



T R E N D

(Thinking Retired Employees Need Direction)
Retired Employees of Kern County

Volume MMXIX-I

January & February 2019

www.reokc.org

John De Mario, President

M. L. Bennett, Editor (mlbennett36@sbcglobal.net)



President's Message

JOHN DE MARIO

Our mission is to promote the education and earned benefits of all retirees of Kern County, advocate the safeguarding and continuation of Kern County retiree pension and health benefits, provide avenues of support and information for Kern County retirees and beneficiaries, ensure proper and necessary representation on the Kern County Board of Retirement, and participate as an integral contributor in our Kern County communities' quality of life.

I want to take this opportunity to wish you and yours a Merry Christmas and a safe New Year. This is the first year in many years that my whole family was not present for the Christmas holiday; my grandson, Josh, moved to Long Beach and was unable to make Christmas dinner. Josh had to work both the day before and the day after Christmas and did not want to fight the traffic to be home for only a few hours. We missed him very much.

As this is the TREND that is distributed to all retirees and not just to REOKC members, I think it would be appropriate to review the year 2018 and what REOKC accomplished.

REOKC had over 2,000 bills reviewed and watched 22 bills introduced in the California Legislature that would have made changes to our 1937 retirement system. Most of these bills were minor and would only have made changes requested by retirement systems to clarify current law. However, there were three bills that could have caused major retirement changes:

SB 1031 would require the Retirement System to STOP paying a COLA if the fund is less than 80% funded. SB 1031, as written, would eliminate our COLA as Kern County is only funded at 65%. However, with much work by REOKC and coordination with other retirement systems, the bill has been modified to exclude current employed and retired members of a retirement system and would only apply to future members hired

after 01-01-2019. This bill did not pass and was changed to a two year bill; REOKC is doing what it can to help kill this bill even though it may not affect us at this time, you can never tell if it might be changed.

SCA 8 would permit a government employer to reduce retirement benefits that are based on work not yet performed by an employee regardless of date first hired. Though this affects only active employees, we all know that once precedence is set, anything could happen. In plain language the employer can change retirement downward at any time. Again, with a lot of help and a number of lawsuits this bill was killed for the time being; the author reserved the right to resubmit.

SCA 10 would prohibit a government employer from providing public employees any retirement benefit increase until that increase is approved by a 2/3 vote of the electorate of the jurisdiction. Again, with a lot of help this bill was killed for the time being; the author reserved the right to resubmit.

REOKC will continue to review all bills introduced in 2019 and will select and monitor specific bills that could change the 1937 Retirement Law. This is not an easy or cheap process; we have engaged legal counsel and legislative consultants to aid REOKC in this task but it takes both time and effort by your Board.

In your July retirement payment you received a \$21.00 new SRBR 4 payment. It took REOKC 15 years of very hard, and time consuming work to get the Board of Retirement to provide this cash benefit. REOKC will continue to request additional SRBR funds as long as there are unallocated reserves in excess of the 120% set by the Board.

In January 2018 REOKC moved its monthly luncheons and business meetings to Hodel's Country Dining in Bakersfield. The luncheons have been well attended with more than 200 members at our Christmas luncheon. The health fair and B-B-Q in July saw more the 210 members take advantage of the health care providers in attendance with health screening and insurance information.

(President's Message concluded on page 5)



KCERA Retirement Board

By

Phil Franey, KCERA Retiree Trustee

“A retirement system board’s duty to the system’s participants and their beneficiaries shall take precedence over any other duty” (Section 17(b) of Article XVI of the California Constitution).

I hope everyone had a Merry Christmas and enjoy a Happy New Year. The KCERA Board (Board) has just completed a very busy 2018 year. Since this TREND will be sent to all KCERA retirees, I will provide a brief recap of new staffing and reorganization of KCERA Administration with some other matters of information.

As to review of the past year’s KCERA business, Executive Director Dominic Brown is no longer acting and recently hired Chief Investment Officer Daryn Miller is in the process of coordinating many efforts to improve our investment program. Dominic’s leadership in operations and Daryn’s improvements to the investment program have demonstrated the Board’s success in making needed administration and investment enhancements to KCERA’s business model. Recently, Dominic briefed the Board on some of the finishing touches to administration including staff job titles and descriptions to be more reflective of the retirement administration duties. Subsequent recruitment efforts including the hiring of new Assistant Executive Director Matt Henry, Daryn Miller is coordinating the finals for Retirement Investment Officer and interviews have been completed for the Retirement Finance Officer. We look forward to the energy of new employees and updated job duties with an experienced team of a very capable current staff.

Board elections have been completed for a few returning members with election of Juan Gonzalez returning as General member, Rick Kratt returning as Safety Member and Devin Simons as new Alternate Safety Member. Lauren Skidmore was recently reappointed by the Board of Supervisors. All Board positions are for three-year terms. As I mentioned in the last TREND, John Mattly recently resigned his position as Alternate Retirement Member. Because of his resignation and according to current election law and policy, the Board has decided to call a special election to fill the vacancy of the Alternate Retiree Board Member for the remainder of the 2019 year. REOKC President John De Mario gave a very convincing presentation to the Board to call for the special election to

make sure retirees are represented if I am unavailable to attend a meeting of the Board. The Board determined that such action is in the best interest of KCERA as well as REOKC. The election is anticipated to be held in March of 2019.

The November and December KCERA Board meetings approved the consent agenda items (routine and non-controversial items); approved changes to investment manager lineup of fund manager, heard annual investment manager fee report, heard 3rd Quarter September 30, 2018 Investment Performance Report, heard 3rd Quarter September 30, 2018 Hedge Review, heard and approved the Auditors Financial Report and Comprehensive Annual Financial Report, heard and approved changes to the Fixed Income Funding Allocation. The Board also approved various administrative matters.

During the KCERA December meeting, the Verus (KCERA Investment Consultant) presentation included the fund balance and investment performance (net of fees) for the period ending September 30, 2018 as follows:

- Total Assets - \$4,235,411,434 and the following returns net of fees:
- 1 Year - 5.5%
- 3 Years - 8.6%
- 5 Years - 6.4%
- 10 Years - 6.5%

As of June 30, 2018, the assumption rate was stated at 7.25% (expected long-term return using a three-year phase-in from 2017 at 7.5%) and the current funding ratio of 65.1% (% of fund assets available to pay liabilities).

As of November 30, 2018, membership was 17,587: active - 9,090; retirees - 7,091 (REOKC has more than 5,000 of those members); and deferred vested and reciprocal - 1,406. Non-membership: Survivor - 998; alternative payee - 211; and deferred non-vested - 1,272.

More detailed information and reporting may be obtained from the KCERA website at www.kcera.org. All members are encouraged to attend Retirement Board Meetings on the second Wednesday of each month. The next meeting will be held on January 9th.

QUOTES

“Wisdom is the reward you get for a lifetime of listening when you would rather have talked.”

“Kindness is the language which the deaf can hear and the blind can see.”

~ Mark Twain ~

DO YOU HAVE INTERNET ACCESS?

TREND EMAIL LIST CONTINUES TO GROW!

Thanks to all of you who have signed up for membership in the TREND Email list. We are almost up to saving **\$3,475.00 per year** and that's not chump change!

We need to keep this "trend" going. :)
So, if you have internet access, please email Mary Lou Bennett to sign up and help our budget.

To receive the TREND newsletter electronically:
Send an email to mlbennett36@sbcglobal.net with your name, current mailing address and your email address. (Subject: TREND mailing list).

SRBR—WHAT YOU SHOULD KNOW Supplemental Retirement Benefit Reserve

Background:

Under the standard provisions of the County Employees Retirement Law of 1937 (CERL), any excess earnings (earnings in excess of the Retirement Fund's actuarial assumption rate) that are realized by the primary pension fund for a county are controlled 100% by the Board of Retirement. In 1984, however, the Kern County Board of Retirement and the Board of Supervisors adopted the alternative financial provisions of Article 5.5 of the CERL. The result was to put in place a statutory Supplemental Retirement Benefit Reserve (SRBR) formula. The statutory SRBR formula limits the authority of the Retirement Board over distribution of excess earnings, by mandating that any excess earnings be equally divided, with 50% of the total to the County to fund the County's retirement liability and the other 50% to the SRBR to fund current and future retiree loss of purchasing power due to burdens created by annual inflation.

SRBR Retiree Benefits:

Tier 1 - \$35.50 per month payable to retirees who were hired on or before July 1, 1994.

Tier 2 - Three additional monthly stipends payable to Members who retired prior to 1981 and 1985.

Tier 3 - Additional benefits to maintain 82% purchasing power protection.

Tier 4 - \$21.00 per month payable to retirees who were hired prior to July 1, 2018

Death Benefit - A one-time payment of \$5,000 to a Member's beneficiary is made upon the death of the Member.

Additional 0.5% COLA - payable to retirees when applicable each year.

Remember, these benefits have been made available to retirees through the efforts and hard work of **REOKC** over many years. So, if you are not a member, join REOKC and help future efforts by contributing your \$2 dues!

UPCOMING EVENTS

January 8 REOKC Board Meeting 9:30 am
Hodel's, Carriage Room, 5917 Knudsen Dr.

January 8 REOKC Lunch 11:30 am - noon
General Meeting 12:00 noon
Hodel's, Kern Room, 5917 Knudsen Dr.

January 9 KCERA Board Meeting
Investment/Regular Board 8:30 am
KCERA Office, 11125 River Run Blvd., Bakersfield

February 12 REOKC Board Meeting 9:30 am
Hodel's, Carriage Room, 5917 Knudsen Dr.

February 12 REOKC Lunch 11:30 am - noon
General Meeting 12:00 noon
Hodel's, Kern Room, 5917 Knudsen Dr.

February 13 KCERA Board Meeting
Investment/Regular Board 8:30 am
KCERA Office, 11125 River Run Blvd., Bakersfield

UPCOMING REOKC PROGRAMS

January 8, 2019:

- A representative from the Kern County Sheriff's Office will be discussing scams and neighborhood watch programs.

February 12, 2019:

- Our speaker will be **Jim Whitehead** from the Aviation Museum at Minter Field in Shafter.

LUNCHEON MENU AT HODEL'S

HAPPY
NEW YEAR



January
Tri-Tip/Hunter sauce
Lemon Pepper Chicken
Rice Pilaf
Steamed Vegetables

February
Tri-Tip/Au Jus
Roasted Chicken
Tortellini Pasta
Green Beans

5 Different Salads
3 Different Desserts

Coffee, Tea & Water
will be on each table

Happy
Valentines
Day!

PAYROLL DEDUCTION FORM

To sign up for (or stop) payroll deduction, check the box(es) below, complete the form, and submit it to REOKC.

- REOKC Luncheon Payment**
By checking this box, I authorize KCERA to deduct \$6.00 per month from my pension benefit as an additional elective payment to REOKC. This deduction shall begin with my next pension payment.

(Sign up for the luncheon payroll deduction and save \$1.00 per meal!)

- REOKC Membership Dues**
By checking this box, I authorize KCERA to deduct \$2.00 per month from my pension benefit as dues for my REOKC membership and to pay that organization. This deduction shall begin with my next pension payment. I understand my authorization and REOKC membership are voluntary and may be revoked by me, in writing, at any time.

Name (print) _____

Address _____

City _____

State _____ Zip _____

Phone _____

Email (optional) _____

Social Security # _____

Signature _____

Date _____

Clip out completed form and send to:

REOKC / PO Box 2592 / Bakersfield, CA / 93303

STOP DEDUCTION(S)

- Check box to stop your deduction for the luncheon.
- Check box to stop your deduction for REOKC membership dues.



"WELCOME!"

NEW MEMBERS OF THE RETIRED EMPLOYEES OF KERN COUNTY

BEHAVIORAL HEALTH & REC.: Laura K. Ornelas
DISTRICT ATTORNEY: Richard Maykoski
EMPLOYERS' TRG. RESOURCE: Clara L. Graciliano
FIRE: Michael G. Perry
GENERAL SERVICES: David W. White
HUMAN SERVICES: Lillian Davis; Brian Simmons
K.C. ADOPTION AGENCY: Sonia Casteel
KERN MEDICAL CENTER: Julie Cazzel;
Beatrice Cruz
PUBLIC WORKS: Aurora G. Rush
SHERIFF: Alexander Solis

WANTED - NEW MEMBERS

EACH NEW MEMBER WHO JOINS THE RETIRED EMPLOYEES OF KERN COUNTY (REOKC) STRENGTHENS AND ENABLES OUR ORGANIZATION TO BETTER MONITER AND PROTECT RETIREE BENEFITS THROUGH LEGISLATION AND IN COURT IF NECESSARY.

TO JOIN, SIMPLY COMPLETE THE PAYROLL DEDUCTION FORM ON THIS PAGE AND MAIL IT TO:
REOKC
PO BOX 2592
BAKERSFIELD, CA 93303

2019 REOKC BOARD OF DIRECTORS

John De Mario—President
Sally Ruiz—1st Vice President
Barbara Goodlow—2nd Vice President
Ginger Mello—Secretary
Mary Lou Bennett—Treasurer

Directors:

Michael Douglas
Tony Rizos
Alan Annis
Robb Seibly
Nancy Warnick
Phil Franey—Past President



President's Message concluded from page 1

This is just a short list of what REOKC does for its members. REOKC is continually looking out for you and your hard earned benefits. REOKC is the only organization that cares about you and your benefits and works very hard to protect those benefits.

IF YOU ARE NOT A MEMBER, WHO IS LOOKING OUT FOR YOU? REOKC MEMBERSHIP IS ONLY \$2.00 A MONTH, WHY AREN'T YOU A MEMBER?

Don't forget our next luncheon will be January 8th with lunch being served at 11:30 a.m. The General meeting will begin about 12:00 noon. Tickets are no longer required so just pay at the door – exact change will be greatly appreciated by our volunteer receptionists. For those planning to attend on a regular basis, the payroll luncheon deduction is the way to go and it's cheaper (only \$6.00 for member or \$12.00 for member and spouse)! Looking forward to seeing you in 2019!

SMILE!

Old weather forecasters never die. They just run out of guess.

Family harmony takes much understanding, patience and at least two TV sets.

TRAVEL TIPS

Tuesday, January 15th & February 19th:

Chukchansi Casino Bus pick-up behind McDonald's on Real Road at 8:00 a.m. - back at 7:00 p.m. \$15.00 per person. Includes roundtrip bus, \$10.00 cash & \$5.00 food voucher

Caribbean Princess : October 4 - 14, 2019

10 Day Canada & New England cruise
Balcony Cabin from \$2927.00 + Airfare.
Enjoy: Quebec City & Saguenay, Quebec, Canada;
Charlottetown, Prince Edward Island;
Sydney & Halifax, Nova Scotia, Canada;
Bar Harbor, Maine - Boston, Massachusetts &
New York City (Manhattan or Brooklyn) New York

Ireland "Emerald Isle" Tour: September 6 - 15, 2019

10 days Escorted bus tour \$2367.00 per person + Airfare.
Includes hotels, meals & tour guide. Visit Dublin,
Waterford, Blarney, Killarney, Ring of Kerry and more!

Single travelers who don't want to pay the single traveler supplement and are looking for a travel partner, contact Julie at The Cruise Port.

Call **Julie** at **The Cruise Port**, (661 324-6910) with any questions or to make reservations for your travel plans.

Change of Address Form

If your address has changed, in order to receive the TREND newsletter and other important notices from REOKC, you must complete this form and send it to REOKC, PO Box 2592, Bakersfield, CA 93303:

Name _____

(*print*)

NEW Address _____

City, State, Zip _____

OLD Address _____

City, State, Zip _____

Signature _____

REOKC USEFUL CONTACTS

KCERA Administration 661-381-7700

www.KCERA.org

- Retirement Check
- Withholding Forms
- Beneficiary Change
- Address Change (& REOKC) *
- Retirement Board Meetings

Retiree Health Benefits 661-868-3182

- County – Health Insurance Div.

REOKC Endorsed Insurance and Other Supplemental Benefits

- Pacific Group Agencies, Inc.
1-800-817-8838
1-800-511-9065

REOKC Other Related Services

- **TREND Editor**
- **Membership**
- **Address/Email Change ***
- **Scholarship Program**

Mary Lou Bennett 661-871-5270

mlbennett36@sbcglobal.net

- **Sunshine (Cards of Expression)**
Josie De La Torre 661-348-4222

KCERA Board Retiree Member

- Phil Franey –
franeyp@bak.rr.com
- Alternate—vacant

Kern County District Attorney's Office

- **Elder Abuse: 661 868-2400**

Kern County Aging & Adult Services

- **661 868-1000**



**WE WILL ALWAYS REMEMBER
OUR DECEASED REOKC MEMBERS:**

- Steve Acosta—Kern Medical Center
- Linda Brammer—Human Services
- Cleo Brannon—Fire
- Theodore Brown—Probation
- Cathy Carroll—Kern Medical Center
- Karen Goatcher—Human Services
- Mary Haas—Library
- Susan Hartwick-Sauer—Employers’ Trg. Res.
- Layton Knopf—Fire
- Donna McKenna—Beneficiary
- Rita Mejia—Health Department
- Valerie A. Miller—Courtroom Support
- Marion Mitchell—Unknown
- Joe Myers—Sheriff
- Rebecca Page—Human Services
- Merle Rainwater—Roads
- Douglas Roye—Dept. of Ag. & Measurement
- Theodore Salley—Sheriff
- Lola Wade—Parks & Recreation
- Mathew West—District Attorney

*“A Life well-lived leaves behind
a beautiful bouquet of memories.”*

Author unknown

SUNSHINE COMMITTEE NOTICE

If you know of any of our members who could use a get-well or sympathy card, please contact **JOSIE DE LA TORRE** at (661) 348-4222
Thank you!

THOUGHTS TO PONDER

- ~ Good intentions, like choice fruit, are perishable and hard to keep.
- ~ The best things in life are free. It’s the worst things that are so expensive.
- ~ Destiny shapes our ends. Fatty foods end our shapes.
- ~ You can never do a kindness too soon, because you never know how soon it will be too late.

REOKC SCHOLARSHIP PROGRAM

**We are now accepting
Applications for the
2019 Scholarship Awards
for Graduating
High School Seniors!**



Two scholarship awards of \$1,000 each will be presented at our August 2019 luncheon/meeting. Relatives (children, grandchildren, nieces, nephews) of **REOKC members** are eligible to apply.

Scholarship application forms, instructions and relevant information are all available on our website: **www.reokc.org**



Applications and required documents must be submitted no later than **April 15, 2019**

BAKERSFIELD HOMELESS CENTER

On December 13, 2018, REOKC presented the Bakersfield Homeless Center a check for **\$406.00**. Thanks to all our members who donated to this charity at our regular monthly luncheons throughout the 2018 year!

Reminder: The surviving spouse of a retired Kern County Employee is eligible for REOKC membership. Just complete the Payroll Deduction Form on Page 4 and mail to:

REOKC, PO Box 2592, Bakersfield, CA 93303

NOTICE: All views and opinions expressed in the **TREND** are solely the representation of each writer. **REOKC’s** only intention is to fairly inform our membership. The information presented in the **TREND** is believed to be from reliable sources. **REOKC** does not sell or disclose information about our members to third parties.

**New Name,
Same Great Credit Union.**



STRATA
CREDIT UNION

KERN
Federal Credit Union

**On February 1st, 2019
Kern Federal Credit Union
becomes
Strata Credit Union.**

**Please visit bit.ly/kfcu-newname
for more information.**

**Retired Employees of Kern County
P.O. Box 2592
Bakersfield, CA 93303**

**PRSRT-STD
U.S. POSTAGE
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PERMIT NO. 349**

**January & February 2019
Time Dated Material**

**Official Newsletter of
The Retired Employees of Kern County Inc.**

REOKC LUNCHEONS

**HODEL'S KERN ROOM
5917 KNUDSEN DRIVE, BAKERSFIELD**

**(Reservations are no longer required and tickets will no longer be
sold for future luncheons)**

**MEMBERS WITHOUT PAYROLL LUNCHEON DEDUCTIONS
WILL PAY AT THE DOOR FOR EACH MONTH:**

**TUESDAY, JANUARY 8, 2019
REOKC members and their spouses \$7.00 each
Guests \$10.00**

**TUESDAY, FEBRUARY 12, 2019
REOKC members and their spouses \$7.00 each
Guests \$10.00**

Lunches served at 11:30 a.m.

(Payments requiring no change will be greatly appreciated.)