

At Your SERVICE

NEWSLETTER FOR MEMBERS OF THE ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM / APRIL 2024



Probation Officer Danny Medina retires after 30 years of service.



OCFA Dispatcher Dawn Hale recognized for 30 years of service.

FEATURING:
Recent retirees
after 30 years of
service.
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OCERS Retirement Program Specialist Shawna Treat receives a signed proclamation from the Orange County Board of Supervisors. Pictured with Suzanne Jenike, OCERS Assistant CEO of External Operations.

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BOARD OF RETIREMENT

ADELE TAGALOA
 Chair
 Elected General Board Member

CHARLES E. PACKARD
 Vice Chair
 Appointed Member

SHAWN DEWANE
 Appointed Member

SHARI L FREIDENRICH, CPA
 County Treasurer - Tax Collector
 Ex-Officio Member

ARTHUR HIDALGO
 Appointed Member

ROGER HILTON
 Elected Retiree Board Member

WAYNE LINDHOLM
 Appointed Member

RICHARD OATES
 Elected Safety Board Member

CHRIS PREVATT
 Elected General Board Member

JEREMY VALLONE
 Elected Alternate Safety Member

Chief Executive Officer
 Steve J. Delaney

Chief Investment Officer
 Molly A. Murphy, CFA

**Assistant Chief Executive Officer,
 External Operations**
 Suzanne Jenike

**Assistant Chief Executive Officer,
 Finance and Internal Operations**
 Brenda Shott, CPA

General Counsel
 Manuel Serpa

At Your Service Editorial Staff
Director of Communications
 Mary-Joy Coburn
 mjcoburn@ocers.org

Board of Retirement and Committee
 Meeting dates can be found online at ocers.org

This newsletter is intended to provide you with general information. It does not constitute legal advice, and OCERS cannot provide legal advice to members. If there are any discrepancies between the information in this newsletter and the law, the law will prevail. Should you have legal questions, you are advised to consult an attorney.

How to CONNECT with us

Visit us Online

ocers.org

Call Us

Phone: (714) 558-6200

Contact Us

www.ocers.org/contact-us

myOCERS Portal

Visit ocers.org and click on the "myOCERS Login" button



Office Hours

Mon - Thurs: 8 AM - 5 PM

Fri: 8 AM - 4:30 PM

(Closed weekends and holidays)

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OCERS Headquarters

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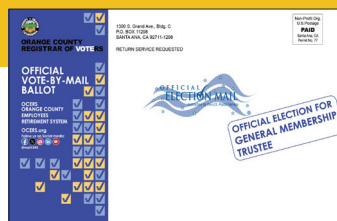
Information on General Member and Safety Member (including Alternate Safety) Elections

The elections for General Membership Trustee and Safety Membership Trustee (including the Alternate Safety Trustee) will take place on June 18, 2024.

Starting from May 13, 2024, all members will receive their ballots via mail. To be counted, completed ballots must reach the

Voters Office by 5:00 PM on June 18, 2024. Ballots sent via mail must be postmarked by June 18, 2024, and received by the Registrar within seven (7) calendar days after the election date, June 25, 2024. Official ballots will be distributed via mail. To ensure receipt of these mailers, please verify with your employer that your address on file is current by April 30th.

Official Elections Ballots will be mailed starting May 13th. Remember to postmark completed ballots by June 18, 2024.



30 Years of SERVICE

Recognizing Your Service

Congratulations to our new retirees! As you embark on this exciting new chapter of life, we're thrilled to continue our commitment to serving you and ensuring you enjoy the full benefits of a lifetime's dedication.

We are dedicating this space to our hardworking members. If you or someone you know is deserving of a feature, email communications@ocers.org



Name: Danny Medina
Department: OC Probation Department
Years of Service: 30 Years

"It's been an absolute honor and a privilege to have dedicated three decades to public service. Throughout this journey, I've had the pleasure of collaborating with incredibly dedicated professionals, all working towards the common goal of enhancing safety and quality of life in Orange County. Time truly has flown by, and it's remarkable to reflect on how quickly these 30 years have passed."

Photo: Mr. Medina with his wife Jerilyn Medina

Name: Shawna Treat
Agency: Orange County Employees Retirement System
Years of Service: 32 Years

"Working at OCERS isn't just a job; it's been a privilege. The organization genuinely values family and life outside of work. They understand that you have to be happy in your home life to be the best version of yourself in the workplace."

Some words of advice: prioritize savings, and embrace the positives life offers. Extend grace and understanding to your coworkers because everyone is going through something."



Photo: Ms. Treat with Sandra Guevara, Retirement Benefits Supervisor



Impact Study Shows Retirees Boost California's Economy

A recent study by the National Institute on Retirement Security (NIRS) looked into how retirees contribute to local and national economy. It discovered that pension benefits paid by state and local pension plans are essential for keeping the economy going. Retirees spend their pension money in local communities, which helps the economy grow.

For this article, we will focus mainly on how retirees boost the economy in California.

Here are some key findings:

- In 2020, pension benefits supported 381,038 jobs in California, resulting in a 26.0 billion in income for people in the state!

- Pension benefits pumped \$76.1 billion into the economy and added \$47.9 billion of value to California.

- Taxes from pension benefits reached \$11.9 billion for the government.

- For every dollar paid in pension benefits, the economy got \$1.24 in return.

- Between 1993 and 2020, most of the money in pension funds came from investments (61%).

- Taxpayers also chipped in, contributing \$4.59 for every dollar to keep the pension funds running.

Thank you retirees, for helping keep California's economy strong!



Pension Benefit Multiplier



\$1.00
pension benefits paid to retirees in California



\$1.24
total output

Each \$1 in state and local pension benefits paid to California residents ultimately supported \$1.24 in total output in the the United States. Retiree spending ripples through the state economy.

SPOTLIGHT

and Accomplishments

Name: Dawn Hale
Agency: Orange County Fire Authority
Years of Service: 30 Years

One of OCFA's best is retiring. Dawn Hale's 30 years of dispatching experience at OCFA has been invaluable. From delivering CPR guidance to assisting with childbirth over the phone, her expertise has been pivotal in aiding callers during emergencies. Beyond her duties, Dawn plays a vital role in training and guiding new dispatchers, while also dedicating her time to volunteering with Friends Against Drinking and Driving for over three decades. Her unwavering commitment to excellence in 911 services and community outreach has made a profound impact on those she serves.

OCFA is extremely proud of Dawn's accomplishments in her 30 years with the Fire Authority.



Photo: Ms. Hale, pictured with Deputy Chief of Operations TJ McGovern, was this year's Bill McMurray Excellence in 911 Award Recipient. This honor is awarded by the California Chapter of the National Emergency Number Association and is bestowed to the best of the best in 911 operations, education, technology, and policy.

OCERS Receive Three Recognitions in 2024



GFOA Certificate of Achievement for Excellence in Financial Reporting:

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to OCERS for its annual comprehensive financial report for the fiscal year ended December 31, 2022. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

American Advertising Awards Recognition:

The American Advertising Awards acknowledged OCERS' Annual Comprehensive Financial Reports for 2020 and 2021. The report for 2020, titled "75th – An Anniversary Like No Other," earned the American Advertising Bronze Award, while the 2021 report, titled "Charting the Course," secured the American Advertising Silver Award.



Institute of Internal Auditors Recognition:

The OCERS Internal Audit Team was recently recognized by The Institute of Internal Auditors (IIA) for its hard work and dedication, earning the IIA's highest rating for an external quality assessment review and was awarded a plaque. In their review, the IIA highlighted the team's exceptional efforts in providing excellent service to stakeholders. The client survey results demonstrated scores exceeding the average results from all other organizations reviewed by the IIA.

Board of Retirement Approves Maximum COLA Increase

On February 21, 2024, the OCERS Board of Retirement approved a 3.5% cost-of-living adjustment (COLA) for all OCERS retirees and qualified beneficiaries.

This adjustment will result in a 3% increase in allowances for all benefit recipients who will begin receiving benefits on or before April 1, 2024, with the remaining 0.5% allocated to their "COLA Bank." Members can expect to receive this COLA adjustment included in the benefit payments beginning on the May 1st check.

In the early part of every calendar year, the OCERS' Board sets the COLA for that year. OCERS' actuary, Segal, recommends the appropriate COLA

for consideration by OCERS' Board. OCERS' actuary first determines the annual increase or decrease in the Consumer Price Index (CPI) for the last two years, using the Bureau of Labor Statistics figures for our geographic area, which consists of Los Angeles, Long Beach, and Anaheim. The CPI is a measure of the average change over time in prices paid by urban consumer goods and services such as food, housing, apparel, transportation, medical care and education.

Scan the QR Code to learn more about COLA and Star COLA!



COLA and Star COLA

Investments Update: Q4 2023 Performance Review

Global equities rallied in the fourth quarter of 2023, driven by investors' optimism that the US Federal Reserve would cut rates in 2024. The US outperformed the rest of the world, with the S&P 500 returning 11.7%. Developed markets also posted strong returns, rising by 10.4%. Emerging market equities lagged behind their international counterparts, advancing 7.9%.

The Federal Reserve continued to hold rates steady and adopted a dovish tone, signaling the end of its rate hiking cycle. This resulted in a broad fixed income rally across all sectors. In fact, the fourth quarter witnessed the best quarterly performance for global bonds in over two decades. Investment grade bonds rose by 6.8%, and the riskier high yield bonds

Current Portfolio

As of December 31, 2023

Asset Class	Market Value	Actual	Target
Global Public Equity	\$10,461,470,143	47.0%	45.0%
Private Equity	\$3,508,694,907	15.8%	15.0%
Income Strategies	\$3,129,903,865	14.1%	17.0%
Real Assets	\$3,048,285,138	13.7%	13.0%
Risk Mitigation	\$1,813,723,748	8.2%	10.0%
Unique Strategy	\$121,050,733	0.5%	0.0%
Cash & Cash Overlay	\$180,757,141	0.8%	0.0%
Total Assets	\$22,263,885,675	100.0%	100.0%

rose 7.2%. Emerging markets debt also benefited from this positive risk sentiment, returning 9.1%.

The Bloomberg Commodity Index fell by -4.6% during the fourth quarter. The energy sub-component was the biggest detractor, down by -18.1%. Despite OPEC+ implementing production cuts, oil prices fell sharply during this period.

As of December 31, 2023, OCERS' portfolio had a market value of \$22.3 billion, up from \$21.0 billion at the end of the third quarter. OCERS' portfolio generated a quarterly return of 6.11%, compared to the policy benchmark return of 6.07%. Over the trailing one-year period, OCERS' portfolio posted a return of 11.44% in comparison to the Policy Index return of 12.08%.



SCAN ME

SEE THE LATEST ON OCERS' INVESTMENTS

Interested in OCERS' investment portfolio? See the latest updates on the retirement system's nearly \$23 billion fund, which is used to pay benefits to retirees and their beneficiaries.

Go to ocers.org/investments



ASK BENNY

Ben E. Fits (aka 'Ask Benny') provides guidance on pension-related queries, retirement benefits, beneficiaries, and retirement planning. If you have any questions, feel free to email us at communications@ocers.org.

Dear Benny:

*When is the best time to retire?
- Future Retiree*

Dear Future Retiree:

There isn't universally a perfect time to retire; it's ultimately a personal decision for each member to make. Many individuals opt to retire in March or before April 1st simply to qualify for the Cost of Living Adjustment (COLA) for that year.

For more info: <https://bit.ly/RP-OCERS>

Dear Benny:

I read that the COLA is based on the CPI from the prior year, and the COLA is set for 3.5%. However, it said that the COLA will actually only be 3% with the remaining 0.5% going into the retiree's COLA bank. Why isn't the full 3.5% given to recipients immediately?

- Curious About COLA

Dear Curious About COLA:

The 3% limit is outlined in Government Code section 31870.1

The Government Code (GC) applies a cap of 3% for annual COLA increases or decreases. If the cost of living figure surpasses 3%, such as in 2023 & 2024, any excess amount is deposited into an OCERS member's "COLA Bank." In future years, when the Consumer Price Index is lower than 3% and there is a positive balance in the payee's COLA Bank, OCERS will use it to provide the highest possible COLA adjustment, up to 3%.

In short, a COLA Bank is a reserve where any amount exceeding the 3% limit in COLA adjustments is saved for later use.



Ask Benny Online

Scan the QR Code to see more of Ask Benny on our website.



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Sign up for a Retirement Seminar!



Pre-Retirement Seminars are presented in-person and online each month.

May:

8th: OCERS Retirement Seminar / In-Person
 22nd: OCERS Retirement Seminar / Via Zoom

June:

12th: OCERS Retirement Seminar / In-Person
 26th: OCERS Retirement Seminar / Via Zoom

July:

10th: OCERS Retirement Seminar / In-Person
 24th: OCERS Retirement Seminar / Via Zoom

Scan the QR code or sign up online:
bit.ly/OCERS_Seminars



RETIREMENT APPLICATION CHECKLIST

- 1. CHOOSE A RETIREMENT DATE**
 OCERS recommends that you select the first day of a pay period. This would be the day following your last day of employment.
- 2. SUBMIT YOUR APPLICATION**
 Submit your application through the myOCERS portal. Application can be submitted up to 60 days in advance and no sooner.
- 3. IF YOU HAVE RECIPROCITY**
 If reciprocity is applied, you will need to apply with all reciprocal systems separately and use the same retirement date.
- 4. ACKNOWLEDGEMENT**
 You will receive an acknowledgement email or letter that we received your application.
- 5. GATHER REQUIRED DOCUMENTS**
 In order for OCERS to process your retirement, we will need the following:
 - Original or true certified copy of your birth certificate
 - Original or true certified copy of your spouse's or domestic partner's birth certificate
 - Original or true certified copy of your marriage certificate or original domestic partnership registration certificate
 - Valid passport if no original birth certificate
 - Divorce documents, if applicable
 - Copies of timesheets and paystubs, if needed
 - Direct deposit form
 - Tax Withholding Election form(s)
- 6. SCHEDULE A MEETING WITH A RETIREMENT PROGRAM SPECIALIST**
 The OCERS Retirement Program Specialist will review your documents and advise you on the timeframe of your application.