

## SUMMARY OF PROCEEDINGS

### BOARD OF RETIREMENT – COUNTY OF KERN

1115 Truxtun Avenue  
Bakersfield, California

Regular Board Meeting  
Wednesday February 24, 2010

8:30 a.m.

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

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

Absent: Barnes, Maggard, Alternate Kaufman, Alternate Studer

Salute to Flag – LED BY CHAIRMAN BRIGGS

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. Summary of proceedings of the following meetings:

- January 27, 2010, Regular Board (Corrected)

RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

\*2. KCERA asset allocation, cash flow position, investment fees status report and budget status reports for the month of December 2009 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

\*3. Invitation for trustees and/or staff to attend the State Association of County Retirement Systems (SACRS) 2010 Spring Conference, May 11 through 14, 2010, in Newport Beach – RECEIVED AND FILED; APPROVED THE ATTENDANCE OF EXECUTIVE DIRECTOR ANNE M. HOLDREN, ASSISTANT EXECUTIVE DIRECTOR LEE BLAIR; DEPUTIES COUNTY COUNSEL PATRICIA J. RANDOLPH AND KIRK PERKINS, UP TO TWO KCERA STAFF MEMBERS AND ALL TRUSTEES

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

\*4. Glass, Lewis & Co., Proxy Voting Management Report, January 01, 2009 through December 31, 2009 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*5. Communication from Richard White, President of State Association of County Retirement Systems (SACRS), February 1, 2010, regarding the SACRS Executive Director and Revised Governance Structure Proposal – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*6. Goldman Sachs Asset Management, US Core Plus Fixed Income, Monthly Portfolio Analytics Report, January 31, 2010 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*7. Pacific Investment Management Company (PIMCO), StocksPLUS, L.P. Fund B, Investment Report, December 31, 2009 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*8. Pyramis Global Advisors, Real Estate Growth Fund II, Investment Management Review, Fourth Quarter 2009 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*9. Pyramis Global Advisors, Real Estate Growth Fund III, Investment Management Review, Fourth Quarter 2009 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*10. Pyramis Global Advisors, Select International Pool / Select International Small Cap, Monthly Investment Review, December 2009 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

- \*11. State Street Global Advisors account summary as of January 31, 2010 – RECEIVED AND FILED

**Frapwell-Jefferson – 7 Ayes; 2 Absent – Barnes, Maggard**

TRUSTEE MAGGARD ARRIVED AT 8:35 A.M.

PUBLIC COMMENTS

12. 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

13. Discussion and appropriate action on responding to County's request for the Board of Retirement to join the County in a plan of action to discontinue future funding of the Supplemental Retirement Benefits Reserve from future excess earnings presented by Michael Toumanoff, Manatt, Phelps & Phillips, LLP – MICHAEL TOUMANOFF, MANATT, PHELPS & PHILLIPS, LLP, HEARD; TRUSTEES FRANEY, FRAPWELL, HUGHES AND MAGGARD HEARD; DEPUTY COUNTY COUNSEL PATRICIA J. RANDOLPH HEARD

RECEIVED AND FILED; MOTION THAT THE BOARD OF RETIREMENT DECLINE PARTICIPATION WITH THE COUNTY OF KERN IN SEEKING LEGISLATION TO DISCONTINUE FUTURE FUNDING OF THE SRBR FROM FUTURE EXCESS EARNING AND REFER THE MATTER BACK TO THE AUDIT ACTUARIAL COMMITTEE TO EXPLORE OPTIONS THE BOARD OF RETIREMENT DOES HAVE REGARDING FUNDING

**Hughes-Jefferson – 7 Ayes – Briggs, Denney, Frapwell, Jefferson, Hughes, Mainland and Ratekin; 1 Abstain – Maggard; 1 Absent – Barnes**

14. Report from KCERA Management – NONE
15. Report from County Counsel – DEPUTY COUNTY COUNSEL PATRICIA J. RANDOLPH INVITED MICHAEL TOUMANOFF TO PROVIDE THE BOARD OF RETIREMENT WITH AN UPDATE ON THE LEXIN CASE
16. Report from Committee Chairs:
  - A. Audit/Actuarial Committee – UPDATE PROVIDED BY TRUSTEE HUGHES
  - B.
  - C. Budget Committee – NONE
  - D. Human Resources Committee – NONE
  - E. Information Technology Committee – NONE
  - F. Investment Committee – NONE
  - G. KCERA Property Inc. – NONE

**BOARD MEMBER ANNOUNCEMENTS AND REPORTS**

17. 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

ADJOURNED TO WEDNESDAY, March 10, 2010 AT 8:30 A.M.

**Frapwell-Denney – 8 Ayes; 1 Absent – Barnes**

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Secretary, Board of Retirement

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Chairman, Board of Retirement