



T R E N D

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

Volume MMVIII-III

May—June 2008

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Well, the CRCEA Spring 2008 Conference is now history. And, thanks to everyone who worked so hard, giving many hours to the cause, it was a BIG success! We had 116 registrations and 101 attended the banquet on Tuesday, April 15th. The 40 plus door prizes and 13 table decorations which were all given away at the banquet were a big hit and every winner seemed very happy to be a recipient. The food was great and the speakers provided us with a variety of interesting and informative subjects. We couldn't have done it without the help of all those who donated time, money and gifts. In addition to the sponsors who have been listed in the last few newsletters and who are again listed here for their generous contributions, we would also like to thank others who donated gifts and items by listing them here in my column:

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Now, let's look toward the future. For several years, your Board has talked about establishing a PAC (Political Action Committee). However, we have been unable to recruit a chairman with the time and interest to head this committee. If you or anyone you know is interested, please contact me or Norman Briggs for more information.

For our May meeting we will be having a panel of speakers who will be discussing Reverse Mortgages. The panel will consist of Mike Wilbur from Wells Fargo, Larry Cox from The Law Offices of Young and Wooldridge and a CPA from Brown Armstrong Certified Public Accountants. Each speaker will have ten minutes after which questions from our members will be accepted. With reverse mortgages receiving so much publicity now, we want our retirees to have the benefit of hearing all sides of the issue. You don't want to miss this one-of-a-kind meeting! The June speaker will be a representative from Interim HealthCare.

And now for the good news, bad news. The bad news first: after twelve years of service to REOKC, Doris Smith is resigning her position as the person in charge of luncheon reservations. We are truly grateful to Doris for all her devotion and hard work. The good news is that Brenda Preston has volunteered to replace Doris. Brenda's address is 5817 Lenz Court, Bakersfield, CA 93307-5579, her phone number is 835-0294. Please note the changes on the Luncheon Reservation slips on the last page of this issue.

YOUR RETIREMENT BOARD

Greetings!

All retirees will be receiving their annual SRBR letter (Supplemental Retirement Benefits Reserve) in July regarding their eligibility for SRBR 3 benefits. I'm always left with questions regarding the inner workings of SRBR so I asked our Executive Director, Anne Holdren if she would have a member of her staff "educate" us. What follows is the work of several staff personnel and compiled by Josiah Vencel – job well done. Hope you enjoy and if there are any questions – call KCERA!

Norman Briggs

A Closer Look at the SRBR

Summary

The Supplemental Retiree Benefit Reserve (SRBR) is a reserve account funded by KCERA's investment earnings to provide non-vested supplemental retirement benefits to its retired members and their beneficiaries. Beginning with a very modest benefit, the SRBR has grown in scope and value, both economically and personally, to its many recipients.

KCERA first issued SRBR benefits in 1985: \$5 per month to retirees and \$3 per month to beneficiaries. Today, the SRBR impacts the livelihoods of almost 5,500 retirees and beneficiaries through monthly cost-of-living adjustments (COLA) and SRBR 1 payments. One in five of these recipients also qualifies for SRBR 2 and SRBR 3 benefits. In the last three years alone, KCERA has paid \$25.7 million in total SRBR benefits, including \$9.1 million in fiscal year 2007.

Vested vs. Non-vested Benefits

Unlike the basic retirement allowance, which is vested (or guaranteed) at retirement by the County, SRBR benefits are not vested. Rather, they are extended only when the reserve's funding level permits disbursement to eligible retirees, upon approval of the Board of Retirement. The Board may also modify or delete non-vested benefits at its discretion, although it has taken steps to protect the solvency of SRBR funds for many years to come.

Because the general KCERA fund and the SRBR are financed separately and operate distinctly, a decrease in the value of one *will not* affect the value of the other. In addition, the SRBR cannot be used to help raise KCERA's funding level. The SRBR is used solely to pay supplemental benefits to KCERA retirees and beneficiaries.

SRBR in the Law

In 1984 the Board of Retirement adopted Government Code Section 31618, enabling KCERA to establish an SRBR for the benefit of its current and future retirees. Only three California counties—Kern, Tulare and Alameda—adopted the code section, which outlines how to identify excess earnings⁽¹⁾, where to allocate these funds and how to use them.

When KCERA has excess earnings from its investments, a portion is used to reduce employer contributions in the form of a COLA Contribution Credit. If any earnings remain, 50% of the balance goes toward replenishing the SRBR. (The other 50% is split as a credit to member and employer accounts.)

- Death Benefit: A one-time payment of \$3,000 to a retiree's beneficiary, paid upon the death of the member. The benefit increased from \$1,000 to \$3,000 in January 2007.
- 0.5% COLA: A monthly payment increase equal to one-half-percent of a retiree's entire allowance (excluding SRBR benefits). Each April, the SRBR-funded 0.5% COLA is added to the County-funded 2.0% COLA, resulting in a total annual COLA of up to 2.5%. In 2002, the COLA limit was increased from 2.0% to 2.5% as part of a court settlement.
- SRBR 1: A \$35.50 monthly payment to retirees hired before July 1, 1994.

(1) "Excess earnings": investment income greater than KCERA's assumed actuarial rate of return, 8%.

DO YOU HAVE INTERNET ACCESS?

TREND EMAIL LIST IS GROWING

Thanks to all of you who have signed up for membership in the Trend Email list. We are almost up to saving **\$3,200.00 per year** and that's not chump change!

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

To receive the TREND newsletter electronically:

Send an email to **briggs1937@sbcglobal.net** with your name, current mailing address and your email address. (Subject: TREND mailing list). OR:

Send a letter with your name and email address to:
REOKC
P.O. Box 2592
Bakersfield, CA 93303

Host/Hostess Program

During the month of February 2008,
30 volunteers worked 92 hours assisting 1,132 visitors
at the County Administrative Building.

During the month of March 2008,
31 volunteers worked 94 hours assisting 1,043 visitors
at the County Administrative Building.

*Since 1992 our volunteers have assisted more than
259,000 visitors to the County Administrative Complex
at 1115 Truxtun Ave.!*

There is always a need for additional volunteers.
Please contact **Mary Lou at 871-5270** if interested.

ATTENTION LADIES!!

The **Ladies' Auxiliary of the Kern County Fire Department** has a **Family Outreach Committee** which needs help providing meals, etc. for those unable to care for themselves.

Anyone interested in helping this Committee, please contact the **Chairperson, Mary Jo Thompson** by phone, (661) 589-1104, or email:
mjt@bak.rr.com

THANK YOU!!

UPCOMING EVENTS

| | | |
|---------|-------------------------------------------------------------------------------|------------------------|
| May 13 | REOKC Board Meeting Norris Road Veteran's Hall | 10:00 am |
| May 13 | REOKC General Meeting Lunch served Norris Road Veteran's Hall | 11:30 am 12:00 noon |
| May 21 | KCERA-Investment and Regular Board Meeting combined County Admin. Bldg. | 8:30 am |
| ***** | | |
| June 10 | REOKC Board Meeting Norris Road Veteran's Hall | 10:00 am |
| June 10 | REOKC General Meeting Lunch served Norris Road Veteran's Hall | 11:30 am 12:00 noon |
| June 11 | KCERA-Investment Board Meeting County Admin. Bldg. | 8:30 am |
| June 25 | KCERA-Board Meeting County Admin. Bldg. | 8:30 am |

LUNCHEON MENU



May 13th, 2008

Tri-Tip (with Salsa)
Sinful Potatoes — Green Beans
Cole Slaw — Rolls
Carrot Cake
Iced Tea, Coffee, Water

June 10th, 2008

Chicken Enchiladas
Spanish Rice — Tossed Green Salad
Asparagus (w/Hollandaise Sauce) — Rolls
Orange Cake
Iced Tea, Coffee, Water

**PAYROLL DEDUCTION FOR
MONTHLY LUNCHEON**

SAVE A BUCK!!

If you sign up for payroll deduction for your luncheon cost, you will only be charged \$4.00
If you buy a ticket at the luncheon, it will cost \$5.00.

**AUTHORIZATION FOR DEDUCTION
RETIRED EMPLOYEES OF KERN COUNTY,
INC. MEMBERSHIP DUES**

I hereby authorize and direct you to deduct five dollars (\$5.00) per month from my pension warrant as an additional elective payment to the Retired Employees of Kern County, Inc. This deduction shall commence with the next pension payment. I understand that this authorization and membership in the Retired Employees of Kern County, Inc. organization is voluntary and may be revoked by me, in writing, at any time in the future.

Name _____ Social Security # _____

Signature _____ Date signed _____

(Send to: KCERA, 1115 Truxtun Ave., Bakersfield, CA 93301-4639)

**Application for Membership in REOKC
and Authorization for Deduction of Dues**

I receive a retirement and/or survivor's allowance from Kern County. I hereby authorize the Kern County Employees Retirement Association to deduct from my monthly retirement benefits, dues of one-dollar (\$1.00) per month for my membership in REOKC, and to pay such deductions monthly to that organization.

Name (print) _____

Address _____

City _____

State _____ Zip _____

Telephone () _____

SSN _____

Signature _____ Date _____

(Send to: KCERA, 1115 Truxtun Ave., Bakersfield, CA 93301-4639)



"WELCOME!"

**NEW MEMBERS OF THE
RETIRED EMPLOYEES OF
KERN COUNTY**

Nancy Abler-Sanchez—County Counsel, Patrick Alderete—Superior Court, Michael Brown—Aging & Adult Services, Ray Cannon—Human Services, Sylvia Chavez—Human Services, Gerald Coodey—Bldg. Inspection, James Crane—General Serv., Artemio Erfe—KMC, Mary Espinoza—Human Services, Dennis Fauke—West Side Cemetery, Ernest Harris—KMC, Patricia Henry—KMC, Debra Hosseini—ITS, Babatunde Jinadu—Health, Donald Kaspar—Fire, Patricia Keller—Mental Health, Gina Kirschenmann—KMC, Judith Newman—Mental Health, Anita Pendergrass—Child Support Nancy Ramsey—Aging & Adult, Teresita Rosales—Human Services, Betty Ryan—Superior Court, Kathleen Smith—KMC, Peter Thomas—Airports-Enter., Barbara Tolar—Sheriff, Sylvia Toppin—Sheriff, Maria Valadez—Human Services, Mark Wilbanks—Sheriff, Tim Williams—Sheriff, Stacy Witcher—KMC, Tommie Wofford—Fire.

Previously Retired: Rose Morgan, Betty Newcomb.

Beneficiaries:

Helen Austin—1st Supv. Dist., Elza Bridges—Ag. & Measurement, Bettie Burnett, Elbert Cooley—KMC, Mary Dean—Gen. Services, Paula Knight—Bldg. Inspect., Shirley Rostain—D.A., Gay Shuell—Sheriff.

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Special prices for REOKC members

- 10% off any parts needed
- Labor rate \$60 (reduced \$20)

KERN COUNTY HISTORY

An influx of adventurous gold seeking prospectors during the mid 1800s found their way to the Kern River Valley nestled in the mountains east of the San Joaquin Valley. Imagine finding your way into that mountainous valley before there were roads. Captain Richard Keyes made that arduous journey in 1853 over Greenhorn Mountain from Tailholt. He settled an area that became known as Keyes Gulch. Keyes Gulch, for whatever reason, became known as Hogeye. The developing settlement understandably didn't like the name Hogeye. They changed it to Keyesville. That name lasted until the town faded away. The old cemetery is about all that remains where Keyesville once stood.

Quartzburg is an interesting name with an interesting origin. What would an old miner do if he was standing on a bunch of rocks where his mule wandered into a gulch? Lovely Rogers picked up a quartz rock in 1861 to hurl at his mule in an attempt to drive him out of the gulch. Imagine his glee when he spotted gold in the quartz. That happenstance was the origin of the Big Blue Mine and the settlement of Quartzburg. The boozers that whooped it up in Quartzburg were forced out of town by the temperance league. Adam Hamilton, an enterprising school teacher and saloon keeper left Quartzburg and made his way about a mile downstream where he set up a bar on a plank supported with two whiskey barrels. He sold whiskey to the rough and tumble miners. Hamilton's makeshift bar was the origin of the community named Whiskey Flat. Residents in the growing community determined the name was disparaging. Whiskey Flat was changed to Kernville in 1864.

Havilah was another town that developed during that same era. Asbury Harpending, an enterprising promoter, was instrumental in laying out Havilah on a mile long gully. He sold lots for as much as \$20 a frontage foot. Havilah became the first Kern County seat April 2, 1866. The county seat was moved to Bakersfield in 1874.

Note: I stated in the March-April TREND: "California was a Mexican territory in 1769." Jim Webdell pointed out Mexico was a Spanish Province at that time. Thanks Jim for the correction. I strive for accuracy. I goofed.

By **WALTER E. STEWART**

YOUR RETIREMENT BOARD

(Continued from Page 3)

- **SRBR 2:** For retirements prior to 1985, a monthly payment equal to \$5.47 for each year of service; for retirements prior to 1981, a monthly payment equal to \$10.276 for each year of service.
- **SRBR 3:** An annually calculated payment that ensures retirees' basic monthly payment maintains 80% purchasing power.

The Retirement Board adopted the SRBR 3 benefit because the annual inflation rate, measured by the regional Consumer Price Index (CPI), was decreasing the value of retiree allowances. In other words, inflation made pension monies worth less year after year. As inflation rates accumulated over time, a retiree's allowance would eventually slip below 80% of its original value.

The Board approved the SRBR 3 benefit to limit the monetary effects of inflation on its retirees. Each year, KCERA reviews its entire retiree payroll and applies the benefit to qualifying allowances. SRBR 3 payments totaled \$2.25 million in fiscal year 2007.

Future of the Fund

Even though SRBR benefits are not vested, they will continue to be paid as long as money remains in the reserve. The Retirement Board, seeking to assure retirees that these non-vested benefits will not come and go from year to year, approved a policy that targets each SRBR benefit to be actuarially funded at 100% for at least 20 years.

As of June 30, 2007, the SRBR held about \$193 million in assets. With these funds, in line with Board policy, the SRBR could, hypothetically, pay supplemental benefits to all *existing* retirees and beneficiaries for 21 years without adding another dollar to the reserve. The SRBR is expected, however, to continue growing in value.

The Board's prudent policies give KCERA retirees confidence that they can depend on SRBR benefits for a very long time.



HEALTHY NOTES

by Audrey Cochran, RNCS,CCCN

Many of us develop problems with sleeping as we grow older, even if we did not have them earlier in our lives. My mother did and took her neighbor's advice to try Tylenol PM. When I found out, I told her that the PM part is benedryl, also known as diphenhydramine, and is on *Beer's Criteria: Independent of Diagnoses* for medicines which should be avoided by older people, except in the case of allergic reactions and then used with great caution. (Lombardi T P, Kennicutt J D, Medscape Pharmacists 2(1), 2001). When I taught the first of a series of 5 classes for caregivers sponsored by the Alzheimer's Disease Association of Kern County (ADAKC) in January, I explained the dangers and told them about studies published in *Lancet* and *British Medical Journal*. Subjects were taken off their "sleepers" for two weeks then given something nice to smell at night, either oil of lavender or another scent. Those who had the oil of lavender aroma therapy slept just as well as they had on their prescription sleeping medicine, without the side effects.

Two weeks later when it was again my turn to teach the class, one of the ADAKC staff members stopped me before class and said, "After your class I told my mother, 'No more Tylenol PM!'" "I threw hers away and gave her some oil of lavender, and she slept just as well as she had on the Tylenol PM!" I asked him to tell his story at the beginning of that morning's class which he did. Our guest speaker that morning was Larry Borgsdorf, Pharm.D, who teaches the pharmacology classes at CSUB and consults in geriatric pharmacology for Kaiser Southern California. Larry said, "You did the right thing, because Benedryl destroys the same neurotransmitter which is lost when someone develops Alzheimer's!"

Then in early March, in a pocket in the plastic sleeve for the Sunday *Bakersfield Californian*, was a packet of Advil PM. Since I'm Parish Nurse at Westminster Presbyterian, I took it to church with me and talked to as many of our older members as I could, warning them not to take it. I discovered several of them had sleep problems and because of that advice, one had her C-pap machine adjusted, and two got some oil of

lavender and felt much better without the Benedryl they had been taking.

There are several varieties of lavender. The foliage of the English lavender has a stronger scent than other varieties, and every so often I clip a branch off my bush and put it on the headboard of my bed. The oil can be found at Cone's or Lassen's, and if you put a drop on the bulb in the lamp on your night stand, when you turn it on at night, it will scent the room. When the new Vitamin Shoppe opened, I was delighted to discover they have real lavender in several forms, including lotion, shampoo, body wash, and "Window Kleener." Don't look for it in "Bed and Bath" shops, because their's has chemicals which smell like lavender but have not been proven to have any beneficial effect, other than smelling nice.

REMEMBER WHEN FOLKS COULD GET ALONG
WITHOUT SOMETHING IF IT COST TOO MUCH?



WE WILL ALWAYS REMEMBER OUR DECEASED REOKC MEMBERS:

Victoria Araujo—Deferred
Emma Atkin—Sheriff
Raleigh Austin, Jr.—Supervisory District
Jesse Bridges—Agricultural & Measurement
Loe Burse—KMC
Marilyn Cebell—K.C. Water Agency
John Cook—KMC
Marion Dean—General Services
Lynn Edwards—Fire
Anna Harris—KMC
Hazel Keller—Treasurer-Tax Collector
Geneva Miller—Fire
Virginia Miller—KMC
Shirley Moore—KMC
Irene Prator—ITS
Oliver Rostain—District Attorney
William Shuell—Sheriff
Pearl Smith—Health
Maudiella Stovall—Roads
Odessa Thornton—KMC
Jane Van Hook—District Attorney
Catherine Weyand—Roads



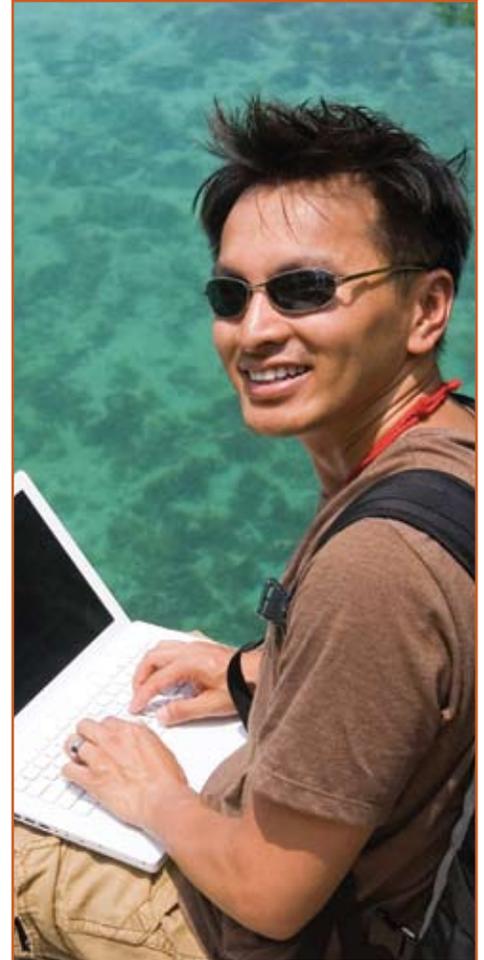
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May/June 2008
Time Dated Material

Official Newsletter of
The Retired Employees of Kern County Inc.

May Luncheon Reservation

May 13, 2008 at 11:30 a.m., Veterans' Hall, **400 NORRIS ROAD**. If you wish, you may use this form to order tickets for this luncheon. Please send your check, made payable to **REOKC**, together with a stamped, self-addressed envelope to Brenda Preston, 5817 Lenz Court, Bakersfield, CA 93307-5579. Deadline for reservations is the Wednesday prior to the luncheon (05/07/2008). Phone reservations are not accepted. You may cancel your reservations by calling Brenda at (661) 835-0294 prior to the deadline. Cancellations after the deadline cannot be refunded.

Member's name (\$5.00)_____ Spouse (\$5.00)_____

Guest (\$7.00)_____ Total tickets_____ Amount enclosed \$_____

June Luncheon Reservation

June 10, 2008 at 11:30 a.m., Veterans' Hall, **400 NORRIS ROAD**. If you wish, you may use this form to order tickets for this luncheon. Please send your check, made payable to **REOKC**, together with a stamped, self-addressed envelope to Brenda Preston, 5817 Lenz Court, Bakersfield, CA 93307-5579. Deadline for reservations is the Wednesday prior to the luncheon (06/04/2008). Phone reservations are not accepted. You may cancel your reservations by calling Brenda at (661) 835-0294 prior to the deadline. Cancellations after the deadline cannot be refunded.

Member's name (\$5.00)_____ Spouse(\$5.00)_____

Guest (\$7.00)_____ Total tickets_____ Amount enclosed \$_____