

SUMMARY OF PROCEEDINGS

BOARD OF RETIREMENT – COUNTY OF KERN

5101 California Avenue
Bakersfield, California

Investment Board Meeting
Wednesday October 8, 2008

8:31 a.m.

Board Members: Chairman Barnes, Briggs, Denney, Frapwell, Hughes, Jefferson, Maggard, Ratekin, Alternate Camps, Alternate Franey, Alternate Kaufman

Roll Call: Chairman Barnes, Briggs, Denney, Frapwell, Hughes, Jefferson, Ratekin, Alternate Franey, Alternate Kaufman

Absent: Maggard, Alternate Camps

Salute to Flag – LED BY CHAIRMAN BARNES

Moment of Silence –

NOTE: The vote is displayed in bold below each item. For example, Barnes-Denney denotes Trustee Barnes made the motion and Trustee Denney seconded the motion.

PUBLIC COMMENTS

1. 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 Chairman, 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 and address for the record prior to making a presentation – NONE
2. Receive presentation, “How People Impact the Economy, and What Lies Ahead,” presented by Rodney Johnson, President, HS Dent – **RODNEY JOHNSON, HS DENT HEARD; MEMBER OF THE PUBLIC HEARD; TRUSTEES DENNEY, FRANNEY AND KAUFMAN HEARD; CHAIRMAN BARNES HEARD**

RECEIVED PRESENTATION

Franey-Briggs – 7 Ayes; 1 Absent – Maggard

15 MINUTE BREAK

3. Receive presentation, "Securities Lending Overview," presented by James Rice, Wilshire Associates, Inc. – JAMES RICE AND EILEEN NEILL, WILSHIRE ASSOCIATES, HEARD; CHARIMAN BARNES HEARD; TRUSTEES FRAPWELL, FRANEY, AND KAUFMAN HEARD; JULIE GONSCH AND LEE SELANDER, THE NORTHERN TRUST COMPANY, HEARD; SHERYL LAWRENCE, KCERA FINANCIAL OFFICER HEARD; EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD

RECEIVED PRESENTATION

Briggs-Frapwell – 7 Ayes; 1 Absent – Maggard

4. Receive presentation, "Securities Lending Review," presented by Julie Gonsch and Lee Selander, The Northern Trust Company – LEE SELANDER AND JULIE GONSCH, THE NORTHERN TRUST COMAONY, HEARD; CHARIMAN BARNES HEARD; TRUSTEES JEFFERSON AND KAUFMAN HEARD; JAMES RICE AND EILEEN NEILL, WILSHIRE ASSOCIATES, HEARD; PATRICIA RANDOLPH, COUNTY COUNSEL, HEARD; EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD

RECEIVED PRESENTATION

Frapwell-Denney – 7 Ayes; 1 Absent – Maggard

TRUSTEES HUGHES and RATEKIN LEFT MEETING AT 11:45 AM

60 MINUTE BREAK

- 6(a). Discussion and appropriate action on temporary suspension of The Clifton Group's policy implementation overlay service presented by Eileen Neill, Wilshire Associates, Inc. – EILEEN NEILL, WILSHIRE ASSOCIATES HEARD; CHAIRMAN BARNES HEARD, TRUSTEE BRIGGS HEARD, SHERYL LAWRENCE, KCERA FINANCIAL OFFICER HEARD; EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD

DETERMINED NEED FOR IMMEDIATE ACTION DUE TO MARKET VOLATILITY AND A REQUEST FROM THE CLIFTON GROUP FOR AN ADDITIONAL \$10 MILLION AFTER THE AGENDA WAS POSTED

Frapwell-Briggs – 5 Ayes; 3 Absent – Maggard, Hughes, Ratekin

RECEIVED AND FILED; APPROVED IMMEDIATE, TEMPORARY SUSPENSION IN THE OVERLAY PROGRAM SERVICE FOR INDEFINITE PERIOD AND DIRECTED WILSHIRE TO MONITOR AND REPORT BACK TO THE BOARD WHEN WILSHIRE DETERMINES THAT THE TEMPORARY SUSPENSION SHOULD BE REVIEWED

Frapwell-Briggs – 5 Ayes; 3 Absent – Maggard, Hughes, Ratekin

5. Receive presentation, "The Case for Infrastructure: Investments in a Multi-asset Portfolio," presented by Asieh Mansour, RREEF – ASIEH MANSOUR AND LAURA GAYLORD, RREEF, HEARD; EILEEN NEILL, WILSHIRE ASSOCIATES, HEARD; CHAIRMAN BARNES HEARD, TRUSTEES FRANEY AND DENNEY HEARD, SHERYL LAWRENCE, KCERA FINANCIAL OFFICER HEARD; EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD

RECEIVED PRESENTATION

Briggs-Jefferson – 5 Ayes; 3 Absent – Maggard, Hughes, Ratekin

TRUSTEE FRAPWELL LEFT MEETING AT 1:49 PM

15 MINUTE BREAK

6. Receive presentation, "Overview of Recent Market Developments," presented by Eileen Neill, Wilshire Associates, Inc – EILEEN NEILL, WILSHIRE ASSOCIATES, HEARD; MEMBER OF THE PUBLIC HEARD CHAIRMAN BARNES HEARD, TRUSTEES BRIGGS, FRANEY AND DENNEY HEARD, SHERYL LAWRENCE, KCERA FINANCIAL OFFICER HEARD; EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD; PATRICIA RANDOLPH, COUNTY COUNSEL, HEARD

NO ACTION DUE TO LACK OF QUORUM

BOARD MEMBER ANNOUNCEMENTS AND REPORTS

7. On their own initiative, Board members may make a brief announcement or a brief report on their own activities. In addition, Board members may ask a question of staff or the public for clarification on any matter, provide a reference to staff or other resources for factual information or, through the Chairman, request staff to report back to the Board at a later meeting concerning any matter. Furthermore, the Board, through the Chairman, may take action to direct staff to place a matter of business on a future agenda – NONE
8. ADJOURNED TO WEDNESDAY, OCTOBER 22, 2008 AT 8:30 A.M.

Secretary, Board of Retirement

Chairman, Board of Retirement