



INTERVIEW WITH THE CHAIRMAN

The Retirement Chronicles interviewed Board Chairman Norman Briggs to hear his thoughts on leadership, KCERA's new building and the security of your benefits.

What do you remember about presiding over your first meeting as chairman? The only memorable thing was the fact that I had the honor and privilege of being chairman.

What was it like navigating the Board through important issues last year? Dealing with the many aspects of the retirement system is the routine charge to the Board. I was pleased it was able to come to consensus and resolve the many issues presented to it.

Some believe KCERA's new building was controversial. What do you think? I would not label the new office building as controversial but rather a long-delayed resolution to the much-needed expansion of our facilities. The project was in play for almost four years. Due to the local real estate market, we were able to acquire a highly desirable site at a very attractive price. We have completed construction of a beautiful facility that our members can be proud to own. This was accomplished on time and within budget constraints.

What other benefits were realized from the building project? The new facility is now part of our real estate portfolio. Based upon the rent and total cost of the facility, the market rate of return is 6%, which represents potential gain in value over time. In addition to that, the project allowed our general contractor to hire more than 30 subcontractors, which employed several hundred workers over the course of the project; this benefited the local employment rate.

PROFILE AT A GLANCE

Name: Norman Briggs

Age: 73

Years with County: 17

Career Highlights: Chief Deputy Registrar of Voters. Administrative Services Officer in District Attorney's Office and Fire Department.

Years since Retirement: 11

Years on Board of Retirement: 6

Board members periodically conduct on-site visits to investment managers. What do you ask them? We want to know their organizational setup, number of employees, facilities, backup capabilities, and how they manage their portfolios. Compliance processes are also critical, particularly their independence and watchdog methods.

What most affects KCERA's investment performance? The primary factor is market volatility. Another is periodic rebalancing of our asset classes and their allocations.

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SAME KCERA, NEW HOME

Vision and perseverance of Board turn vision into reality

In the final days of October, KCERA successfully relocated to its new building in southwest Bakersfield. The office was closed temporarily for two days as hundreds of boxes, thousands of files and countless odds-and-ends were packed, moved and unloaded so business could resume on November 2.



THE BOARD MADE SOUND, albeit sometimes difficult, decisions that have resulted in a vastly improved environment in which to serve KCERA members.”

What stands at the corner of Stockdale Highway and Buena Vista Road is a testimony to the perseverance and sound decision-making of the Board of Retirement, despite many setbacks and delays.

“It was a long process,” commented Anne Holdren, KCERA’s executive director. “But the Board made sound, albeit sometimes difficult, decisions that have resulted in a vastly improved environment in which to serve KCERA members.”

Board Chairman Norman Briggs agreed: “We can all be proud of this well-designed, energy-efficient office building. It will serve our members well for years to come.”

In addition to providing needed space for KCERA staff, the new building meets several other key objectives.

It provides a room used exclusively for Board meetings, represents a small yet appreciable portion of KCERA’s real assets portfolio, supplies additional privacy for member meetings, allows for staff growth and benefits the local economy.

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KCERA building (November 2010)

FAQS

Q. What is the temporary annuity option (TAO) and how does it work?

A. The TAO is a “pension advance” option designed to equalize your KCERA income prior to age 62 with the combined KCERA and Social Security income you will receive after age 62. Under this option, KCERA obtains a copy of your estimated Social Security

benefit; a percentage of that estimated benefit is added to your KCERA allowance until age 62. At age 62, the full Social Security benefit is subtracted from your allowance. However, applying for Social Security at age 62 ensures the combined pension income remains level throughout retirement. For more information, please contact KCERA or download the TAO pamphlet from www.kcera.org.

KCERA BOARD ELECTION RESULTS



Your ballots were cast. Your votes were counted. The election results are in! The winners of the November 2010 Board of Retirement elections are:

Norman Briggs, who was overwhelmingly re-elected by retired members to the Eighth Member seat.

Phil Franey, who ran unopposed as the alternate retired member and was appointed in lieu of an election.

Konrad Moore, who was elected as the Board's Third Member. He will replace Bob Jefferson to represent general members.

Congratulations to trustees Briggs, Franey and Moore! Each will serve a three-year term, beginning January 1, 2011. Watch for a profile of Mr. Moore in a future issue of this newsletter.



Norman Briggs



Phil Franey



Konrad Moore

At Deadline

Congratulations to *Michael Turnipseed*, who was recently appointed by the Board of Supervisors as the Retirement Board's Ninth Member. He will serve a three-year term, beginning January 1, 2011.

Retiree News

TAX-REPORTING FORM COMING SOON

KCERA's custodial bank, Northern Trust, will mail a Form 1099-R to you by the end of January. This important tax document provides information about income taxes withheld from your monthly KCERA benefit payments. Please keep your Form 1099-R with other important tax documents. If your benefits are not subject to federal and state income taxes, you will not receive the form.

IMPORTANT EVENTS & DATES

Investment Board Meetings

January 12
February 9
March 9

Regular Board Meetings

January 26
February 23
March 23

The Board of Retirement meets in the KCERA Boardroom located at 11125 River Run Boulevard Bakersfield, California 93311.

The public is invited to attend. Meeting agendas are available online at www.kcera.org.

Retiree Payment Mail Dates

January 25
February 22
March 25

BOARD OF RETIREMENT

Norman Briggs, *Chair*
Jeff Frapwell, *Vice-Chair*
Jackie Denney
Joseph Hughes
Mike Maggard
John Mainland
Konrad Moore
Mark Ratekin
Michael Turnipseed
Phil Franey, *Alternate*
Larry Studer, *Alternate*

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INTERVIEW WITH CHAIRMAN *(continued)*

How secure are member benefits? Guaranteed. The trust fund is secure. One must remember the ups and downs of the market have been effectively managed due to the long-term nature of our investments.

As a KCERA retiree, what worries you? The current state of the economy.

What advice would you give to current and future Board members? Their utmost duties are to remember who their clients are and not to waiver from their fiduciary responsibilities.

SAME KCERA, NEW HOME *(continued)*

What began as a mere vision of the Board of Retirement four years ago has materialized into a standing symbol of the reliability and permanence of the KCERA plan. Under the disciplined leadership of its trustees, KCERA will continue to serve members with excellence and innovation.



PRUDENT INVESTMENT • QUALITY SERVICE

Kern County Employees'
Retirement Association

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