



Retirement Chronicles

News Today About Your Tomorrows

October 2004

Quarterly Newsletter

Reader Feedback

Kern County Employees' Retirement Association
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Upcoming Events

Retirement Planning Seminar

When: December 2, 2004

Where: Board of Supervisors' Chambers

Contact Wanda Castro to register.
(661) 868-3790
servicerep@kcera.org

Retirement Board Meetings

Investment Board
2nd Wednesday each month

Regular Board
4th Wednesday each month

Kern County Adopts 3% @ 60

On August 3, 2004, the County Board of Supervisors approved a Memorandum of Understanding (MOU) between the County and employees represented by the Central California Association of Public Employees. The MOU requires the County to adopt a resolution in December making Government Code Section 31676.17 operable in Kern County. Effective January 1, 2005, this code section provides enhanced retirement benefits, commonly known as 3 percent at 60, for General member employees. "3 percent at 60" means that at age 60, members can receive approximately three percent of their highest final average salary for every year of service with Kern County.

To see how your retirement benefit will increase, use the Benefit Estimator on the KCERA web site at www.kcera.org.

What To Do If You Plan To Retire After January 1, 2005

In anticipation of an increased number of retirements beginning in January 2005, and to better serve KCERA members, Service Retirement Meetings are scheduled in October and November 2004. The meetings will assist General members who plan to retire January 1, 2005 through March 31, 2005. Informative presentations about KCERA retirement benefits, health benefits, and deferred compensation will be provided at the meetings. Assistance with completing retirement applications will also be available.

All General members who will be eligible to retire on or before March 31, 2005 were mailed letters in September providing meeting enrollment information. If you plan to retire by March 31, 2005, you must attend a Service Retirement Meeting. Contact KCERA to enroll in a Service Retirement Meeting.

The following will help you prepare for applying for retirement:

◆ **Choose your retirement date.**

When choosing a retirement date it is generally best to retire on the first day

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Board Members:

Tony Plante, Chairman	Joseph Hughes
John De Mario, Vice Chairman	Sharon E. Lesser
Brad Barnes	Barbara Patrick
Claude D. Fiddler	Lois Maujer, Alternate
Phil Franey	

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KCERA Retirement Chronicles

FAQ's

Q. I work for a Special District. Will I be eligible for the 3 percent at age 60 retirement benefit?

A. If you are employed by a Special District, any service credit earned after January 1, 2005 will be eligible for the new retirement tier. However, your Special District employer may choose whether or not to convert any previous service to the new retirement tier. Contact KCERA or your employer for current information specific to Special Districts.

Q. I left Kern County service and established reciprocity (or deferred my retirement) with another retirement system. Will I be eligible for the 3 percent at age 60 retirement tier?

A. If you are a deferred member or have established reciprocity, you will be eligible for the new 3 percent at 60 retirement benefit if you retire on or after January 1, 2005.



“Opportunities are usually disguised as hard work, so most people don't recognize them.”

Ann Landers

Kern Adopts 3% @ 60, Continued from page 1

of a bi-weekly pay period. Also, remember that until age 60 (age 50 for Safety members), every quarter year of age older will increase your benefit. Finally, by retiring on or before April 1, 2005, you will immediately become eligible for a cost of living adjustment.

◆ **Gather information to complete your retirement application forms.**

Your application packet will consist of a retirement application, a Federal and State Tax Withholding Preference Certificate, an application for the Retired Employees of Kern County, and a Direct Deposit form. In addition to your personal information, you will need your beneficiary's name, address, and Social Security number. Any questions you may have about completing your application packet will be answered at your Service Retirement Meeting.

◆ **Make an appointment with Health Benefits.**

To continue health benefits after retirement, you must enroll in your choice of health plans within 30 days of your retirement date. A representative from Health Benefits will be at Service Retirement Meetings to answer health benefit questions. You may also contact Health Benefits at 868-3182.

◆ **Notify your department you will be retiring.**

It is your responsibility to notify your department that you will be retiring so that your department can complete the necessary paperwork to remove you from County payroll. Failure to notify your department of your pending retirement could delay your first retirement check.

Things to Consider

◆ **Deferred Compensation**

Call Susan Leedy at 868-3467 to make an appointment if you participate in Kern County's 457 deferred compensation plan.

◆ **Voluntary Deductions**

If you have voluntary deductions withheld from your payroll check, you should contact the agencies receiving those deductions to inform them of your pending retirement. Deductions for Kern Federal Credit Union and Central California Association of Public Employees may be continued after retirement. However, you must visit those organizations to arrange to have the deductions withheld from your retirement benefits.

◆ **Community Property Claims**

If your retirement account has been joined as part of a divorce action, KCERA must have a properly executed Court order specifying how your retirement account is to be divided. Contact KCERA to make sure all necessary Court documents are on file. Failure to do so may delay your first retirement check.

◆ **Service Credit Purchases**

If you are currently making payroll deductions to purchase service credit or if you will be using vacation and sick leave hours to complete a service credit purchase, you must contact KCERA before your retirement date to complete your service credit purchases.

◆ **Social Security Administration**

Contact the Social Security Administration at 1-800-772-1213 to discuss your eligibility for benefits. You may also visit their web site at www.ssa.gov.

Domestic Partners - Additional News

Effective January 1, 2005, new legislation grants registered domestic partners many of the same rights and responsibilities as married couples. To be eligible for benefits under the new legislation, domestic partners must be registered with the California Secretary of State. Additionally, to be eligible for certain retirement benefits, domestic partners must be registered for one year before retirement.

More information and forms to register (or terminate) a domestic partnership can be obtained on the Secretary of State's web site at www.ss.ca.gov/dpregistry. You may also write to the Secretary of State at:

Secretary of State
Domestic Partnerships
P O Box 942877
Sacramento, CA 95813
916-653-3984



General Member Contribution Changes

County employees hired before August 7, 2004 with less than five years of retirement service credit will continue to pay 100 percent of their retirement contributions until obtaining five years of retirement service credit. At that time, the member's retirement contribution will stop and the County will pay the employee's contribution. County employees hired on or after August 7, 2004 will pay 100 percent of their retirement contributions throughout their employment. Retirement contributions are a negotiated item for Kern County employees and may not apply to Special District employees.

Additionally, General member contribution rates will increase effective January 1, 2005 when the provisions for the 3 percent at age 60 retirement benefits become effective.



BOR Welcomes New Board Member

At its September 8, 2004 Investment Board meeting, the KCERA Board of Retirement (Board) welcomed Joseph Hughes as a new Board trustee. Appointed by the Board of Supervisors as the Sixth Member of the Board, Mr. Hughes' term will expire December 31, 2006.



BOR Elections

Elections will be held in November for the Third and Eighth Members and the Eighth Member Alternate. The Third Member is elected by General members while the Eighth Member and Eighth Member Alternate are elected by Retired members. Additionally, a special election will be held to fill the vacant Safety Member Alternate seat.

All members eligible to vote in this election will be sent ballots to complete and return to the Auditor-Controller-County Clerk. Ballots must be returned by the third Tuesday in November.

Retiree's Corner

Do you need a Power of Attorney?

If you became disabled, will your loved ones be able to manage your retirement funds for you? KCERA will only allow changes to your retirement account, such as address changes, beneficiary changes, banking changes, etc., with your express, written permission. If you become disabled and are unable to communicate changes in writing, KCERA requires a durable Power of Attorney to be on file before will your Attorney in Fact can conduct retirement business for you.

Please discuss the necessity for a Power of Attorney as a part of your long range estate planning.



Ventura Project Nears Completion

KCERA is pleased to announce that the Ventura Project is nearing completion. Of the 94 percent of all files reviewed, 1,607 retirees and beneficiaries have received retroactive payments and monthly benefit increases. Retroactive payments totaled \$11,463,966 including \$2,488,166 in interest. KCERA's monthly retiree payroll has increased by \$119,395.

The project will be completed by September 30, 2004.



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Return Service Requested



**Three percent at age 60 tier becomes effective
January 1, 2005 for General members**

Board of Retirement welcomes new trustee