

SUMMARY OF PROCEEDINGS

BOARD OF RETIREMENT – COUNTY OF KERN

1115 Truxtun Avenue
Bakersfield, California

Audit-Actuarial Committee Meeting
Tuesday, April 21, 2009

2:00 p.m.

Committee Members: Denney, Chairman Franey, Frapwell, Alternate Hughes, Maggard

Roll Call: Denney, Frapwell, Alternate Hughes

Absent: Chairman Franey, Maggard

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

1. Discussion and appropriate action pertaining to posting of negative interest as set forth in the interest crediting policy and potential impacts to employer contribution rates for fiscal year 2009-10 presented by Daniel Wade, Milliman, Inc. – DANIEL WADE, MILLIMAN, INC. HEARD; TRUSTEES DENNEY, FRAPWELL AND HUGHES HEARD, EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD

RECEIVED AND FILED; RECOMMENDATION TO THE BOARD OF RETIREMENT TO APPROVE INCREASING THE CORRIDOR FROM 120% TO 150% OF MARKET VALUE OF ASSETS (AND NOT BE LESS THAN 50% OF MARKET VALUE OF ASSETS AS OPPOSED TO CURRENT PRACTICE OF 80%) AND REVIEW AGAIN IN ONE YEAR

Frapwell-Denney – 3 Ayes; 2 Absent – Chairman Franey, Maggard

RECOMMENDATION TO THE BOARD OF RETIREMENT TO APPROVE THE NEW EMPLOYER CONTRIBUTION RATES AND REFER TO THE BOARD OF SUPERVISORS FOR ADOPTION

Frapwell-Denney – 3 Ayes; 2 Absent – Chairman Franey, Maggard

2. Discussion and review of other county systems funding of “Golden Handshakes” presented by Executive Director Anne M. Holdren and Daniel Wade, Milliman, Inc. – DANIEL WADE, MILLIMAN, INC. HEARD; TRUSTEES DENNEY, FRAPWELL AND HUGHES HEARD; DEPUTY COUNTY COUNSEL PATRICIA J. RANDOLPH HEARD; EXECUTIVE DIRECTOR ANNE HOLDREN HEARD

RECEIVED AND FILED; TABLED DISCUSSION; DEPUTY COUNTY COUNSEL PATRICIA J. RANDOLPH TO REVIEW FOR CONFLICT OF INTEREST ISSUES UNDER GOVERNMENT CODE SECTION 1090

3. Discussion and appropriate action on review of the Request For Proposal to acquire services of an audit actuary to perform a peer review of the triennial June 30, 2008 Study of Experience and replication of the June 30, 2009 Actuarial Valuation presented by Executive Director Anne M. Holdren – EXECUTIVE DIRECTOR ANNE M. HOLDREN HEARD

RECEIVED AND FILED; APPROVED ISSUANCE OF REQUEST FOR PROPOSAL AND SCHEDULE

Frapwell-Denney – 3 Ayes; 2 Absent – Chairman Franey, Maggard

PUBLIC COMMENTS

4. The public is provided the opportunity to comment on agenda items at the time those agenda items are discussed by the Committee. This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee 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 Committee 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

COMMITTEE MEMBER ANNOUNCEMENTS AND REPORTS

5. On their own initiative, Committee members may make a brief announcement or a brief report on their own activities. In addition, Committee 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 Committee at a later meeting concerning any matter. Furthermore, the Committee, through the Chairman, may take action to direct staff to place a matter of business on a future agenda – NONE

ADJOURNED

Denney-Frapwell – 3 Ayes; 2 Absent – Chairman Franey, Maggard

Secretary, Board of Retirement

Chairman, Audit-Actuarial Committee