions and shall not be required to relinquish the chair in order to participate in discussions.

4. Order of business shall be at the discretion of the Executive Director in the absence of instructions from the Board.
5. Quorum. Five members of the Board shall constitute a quorum. No official act of the Board shall be valid unless five of the members concur therein.
6. Communications and requests to the Board shall be made in writing, and the substance of such requests and the action of the Board thereon shall be noted in the minutes.
7. Minutes. The Secretary shall cause to be recorded in the minutes the time and place of each meeting of the Board, the names of members present, all official acts of the Board and votes given by members of the Board. The Secretary shall cause the minutes to be written and presented for approval at the next monthly meeting of the Board. The minutes, or a true copy thereof, approved by the Board and signed by the Secretary and the Chair, shall form part of the permanent records of the Board.

C. Election of Members of the Board of Retirement.

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

D. Compensation and Expense Reimbursement of Members of the Board.

All members of the Board shall receive reimbursement for actual and necessary expenses in accordance with rules and regulations adopted by the County of Kern for reimbursement of expenses incurred by County employees set forth in the Kern County Administrative Procedures Manual and the Board of Retirement Travel Policy. The fourth, fifth, sixth, eighth, ninth, and the alternate retired member are entitled to receive the compensation set forth in Section 31521, but may decline that compensation at any time.

E. Duties and Authority of the Executive Director.

Under the general direction of the Board, the Executive Director shall be responsible for the management of the retirement office, including the day-to-day activities of the KCERA. In carrying out the operations of the KCERA, the

Executive Director has delegated authority as provided in the policies of the KCERA and the Executive Director Charter. The Executive Director shall also serve as Secretary to the Board of Retirement.

## ARTICLE II - MEMBERSHIP

### A. Mandatory Membership.

All employees of the County of Kern, the Kern County Superior Court and participating Districts ("KCERA plan sponsors") who are employed in permanent positions, unless excluded from membership by Section B below, shall be included in membership in the Kern County Employees' Retirement Association.

### B. Exclusions from Membership.

The following persons are excluded from membership in the Kern County Employees' Retirement Association:

1. Extra-help employees.
2. Temporary employees. (For purposes of this section B.2., a temporary employee does not include an employee whose term of employment is reasonably expected to exceed, or does exceed two continuous years).
3. Any employee who is scheduled to work less than 50% of the full regular working hours per payroll period for any KCERA plan sponsor.
4. Persons whose compensation is fixed at a rate by the day, hour, or meeting and who receive no employee benefits from their KCERA plan sponsor other than those benefits that are mandated by Federal or California Labor laws. Example: Health benefits, sick leave etc.
5. Persons employed as independent contractors (as determined by KCERA) under written contracts for personal services, notwithstanding the terms of such contracts.

### C. Waiver of Membership.

Based upon the authority granted to the Board in section 31552, any newly hired employee who was not a member of KCERA at the time of employment and who has attained the age of 60 prior to his/her membership date in KCERA, may, by written declaration, waive membership in the KCERA. Any eligible employee who elects to file such waiver shall be excluded from membership in KCERA.

The declaration of waiver of membership, upon being filed by the prospective employee, is irrevocable, and the prospective employee shall not be eligible to join KCERA thereafter.

Except as set forth above, no other eligible employee of a KCERA plan sponsor may waive membership into KCERA.

D. Retention of Membership.

The membership of all employees who are members of KCERA on the effective date of these revised Board of Retirement CERL Regulations, but whose employment on that date is such that these revisions would exclude them from membership, shall be continued, subject to all provisions of the County Employees Retirement Law of 1937 ("CERL") and/or the Public Employees' Pension Reform Act of 2013 ("PEPRA"), as applicable. A member whose services are terminated after the effective date of these revised Board of Retirement CERL Regulations and who re-enters service with a KCERA plan sponsor must be eligible for membership under the Board of Retirement CERL Regulations in effect on the date of re-entry into service in order to receive additional service credit and again become an active member of KCERA.

E. Commencement of Membership.

Employees eligible for membership in KCERA shall become members on the first day of the next pay period following their entrance into eligible service. In addition, eligible employees may delay the effective start date of their membership up to twelve weeks after entrance into service, for the purpose of establishing reciprocity with another public retirement system as described in the CERL.

F. New District Membership.

Districts that apply to the Board for membership in KCERA shall be required to execute a Participation Agreement as a prerequisite to the Board's approval of the District's membership in KCERA.

ARTICLE III - SERVICE CREDIT FOR PRIOR SERVICE WITH A KCERA PLAN SPONSOR

A. Eligible Prior KCERA Service.

As permitted by Section 31643 and 31644, KCERA defines "Prior Service" as compensated employment of a person by a KCERA Plan Sponsor after January 1, 1945, whether or not such employment was uninterrupted. Credit for prior service with a KCERA plan sponsor shall not be granted unless such prior service meets the membership requirements of Article II. In establishing the length of prior

service for any member entitled to credit therefore, official records of the County's Human Resources Department or official payroll records or other official records of the employing department or KCERA Plan Sponsor shall be controlling. If no official records exist, the Board has discretion to determine whether sworn evidence such as affidavits from the member, the member's department head, fellow employees, or such other relevant sworn evidence can support a member's request to receive service credit for prior service with a KCERA plan sponsor.

#### ARTICLE IV - SERVICE CONTRIBUTIONS

##### A. Return of Contributions.

In accordance with Government Code section 31628, funds returned to an Eligible member (as defined in the Model IRS Regulations previously adopted by KCERA) will be paid to the member no earlier than thirty (30) days after the member's separation from service.

##### B. Service Purchase/Redeposit Provisions -

1. The member shall complete KCERA's written election form for eligible service/unpaid medical leave purchases and/or redeposits.
2. Purchases of eligible service may be made by lump-sum deposits or by payroll deductions on a post-tax basis over a time period allowed by the CERL. For eligible members electing lump-sum deposits, KCERA shall accept eligible rollover distributions as described in KCERA's Model Tax Regulations for sections 401(a)(31) and 402(c) and allowed by state law.
3. Once the purchase of service credit is completed, a member shall not have the option to receive a refund of the amount of service credit purchased.
4. A member shall not be permitted to purchase service credit for the time period between the effective retirement date and the end of the corresponding pay period, if such a difference exists.
5. Except as provided in these Regulations, service purchases and redeposits of contributions will be administered in accordance with the CERL.
6. The member is not allowed to voluntarily cancel any service purchase, unless his/her employment with a KCERA plan sponsor is terminated.
7. Upon termination, the member may either:
  - a. refund any incomplete purchases; or

- b. pay off the remainder of the purchase in a lump-sum payment within 90 days of terminating employment;
- 8. In the event a member fails to complete payment of the service credit elected within 90 days of his/her termination from employment, the amounts paid by the member toward the service credit purchase shall be refunded to the member, together with applicable interest.
- 9. As allowed by the CERL, any member who receives a refund of the amounts paid towards his/her service election after termination may be eligible to purchase prior service credit by lump sum prior to the effective date of the member's retirement. However, the amount owed for the service credit elected will be based on a new calculation.
- 10. The member shall provide documentation consistent with Article III.A. to demonstrate eligibility to purchase service.

#### ARTICLE V - MEMBER INFORMATION AND MEMBER SWORN STATEMENTS

##### A. Membership Information Provided to KCERA.

- 1. Persons who became members of KCERA on or before June 30, 2018 shall complete and provide to KCERA an affidavit called a Member Sworn Statement stating: date of birth, designated beneficiary, and other pertinent required data.
- 2. After July 1, 2018, in lieu of a Member Sworn Statement, KCERA plan sponsors must submit, in a manner determined by KCERA, the information otherwise required in section V.A.1. above,
- 3. The date of birth listed on the Member Sworn Statement or provided by the plan sponsor, as applicable, shall determine the age of that member for all retirement-related purposes; unless, upon application of the member, the Board of Retirement determines otherwise.

#### ARTICLE VI - OPERATIONAL GUIDELINES

##### A. Disbursement of Funds.

Pursuant to Section 31590, the Board designates any two (2) of the following to authorize electronic fund transfers drawn on the retirement fund: the Chair, Vice Chair, Executive Director, Assistant Executive Director, or the Retirement Financial Officer.

B. Membership and Financial Records.

KCERA shall maintain records of each member's service, individual contributions and interest credited thereon, and record all financial transactions of the retirement fund.

ARTICLE VII - AMENDMENTS

A. Required Vote.

These CERL Regulations may be enlarged, amended, or repealed at any regular or special meeting of the Board by a two-thirds (2/3) vote of the Board; provided notice was given to all members of the Board not less than seven days before the meeting.

B. Effective Date.

Amendments to these KCERA Board of Retirement CERL Regulations, formerly Bylaws and Regulations Board of Retirement KCERA, shall supersede and replace any and all previous KCERA Bylaws and Regulations of the Board and become effective when approved by the Board of Supervisors.

ARTICLE VIII - EFFECTIVE DATE

A. Board of Retirement.

Last amendments passed and adopted by the Board of Retirement at its regular meeting on the 9<sup>th</sup> day of October, 2019.

Passed and adopted by the Board of Retirement at its regular meeting on the 14<sup>th</sup> day of April, 2021.

B. Board of Supervisors.

Last approved by the Board of Supervisors on the 17<sup>th</sup> day of December, 2019.

Approved by the Board of Supervisors on the 11<sup>th</sup> of May, 2021.