

## SUMMARY OF PROCEEDINGS

### BOARD OF RETIREMENT – COUNTY OF KERN

1115 Truxtun Ave, Third Floor,  
Bakersfield, California

**Regular Board Meeting  
Wednesday July 22, 2009**

**8:32 a.m.**

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

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

Absent: Alternate Camps, Alternate Franey, Maggard, Ratekin

Salute to Flag – LED BY CHAIRMAN HUGHES

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.

- \*1. Application for service-connected disability pension benefits for Max Martinez, FIRE (Safety) – FOUND APPLICANT PERMANENTLY INCAPACITATED FROM PERFORMING HIS DUTIES; GRANTED SERVICE-CONNECTED DISABILITY PENSION BENEFITS UNDER GOVERNMENT CODE §31720

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*2. Application for service-connected disability pension benefits for Daniel McGlothlin, SHERIFF (Safety) – FOUND APPLICANT PERMANENTLY INCAPACITATED FROM PERFORMING HIS DUTIES; GRANTED SERVICE-CONNECTED DISABILITY PENSION BENEFITS UNDER GOVERNMENT CODE §31720

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*3. Application for service-connected disability pension benefits for Maria Cockerel, SHERIFF (Safety) – MOVED TO EXECUTIVE SESSION

- \*4. Application for non-service-connected disability pension benefits for Kathy Aguilar, KERN MEDICAL CENTER (General) – GRANTED NON-SERVICE-CONNECTED DISABILITY PENSION BENEFITS UNDER GOVERNMENT CODE §31720

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*5. Application for non-service-connected disability pension benefits for Brent Sims, HUMAN SERVICES (General) – GRANTED NON-SERVICE-CONNECTED DISABILITY PENSION BENEFITS UNDER GOVERNMENT CODE §31720

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*6. Proposed Decision and Findings of Fact submitted by Officer R. Lee Andersen for Ruth Lee, KERN MEDICAL CENTER (General) – RECEIVED AND FILED THE FINDINGS OF FACT; ADOPTED THE HEARING OFFICER'S PROPOSED DECISION TO GRANT SERVICE CONNECTED DIASABILITY

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*7. Proposed Decision and Findings of Fact submitted by Officer Irene R. Ayala for Virginia Rodriquez, HUMAN SERVICES (General) – RECEIVED AND FILED THE FINDINGS OF FACT; ADOPTED THE HEARING OFFICER'S PROPOSED DECISION TO DENY SERVICE CONNECTED DIASABILITY and GRANT NON-SERVICE-CONNECTED DISABILITY

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*8. Request for Supplemental Benefits under Government Code § 31725.65 for applicant Connie Croley, SHERIFF, (Safety) – MADE FINDING THAT APPLICANT IS CAPABLE OF PERFORMING OTHER DUTIES IN THE PUBLIC SERVICE; GRANTED REQUEST FOR SUPPLEMENTAL BENEFITS EFFECTIVE JUNE 27, 2009

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*9. Summary of proceedings of the following meetings:

- June 02, 2009, Audit Actuarial Committee
- June 10, 2009, Investment Board
- June 10, 2009, Investment Committee
- June 16, 2009, Budget Committee
- June 24, 2009, Regular Board
- June 24, 2009, Audit Actuarial Committee

RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*10. KCERA Class Action Activity detail by Event Status as of June 30, 2009 and KCERA Class Action Proceeds Received from March 31, 2009 through June 30, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*11. Securities Lending Earnings Summary Statement for the period June 1 through 30, 2009 from the following:

- The Northern Trust Company
- Barclays Global Investors

RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*12. Annual report on KCERA Senior Management performance – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*13. Semi-annual over and underpayment adjustments reports from January 1, 2009 to June 30, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*14. Memo from Executive Director Anne M. Holdren dated July 22, 2009 pertaining to Unrelated Business Taxable Income reported by K-2 Advisors – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*15. Kern County Employees' Retirement Association, Disability Retirement Application Handbook – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*16. Letter to Board of Supervisors from Executive Director Anne M. Holdren concerning election of Second, Seventh and Seventh Alternate Members of the Board of Retirement – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*17. Correspondence from The Northern Trust Company, dated July 13, 2009 regarding CIT Group, Inc. debt held in various investment programs – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*18. Pantheon USA Fund III, L.P., Investment Adviser's Report, for quarter ended March 31, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*19. Pantheon Global Secondary Fund III B, L.P., Investment Adviser's Report, for quarter ended March 31, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*20. Pantheon USA Fund V, L.P., Investment Adviser's Report, for quarter ended March 31, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*21. Pantheon USA Fund VI, L.P., Investment Adviser's Report, for quarter ended March 31, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*22. Pantheon USA Fund VII, L.P., Investment Adviser's Report, for quarter ended March 31, 2009 – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*23. Memorandum from Pyramis Global Advisors dated July 13, 2009 regarding the Second Quarter 2009 Performance Update for FREG II Investors – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*24. Memorandum from Pyramis Global Advisors dated July 13, 2009 regarding the Second Quarter 2009 Performance Update for FREG III Investors – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

- \*25. Correspondence from Neil Tremblay, State Street Global Advisors, regarding corrections to the July 8, 2009 presentation to the Board of Retirement – RECEIVED AND FILED

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

PUBLIC COMMENTS

26. 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
27. Report from KCERA Management – RECOGNIZED KCERA STAFF FOR THE WORK ON THE DISABILITY APPLICATION HANDBOOK; REFERRED TO THE TURNSEED DOCUMENTS IN COMMUNICATIONS THAT ARE MADE AVAILBLE TO THE TRUSTEES ON LINE AT KCERA.ORG
28. Report from County Counsel – NONE
29. Report from Committee Chairs:
- A. Audit/Actuarial Committee – NONE
  - B. Budget Committee – NONE
  - C. Human Resources Committee – NONE
  - D. Information Technology Committee – NONE
  - E. Investment Committee – NONE
  - F. KCERA Property Inc. – MEETING JULY 31, 2009

BOARD MEMBER ANNOUNCEMENTS AND REPORTS

30. 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 – TRUSTEE MAINLAND ANNOUCED HE IS THE FOREMAN FOR THE KERN COUNTY GRAND JURY

ADJOURNED TO EXECUTIVE SESSION

**Frapwell-Briggs – 7 Ayes; 2 Absent – Maggard, Ratekin**

EXECUTIVE SESSION

DISABILITY RETIREMENT APPLICATIONS – PERSONNEL  
EXCEPTION (GOVERNMENT CODE §54957; PUBLIC EMPLOYEE  
PERFORMANCE EVALUATION):

31. ITEMS A, B, D, and E WERE APPROVED ON CONSENT AND  
WITHDRAWN FROM EXECUTIVE SESSION.

31. Application for service-connected disability pension benefits:

C. COCKEREL, Maria Application for service-connected disability  
pension benefits – FOUND APPLICANT PERMANENTLY  
INCAPACITATED FROM PERFORMING HER DUTIES

**Frapwell-Briggs – 7 Ayes; 2 Absent – Maggard, Ratekin**

GRANTED SERVICE-CONNECTED DISABILITY PENSION  
BENEFITS UNDER GOVERNMENT CODE §31720

**Briggs-Denney – 7 Ayes; 2 Absent – Maggard, Ratekin**

32A. APPROVED ON CONSENT AND WITHDRAWN FROM EXECUTIVE  
SESSION.

33A. APPROVED ON CONSENT AND WITHDRAWN FROM EXECUTIVE  
SESSION.

34A. APPROVED ON CONSENT AND WITHDRAWN FROM EXECUTIVE  
SESSION.

35. Proposed Decision and Findings of Fact submitted by Hearing Officer R.  
Lee Andersen:

A. CLARK, Daniel Proposed Decision and Findings of Fact  
submitted by Hearing Officer R. Lee Andersen – RECEIVED AND  
FILED FINDINGS OF FACT; ADOPTED DECISION PREPARED BY  
DEPUTY COUNTY COUNSEL, KIRK PERKINS, TO DENY SERVICE  
CONNECTED DISABILITY

**Frapwell-Denney – 7 Ayes; 2 Absent – Maggard, Ratekin**

RETURNED TO PUBLIC SESSION

**Briggs-Frapwell – 7 Ayes; 2 Absent – Maggard, Ratekin**

CHAIRMAN HUGHES SUMMARIZED DECISIONS MADE DURING  
EXECUTIVE SESSION

ADJOURNED TO WEDNESDAY, August 26, 2009 AT 8:30 A.M.

**Denney-Jefferson – 7 Ayes; 2 Absent – Maggard, Ratekin**

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Secretary, Board of Retirement

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Chairman, Board of Retirement