



## Getting to Know the New Chairman

*The Retirement Chronicles* met with veteran trustee Brad Barnes to catch his vision as the new Board chairman.



BRAD BARNES

Having more than 27 years of investment experience, most recently as senior vice president at Morgan Stanley, Brad

Barnes feels quite comfortable leading the Retirement Board.

Perhaps this is because his primary focus has not changed since being appointed to the Board in 2003. "My mission is still to do the right thing, to focus on member interests, and to ensure retirees and beneficiaries get their checks."

Guided by his enduring commitments and financial expertise, Barnes recognizes the need to always act with the long term in mind. Because KCERA represents Kern County's "pension promise" to existing and future mem-

bers, the Retirement Board has adopted a long-term perspective toward its investments.

"Our objective is to provide pension benefits far into the future," explains Barnes, "so short-term fluctuations in the market need not concern members too much." Fortunately, the Board is guided by *procedural prudence*, which he describes as procedures and policies designed to protect members through sound, methodical Board governance.

Barnes is proud of how seriously the Board views its fiduciary role: "The Board has done an outstanding job of shepherding members' dollars." He personally considers it a tremendous honor to look after the funds that represent others' retirements. "I want to serve honorably so I can one day hear, 'Well done.'"

## Facility Relocation Project Update

Last January, *The Retirement Chronicles* reported that KCERA had hired American Realty Advisors (ARA) to assess the adequacy of KCERA's current office space and to complete a market analysis of relocation opportunities in Bakersfield.

ARA determined that KCERA's current office space is inadequate to meet the needs of its members. It recommended relocating to a facility that provided sufficient space both now and in the future as the number of KCERA members and the complexity of the KCERA retirement plan compel additions to the KCERA staff.

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# Final Compensation Quiz

When you retire, KCERA will use the following factors to calculate your retirement allowance: age at retirement, total service credit and final average compensation (FAC). Those factors will then be applied to the retirement benefit formula applicable to you (e.g., “3% at 50,” “3% at 60” or “1.62% at 65”).

At retirement, KCERA will calculate your FAC based on your highest 12 consecutive months of pay. Some pay types are factored into your FAC, while others are not.

Test your FAC knowledge! True or false: The following 10 common pay types are “pensionable,” or included in your FAC?

1. Overtime pay
2. Suggestion award
3. Longevity pay
4. Reimbursed vehicle expenses
5. Retroactive inequity pay
6. Vacation or sick leave payout
7. Bilingual pay
8. 6% premium pay
9. On-call pay
10. Physical fitness pay

**Answers:** 1-F 2-F 3-T 4-F 5-T 6-F 7-T 8-T 9-T 10-T

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## Facility Relocation *(continued from page 1)*

ARA’s market research did not produce any likely properties for lease or purchase. The firm recommended KCERA pursue a build-to-suit location.

After months of carefully considering its choices, the Board’s Facility Ad hoc Committee narrowed its options to a few sites throughout Bakersfield. The full Board then considered the merits of each location and agreed to research two of the sites more thoroughly.

ARA presented its findings to the Board last October. Following much discussion about the city’s declining residential real estate market, the Board decided to postpone action for six months. At its April 9 meeting, the Board will reassess market conditions and determine which of the available property sites is worth pursuing.



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## UPCOMING EVENTS & IMPORTANT DATES

### Investment Board Meetings

April 9  
May 21 (combined)  
June 11

### Regular Board Meetings

April 23  
May 21 (combined)  
June 25

### Benefit Payment Mailings

April 25  
May 27  
June 25

### Retirement Planning Seminar

Thursday, June 19  
Board Chambers  
1115 Truxtun Ave., 1st Floor

*The Board of Retirement meets at 1115 Truxtun Ave. in the multi-purpose room located on the third floor.*

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## Frequently Asked Questions

**Q:** What is the benefit of purchasing prior County service credit?

**A:** You may purchase and receive retirement service credit for any County or Special District service you rendered before becoming a KCERA member and for which

you did *not* make contributions (e.g., extra-help employment).

Buying previous County service counts toward your vesting and retirement eligibility. In addition, once your “buy back” is completed, the purchased service credit is added

to your other earned service credit, resulting in a higher retirement allowance.

You can pay for service credit purchases through lump sum payment, vacation rollover, retirement account rollover or payroll deduction.

## ENHANCING TECHNOLOGY & SERVICE

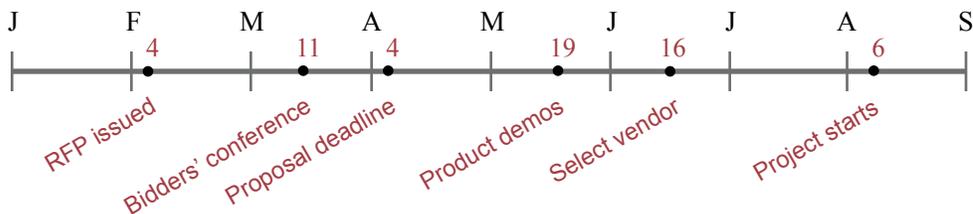
The Retirement Board's Information Technology Committee met in January to discuss two important enhancements to KCERA's technology infrastructure. The first was the SmeadSoft file management system, which will automate file tracking by adding a bar-coded label to each KCERA member's folder. On-site scanners and computer software will enable staff to more efficiently track and process member service requests.

The committee voted to approve the file management system and referred the issue to the full Board,

which authorized the system's purchase at its February 27 meeting.

The committee also addressed KCERA's pension administration system Request for Proposal (RFP), developed over the last year with the help of consultant L.R. Weschler (LRW). LRW assisted KCERA in identifying the business requirements of a new system and drafting a comprehensive RFP. The Board hopes to acquire a robust retirement system solution to integrate KCERA's business functions, automate critical processes and optimize member services.

### 2008 RFP Schedule for Pension Administration System



## KCERA Welcomes New Staff

Nicole Pannell joined KCERA's fiscal support department in February 2007 as an extra-help employee. She was recently hired on a permanent basis as a fiscal support specialist. Ms. Pannell brings a wealth of financial experience to KCERA, having spent 18 years in various capacities at Kern Federal Credit Union. She attended college in Bakersfield and Sacramento.

Jan Sublett has been serving as a retirement services representative since August 2007. Prior to joining KCERA, she spent 16 years working in numerous administrative capacities at the Alliance Against Family Violence & Sexual Assault in Bakersfield, including six years as the non-profit's executive director. Ms. Sublett brings extensive counseling and leadership skills to her KCERA position.



## RETIREES' CORNER

### The 2008 COLA

On April 1, each retiree or beneficiary will be entitled to a cost-of-living adjustment (COLA) increase of 2.5%. The increased COLA amount will appear on April 30 retirement benefit payments and will be applied to annuity, pension and previous COLA amounts. The COLA is not applied to any amounts paid from the Supplemental Retiree Benefit Reserve (SRBR).

## THE BOARD OF RETIREMENT

Brad Barnes, *Chair*  
Joseph Hughes, *Vice-Chair*  
Norman Briggs  
Jackie Denney  
Jeff Frapwell  
Robert Jefferson  
Mike Maggard  
Mark Ratekin  
Bart Camps, *Alt.*  
Phil Franey, *Alt.*

# Sign Up for Retirement Seminar

Use this form to reserve a seat at the next retirement planning seminar.

Name		SSN (Last 4 Numbers)	
Address			
City		State	Zip Code
Home Phone	Work Phone	Dept. Name/Number	
Please add my name to the reservation list for the retirement planning seminar to be held:			
<input type="checkbox"/> June 19, 2008		<input type="checkbox"/> December 2008	
Mail reservation form to: KCERA 1115 Truxtun Avenue Bakersfield, CA 93301	You can also e-mail your reservation to servicerep@kcera.org or fax your reservation to (661) 868-3779.	Retirement planning seminars are designed for members within <i>five years</i> of retirement. Attendance at seminars is limited to about 130 people. Make your reservations early to ensure a seat at the next seminar.	

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