



# Retirement Chronicles

News Today About Your Tomorrows

January 2001

Quarterly Newsletter

## Reader Feedback

Your opinion matters to us. Please let us know what you think about your newsletter.

If there are issues that you would like to see addressed in the newsletter, please let us know. You may write to us at:

KCERA  
1115 Truxtun Ave 1<sup>st</sup> Floor  
Bakersfield CA 93301  
Attn: Newsletter Editor

You may also reach us by e-mail at:

[Kcera@co.kern.ca.us](mailto:Kcera@co.kern.ca.us)

Or Fax your suggestions to:

(661) 868-3779

## Upcoming Events

Retirement Planning Seminar  
May 2001

Retirement Board Meetings  
Investment Board  
2<sup>nd</sup> Wed. of each month

Regular Board  
4<sup>th</sup> Wed. of each month

# Kcera Has a Newsletter!

## Member Communication is our Goal

Communication with our members is a priority for KCERA. So, in an effort to keep our members better informed about their retirement benefits, KCERA has developed this newsletter. We hope to address items that interest YOU, our members. Please feel free to give us your comments, good or bad. We want this newsletter to be a useful and informative tool for all our members, active and retired.

## Who Are Our Members?

KCERA membership is composed of active, deferred and retired members. Active members are those members currently employed in a permanent position with Kern County, working at least 40 hours in a bi-weekly period.

Active members can be either General members or Safety members. Safety members are employees engaged in active fire suppression, law enforcement or probation positions. General members are everyone else.

Deferred members are employees who have left County employment and deferred their retirement. They either had more than five years of retirement service credit when they left or they began employment with a reciprocal retirement plan.

Retired members include members retired for service or disability as well as beneficiaries of deceased members.

## Did You Know?

Many of our members are not Kern County Employees. We also represent approximately 300 employees from 12 Special Districts.

Kern County Employees' Retirement Association  
1115 Truxtun Avenue, 1<sup>st</sup> Floor, Bakersfield California 93301  
(661) 868-3790 Fax (661) 868-3779  
(800) 548-0738 – In California (800) 735-2929 – TTY Relay

Board Members:  
Phil Franey, Chairman  
Geoffrey B. King, Vice Chairman  
Sharon Clark  
John De Mario  
Brent Dezember

Sharon E. Lesser  
Ken Peterson  
Tony Plante  
Mark J. Smith  
Michael Bradley, Alternate

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**FAQ's**

**Q.** When will my retirement deductions stop?

**A.** Once you obtain five years of retirement service credit, your retirement deduction will stop. At that time, the County will begin paying your retirement deduction for you. This is a negotiated benefit for County employees. This benefit may not apply to Special District employees.

**Q.** Do I have to participate in retirement?

**A.** If you are under the age of 60 when you are hired, you must participate in the retirement plan. If you are over the age of 60 when you are hired, you may choose not to participate. Contact a KCERA service representative for more information.

**Q.** How may I change my beneficiary?

**A.** Visit your department payroll clerk to fill out a new sworn statement card. You may also fill out a new card at the KCERA office. Remember to change your beneficiary whenever an event such as marriage, divorce or death of your named beneficiary occurs.

**From the Desk of the Executive Director**

Dear Member,

Welcome to the first KCERA "Retirement Chronicles", a quarterly newsletter dedicated to providing you with retirement news today about your tomorrows! I am excited by the prospect of communicating with you on a regular basis about your retirement plan.

As this is the first such letter, I thought it would be helpful to review some of the recent changes at the KCERA and your Board of Retirement (the Board).

- (1) Your Board adopted a multi-year business plan in November 1999 focused on three major initiatives, including...
  - ...a governance initiative aimed at providing policies to guide the operations of the Board;
  - ...a human resources initiative aimed at assessing and implementing human resources needs in the KCERA administration office; and
  - ...a technology initiative aimed at a comprehensive vision for implementing technology such as to provide faster and more efficient service to members.

The efforts of the KCERA are now, and will be for some time, focused on these initiatives. You can reasonably expect, for example, an interactive web page for the KCERA in the near future.

- (2) As many of you know, the KCERA relocated from the 3<sup>rd</sup> Floor of the Administrative Center to the 1<sup>st</sup> Floor where we can provide better access to our members and have some room for growth of the organization.
- (3) This year represents the first full year of operation of the *PENSIONS<sup>TM</sup>* benefits administration software system in the KCERA. This software allows our service representatives to provide pension estimates, buyback information and final retirement calculations quickly and efficiently.
- (4) Your Board has selected Northern Trust Co. as the master custodian for fund assets and benefits disbursing agent for the KCERA starting in January 2001.

Next issue – I will review the status of the Ventura matter and its impact on your retirement.

'Til then,

David J. Deutsch, CFA

**Of Interest to our Retirees  
"SRBR 3" Checks Have Gone Out!**

"SRBR 3" is the name of the current supplementary benefits program adopted by the Board. This program is funded from roughly ½ of annual earnings in excess of the assumed rate of earnings. This program provides purchasing protection to all retirees at a level of 80% "replacement" of purchasing power; this means that no retiree of the KCERA can lose more than 20% of the purchasing power of their original retirement benefit due to inflation. This protection against inflation is in addition to the annual 2% cost of living adjustment provided to all retirees. These supplemental allowances are due each new fiscal year to eligible retirees. For last year, new payments have gone out retroactive to July 1, 2000.

**"AB455" Checks Have Gone Out!**

The KCERA has made the final retroactive payments due to 51 members who previously were not covered by the enhanced benefits of Section 31676.14 (the ".14" benefits). Thanks to AB 455, sponsored by Assemblyman Roy Ashburn, this mistake was fixed and these members, inadvertently left out of the new tier, were reinstated and received new retroactive benefits from the KCERA.