



# Retirement Chronicles

A quarterly publication of the Kern County Employees' Retirement Association

News & Views

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## Member portal to launch soon

KCERA is preparing to enter a new era of personalized member service with the rollout of its Member Portal this fall. The web-based portal will display members' retirement account information in a secure, password-protected environment, accessible from the KCERA website.

In the past, KCERA has been the gatekeeper of your retirement account data, annual benefit statements, service purchase estimates, retirement income verifications and other important documents. You've also had no other option but to contact KCERA whenever you wanted to request a service or personalized benefit estimate.

But times are changing. With the Member Portal, all of your most important account information will be available at your fingertips! You will be able to obtain unaudited benefit estimates that pull *current* data directly from your retirement account! You can elect to receive electronic correspondence, including monthly retiree remittances, via your portal account! Retirees also will be able to update their address and "direct deposit" details online!

The Member Portal will never replace the personalized service provided by KCERA's professional staff. However, the portal will enhance KCERA's service delivery and put *you* in greater control of when and how you receive retirement information.

The Member Portal is expected to go live in the fall. All members will receive a mailed letter from KCERA announcing the launch. On this letter will be instructions on how to enroll. **Please retain this letter, as you will need it to register for an account.**

Also, in order to enroll, KCERA must have a valid email address on file. Active members employed by the County should have email addresses on file already. However, if you are a deferred or retired member who has not given an email address to KCERA, please submit a Change Request Form with this information.

KCERA is very excited about the Member Portal and how it will improve your access to important retirement information. *Please watch for KCERA's letter in the coming months.*

## Survivor & Death Benefits Checklist

Dealing with the death of a loved one is challenging in many ways. That is why KCERA has made the survivorship claim process as simple as possible for those who are eligible to receive survivor benefits.

If you are a KCERA member's designated beneficiary, you too are part of the KCERA family. As such, KCERA is committed to providing you with the same quality service given to your loved one and the retirement benefits he/she designated for you.

To help you through KCERA's survivorship claim process, please use the checklist below:

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# Survivor & Death Benefits Checklist

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## Notify KCERA about the member's death

Contact KCERA at (661) 381-7700 *as soon as possible* to report the member's death. You will be asked to provide the member's name and date of death, and your name and relationship to the member.

## KCERA researches the situation

Upon notification of the death, KCERA will research the member's file to determine what benefits, if any, are payable to the designated beneficiary(ies). KCERA will then send the applicable forms to the beneficiary(ies) for completion.

## Submit the required documents

KCERA requires certain documents before performing any benefit calculation. Please be prepared to submit the following forms and documents to KCERA:

- Copy of original death certificate
- Copy of member's marriage or domestic partner certificate, if applicable
- Copy of your driver's license or state-issued photo ID
- Any forms mailed to you by KCERA

## Receive your benefit payments

Once the required documents are received and reviewed, KCERA will calculate all survivorship benefits due. The actual benefits will depend on the member and beneficiary's profiles at the time of death. For example, the survivorship benefits of a retired member will differ from an active member; the same is true of a member with an eligible spouse versus an unmarried member.

Survivorship benefits may include a \$5,000 death benefit, a monthly continuance of the retiree's benefit (payable for life), a refund of the member's remaining contributions, or a combination of these. For more information about KCERA's survivorship benefits, go to the "Death Benefits" webpages at [www.kcera.org](http://www.kcera.org).

Any benefits payable to an eligible beneficiary begins the day after the member's date of death. Because it could take weeks before all required documents are provided to KCERA, there could be a delay in issuing survivorship benefits. KCERA will calculate these benefits and issue a retroactive payment for any amounts due.

# faq

## Am I eligible to file for a disability retirement?

KCERA provides disability retirements to members who are permanently incapacitated from substantially performing their usual job duties for an indefinite period of time. This assumes the employing department cannot accommodate all permanent work restrictions. A service-connected disability (SCD) is an incapacitating injury or illness caused by the job; there is no

minimum service requirement to apply for an SCD. A nonservice-connected disability (NSCD) is an incapacitating injury or illness *not* caused by the job; members must have at least five years of retirement service credit to apply for an NSCD. To learn more about disability retirement and the application process, visit [www.kcera.org](http://www.kcera.org) or contact KCERA.

# SNAPSHOT OF YOUR BENEFIT TIER

Shortly after you were hired by the County, Courts or District, you entered KCERA membership and were

assigned a benefit tier. KCERA has five tiers: three for general members and two for safety members. Each tier has a benefit formula, which is used to calculate your monthly benefit when you retire. There are other differences between the tiers, as you will see in the chart below. For additional information, visit [www.kcera.org](http://www.kcera.org).

	TIER I	TIER II	TIER III
<b>Benefit Formula</b>	<b>General:</b> 3% at 60 <b>Safety:</b> 3% at 50	<b>General:</b> 1.62% at 65 <b>Safety:</b> 2% at 50	<b>General:</b> 2.5% at 67 (PEPRA tier)
<b>Tier Eligibility</b>	<b>General:</b> Hired before 10/27/2007  <b>Safety:</b> Hired before 3/27/2012	<b>General:</b> Hired on or after 10/27/2007  <b>Safety:</b> Hired on or after 3/27/2012	<b>General:</b> Westside Recreation & Park District employees who became members of KCERA on or after 1/1/2013
<b>Retirement Eligibility</b>	Age 50 with 10 years of retirement service credit  <b>General:</b> Or 30 years of service, regardless of age  <b>Safety:</b> Or 20 years of service, regardless of age	Age 50 with 10 years of retirement service credit  <b>General:</b> Or 30 years of service, regardless of age  <b>Safety:</b> Or 20 years of service, regardless of age	Age 52 with 5 years of retirement service credit
<b>Final Average Compensation Period</b>	Highest 12 consecutive months of "compensation earnable"	<b>Non-PEPRA members:</b> Highest 12 consecutive months of "compensation earnable"  <b>PEPRA members:</b> <sup>1</sup> Highest 36 consecutive months of "pensionable compensation"	Highest 36 consecutive months of "pensionable compensation"
<b>Contribution Rate</b>	<b>General:</b> Based on benefit tier and KCERA entry age  <b>Safety:</b> Based on benefit tier and bargaining unit; some rates are flat; some rates are based on KCERA entry age	<b>General:</b> Based on benefit tier and KCERA entry age if non-PEPRA  <b>Safety:</b> Based on benefit tier and bargaining unit if non-PEPRA; some rates are flat; some rates are based on KCERA entry age  <b>PEPRA:</b> 50% of "normal cost" rate	50% of "normal cost" rate
<b>Other Facts</b>	Safety and general tiers took effect on 1/1/2001 and 1/1/2005, respectively	County also pays 6% premium pay	Only applies to Westside Recreation & Park District

<sup>1</sup> In general, PEPRA members are employees who became members of KCERA on or after 1/1/2013.

# KCERA Nominated *(Again!)* for Prestigious Award

For the third time in four years, KCERA has been nominated for the prestigious “Small Public Plan of the Year” award by readers of *Institutional Investor*, a financial services publication known around the world.

KCERA, a \$3.6 billion pension plan, was selected among hundreds of other hedge fund-investing U.S. pension plans having less than \$15 billion in assets. KCERA’s relatively small size and investment unit compared to other nominees in the “small plan” category makes KCERA’s nomination even more significant.

Competing against KCERA for the 2016 Small Public Plan of the Year title are the retirement systems of the Arizona Public Safety Personnel, Rhode Island, San Bernardino County and West Virginia Investment Management Board.

To be identified as one of the top hedge fund-investing public pension plans in the U.S., KCERA had to be named repeatedly in *Institutional Investor’s* call for nominations. The publication’s editorial staff narrowed the list of candidates based on how well the plans met their category criteria. U.S. institutional investors and hedge fund managers then cast their votes for the nominees. KCERA received enough nods to make it to the finals—again!

“We are very pleased to be nominated a third time for this great honor,” said Gloria Domínguez, KCERA’s executive director. “I commend Chief Investment Officer Pete Tirp and our investment consultants for their efforts in effectively managing KCERA’s plan assets.”

## SRBR 3 BENEFIT UNCHANGED

The Supplemental Retiree Benefit Reserve 3 (SRBR 3) is a non-vested, supplemental benefit that provides 80% purchasing power protection to KCERA retirees and their beneficiaries.

KCERA annually reviews every monthly benefit in relation to the region’s consumer price index (CPI) and previously granted cost-of-living adjustments (COLAs). If a monthly benefit has lost more than 20% of its original purchasing power, SRBR 3 benefits will increase to bring the total benefit back to 80%.

Due to past COLAs, retiree benefits have retained at least 80% of their original purchasing power. *Therefore, no KCERA retirees will see an increase in their SRBR 3 benefits in July 2016.*



PRUDENT INVESTMENT • QUALITY SERVICE

Kern County Employees'  
Retirement Association

11125 River Run Boulevard  
Bakersfield, CA 93311-8957