

# At Your Service

Orange County Employees Retirement System  
Volume 8 Number 1 Magazine for all Members January 2009



**Tough times, but  
OCERS is here**

# At Your Service



## Members of the Board of Retirement

Robert A. Griffith, Chair  
Arthur Hidalgo, Vice Chair  
Russell Baldwin  
Tony Bedolla  
Frank E. Eley  
Thomas Flanigan  
Patti Gorczyca  
Reed L. Royalty  
Chriss W. Street  
Richard A. White, Jr.

## Chief Executive Officer

Steve J. Delaney

## Chief Investment Officer

Shanta Chary

## Assistant Chief Executive Officer, External and Legal Operations

Julie Wyne

## Assistant Chief Executive Officer, Internal Operations

Stephen Cadena

At Your Service is published for members and retirees of the Orange County Employees Retirement System

Comments and suggestions should be directed to: Robert Kinsler, Public Relations Analyst

## OCERS

2223 E. Wellington Ave., Ste. 100,  
Santa Ana, CA 92701  
Telephone: (714) 558-6200  
Toll-free: (888) 570-6277  
Web site: [www.ocers.org](http://www.ocers.org)

At Your Service is written and designed by Robert Kinsler and Jayne Ritchey

## Board of Retirement Meetings:

All regular business meetings are held in OCERS Board Room at 8:30 a.m.

|                  |                   |
|------------------|-------------------|
| January 20, 2009 | February 17, 2009 |
| March 23, 2009   | April 20, 2009    |
| May 26, 2009     | June 22, 2009     |
| July 20, 2009    | August 24, 2009   |
| October 19, 2009 | November 23, 2009 |
|                  | December 21, 2009 |

## New Chair and Vice Chair appointed to Board

At its regular meeting held on December 15, 2008, the Board of Retirement unanimously elected Robert A. Griffith to the position of Chair and Arthur Hidalgo to the position of Vice Chair.



Mr. Griffith (pictured on the left) was elected as Retired Member to the Board in November 2004. He currently serves on OCERS' Audit Committee and the Private Markets Committee.

Mr. Hidalgo (pictured on the right) was appointed by the Orange County Board of Supervisors and has held his seat on the Board of Retirement since March 2006. Mr. Hidalgo is currently Chair of OCERS' Private Markets Committee and serves on the Audit Committee.



## On the move? Please keep your employer and OCERS updated

Is your address within your agency's payroll system correct? Please look at your most recent pay stub to verify that your home address is accurate. To correct your address, contact the Human Resources Specialist or Payroll Representative within your Agency/Department as soon as possible.



If you are a retiree and plan on moving, please make sure to contact OCERS as soon as possible to keep us updated with a current address and phone number so you continue to receive important information from us, including your 1099-R Form in early 2009.

# OCERS and your retirement benefits

*By Julie Wyne, Assistant Chief Executive Officer, External and Legal Operations*

As an active, deferred or retired member of OCERS, we are aware that you may have concerns about the current economic crisis our country is experiencing and its impact on your retirement benefits. This article is intended to provide an explanation of how a defined benefit retirement system, such as OCERS, functions.

Let's spend a moment to discuss the concept of vested benefits. Whether you have already retired or not, you are guaranteed a benefit that is set by a formula already in place. Your retirement benefit will not decrease because of the investment performance of the fund. That is because it is a constitutionally guaranteed benefit that is set by statute.

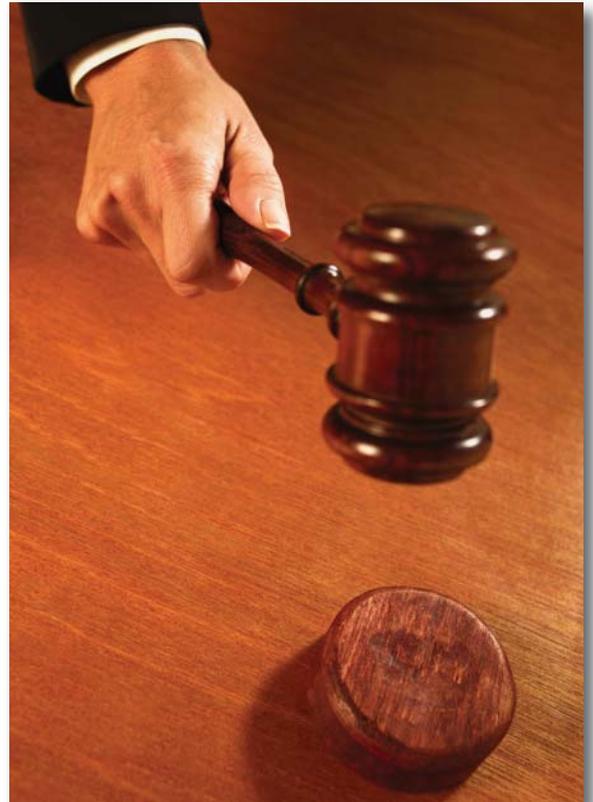
Upon retirement, your OCERS benefits are based upon a calculation that considers 1) your final average salary in the measuring period that you choose, 2) the benefit formula applicable to your position, and 3) the number of years of service you had accumulated. With these figures, OCERS' staff calculates your monthly retirement benefit, which you will receive for the remainder of your life. This monthly retirement benefit is increased yearly by a cost-of-living adjustment, or COLA, based upon Consumer Price Index figures for Southern California.

Depending upon the retirement option you choose, there may be a surviving spouse or child that becomes eligible for a continuance of your retirement benefits upon your death. Or, there may be contributions available for a lump sum payment to your designated beneficiary. These are also constitutionally guaranteed benefits that are set by statute, and they will not decrease regardless of the investment performance of the fund.

Despite the volatility in the investment markets, OCERS remains a financially stable fund. That's because we broadly invest the fund's assets to mitigate the risks associated with market volatility. Our disciplined investment strategy is well positioned to take advantage of a return to more normal market conditions.

While investment performance is important in supporting the system's funding, it does not have a direct impact on the amount of retirement benefits paid. For more information on OCERS' investment strategy and performance, you can access the OCERS Web site at [www.ocers.org](http://www.ocers.org).

If you have any questions or concerns about your OCERS retirement benefits, you can contact our Member Services department at (888) 570-6277.



# Financial Strategy Seminars help prepare for future

If you are planning to retire within the next 3 to 30 years, you should plan to attend a free Financial Strategies for Retirement Planning Seminar. Financial Strategies Seminars are held at:

**OCERS (Training Room)  
2223 E. Wellington Avenue, Suite 100  
Santa Ana, CA 92701**

The Financial Strategies for Retirement Planning Seminar consists of a three-session workshop. Each meeting will cover important topics for successful planning. The third meeting concentrates on information from an OCERS representative. Individuals and couples are welcome to attend. There is plenty of free on-site parking for those attending.

Various topics of interest and importance will be covered over the course of the three-session workshop. Some of them are:

- Deferred Compensation investment choices
- Tax-free and low-cost investing for profit
- How to determine retirement goals
- Investment choices to consider in the current stock market

The third meeting of each workshop focuses on information relating to OCERS, including such topics as:

- Eligibility for retirement
- Reciprocal benefits
- Benefit calculations, and how to apply for your retirement benefits from OCERS online
- How to determine your future OCERS benefit

Don't miss out on this valuable information. It will help you prepare for your future. The seminars are free, but reservations are required. To make your reservation to attend this seminar, please log on at [www.ocers.org](http://www.ocers.org) and click on "Retirement Seminars."

An important note: anyone registering for the Financial Strategy Seminar should plan on attending all three sessions. For more information on upcoming Financial Strategies for Retirement Planning Seminars, please call Robert Kinsler at (714) 558-6230.

## SCHEDULED DATES:

The Financial Strategy Seminar is a three-session workshop, and persons signing up should plan on attending all three sessions of the workshop.

### Dates are as follows:

#### Workshop

Wednesdays

January 7, 14 and 21, 2009  
6 – 9:30 p.m.

#### Workshop

Wednesdays

February 4, 11 and 18, 2009  
6 – 9:30 p.m.

#### Workshop

Wednesdays

March 4, 11 and 18, 2009  
6 – 9:30 p.m.

#### Workshop

Wednesdays

April 1, 8 and 15, 2009  
6 – 9:30 p.m.

# The facts about Pension Funding

*By Steve Delaney, Chief Executive Officer*

“Government bailout,” “economic uncertainty,” “bad debt” and “market volatility” are only a few of the financial terms that are commonly heard these days not only on Wall Street, but around the world.

Because OCERS is an institutional investor, there is no place to completely hide from the dramatic and wide-ranging financial crisis impacting markets in 2008. In fact, just about every public pension fund and corporate retirement fund is significantly down in negative territory this year. However, it is important to know that the Orange County Employees Retirement System has a long-term strategy and targeted approach to investing that is designed to weather the kind of volatility that has impacted a number of asset classes in our portfolio, including equities, bonds and real estate in recent months.

OCERS’ Board of Retirement and investment staff remains very focused on positioning the fund’s portfolio for both the short and long term. Because of the skilled management of our defined benefit plan by knowledgeable trustees, professional staff members and outside investment consultants, OCERS has sufficient cash on hand to pay out benefits to all of our payees. The investment consultant and staff continue to monitor all areas of OCERS’ portfolio and report to our Board of Retirement on a regular basis.

In the near future, OCERS will undertake an asset liability study to help provide us with every tool possible to meet our 7.75% assumed rate of return. As part of this study, we will review capital markets and determine appropriate investment policy moving forward.

Despite the challenges facing the current market environment, over the long-term pensions have performed as they should, according to a report released by the National Institute on Retirement Security on Nov. 24, 2008.

“The results underscore that public pensions are suitable for plan participants when debt and equity markets are tranquil or volatile,” said Jeffrey Menger, co-author of the “In it for the Long Haul: The Investment Behavior of Public Pensions” study and an assistant professor at the University of Georgia School of Public and International Affairs.

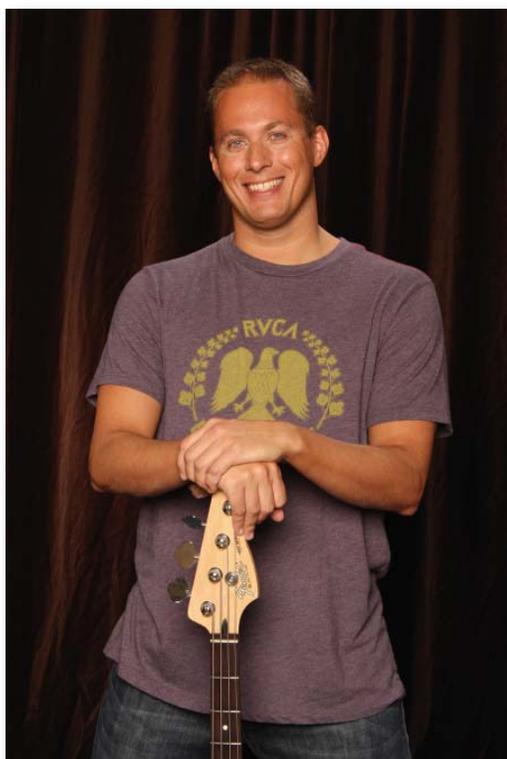
The co-author of the study, Christian Weller, also praised the ways that public pensions such as OCERS operate, adding “Our data suggest that public pensions followed well-established practices for prudent, long-term investing during the market plunge that occurred through 2001. Going forward, this is an indicator that public plans are well situated to recover from today’s financial crisis in a manageable way.”

During the current financial crisis, public pensions such as OCERS have continued to monitor the risk and return of the fund and explore investment strategies that fit the long-term investment horizon. We look forward to communicating to our members and plan sponsors about the important actions we take to strengthen OCERS in the years ahead.

## Crime fighter by day, rock musician by night

A career in law enforcement is usually marked by a combination of excitement, hard work and nerves of steel. For Damon Tucker, nerves of steel are a part of the job since he is a long-time investigator with the Orange County District Attorney's Office. But he also utilizes plenty of steel in his free time, with the strings on his bass and steel-string guitars providing him with an additional dose of excitement since he is a member of the original rock group Parkaimoon, and the popular U2 tribute band One.

"I love the job," Damon said of his position investigating white collar crimes in preparation for trial. "People ask if you had a hit (song), would you drop your day job. No, I like being a police officer more than being a musician."



Damon has been an investigator with the District Attorney's Office for more than five years. Before coming to the County of Orange in July 2003, he was a police officer and detective with the Irvine Police Department. He began his professional career in law enforcement as a police officer with the Los Angeles School District Police Department.

Damon knows that through his reciprocal service with CalPERS and his growing years of service as a member of OCERS, he is already on his way to planning for retirement. However, he is not necessarily focusing that far into the future just yet.

"I'm not looking forward to it," Damon said of his own retirement. "I love what I do and my concern is not about retirement right now. I'm having too much fun."

In addition to his full-time position as an investigator, he teaches criminal justice courses several nights a week, helping prepare the next generation of real-life crime fighters at Cal State Long Beach and Westwood College in Anaheim. As if juggling roles in the District Attorney's Office and rock 'n' roll wasn't enough, Damon is also a competitive athlete.

"I still race around the world. I came to California based on swimming around the same time I wanted to be a rock star," admitted Damon, who is a native of Marion, Illinois. "I was able to get in-state tuition because of swimming."

Damon has participated in a number of World Police & Fire Games biennial competitions, including in Barcelona, Spain in 2003, Quebec City, Canada in 2005 and Adelaide, Australia in 2007. He is scheduled to compete at the 2009 event in British Columbia, Canada next summer.

But much of his free time in recent weeks has been spent promoting “The Sum of Our Experience,” a full-length Parkaimoon album released on CD and via iTunes on Nov. 11, 2008.

“The album is the best I can do. At this point, it’s like the lottery; you can’t win if you don’t play,” said Damon when asked about his hopes for the project.

For someone who has been scuba diving in Bali, bungee jumping in Australia and met some of his childhood musical heroes while sharing the bill with them as a member of Parkaimoon, life truly is an adventure worth experiencing one day at a time.

“I’ve had a great life,” Damon admits.



## OCERS' Web site enhanced by new security features

Since OCERS' newly-designed Web site was launched last summer, thousands of members have discovered the wealth of easy-to-find information and interactive features available at the click of a mouse.

Now OCERS is rolling out several major improvements on the Member Information Center, a site that allows our members to access their personal account information, conduct transactions such as beneficiary changes, and get a customized benefit estimate via the Internet.

Beginning in early 2009, all members will be required to create a new User Name and Password before logging in to the Member Information Center. As part of a continuing effort to protect members' privacy and security, Social Security Numbers will no longer be used as part of the login process.

“In comments we have received from concerned members, as well as up-to-date analysis by our Information Technology staff, we determined that a new login process was essential,” said Stephen Cadena, Assistant CEO, Internal Operations. “Many of our members wanted the ability to select their own User Name and Password, and soon they will be able to do that.”

While you're at OCERS' Web site, learn more about retirement, disability, death and survivor benefits utilizing easy-to-use links directing you to any area of the site in seconds. For more information, visit [www.ocers.org](http://www.ocers.org).



# Pre-Retirement Planning Seminars are coming

While it's easy to live for today, moving into retirement requires plenty of advance planning. OCERS is offering Pre-Retirement Seminars throughout early 2009 to help you gather information you'll need to meet your retirement goals. The few hours you spend at the seminar can have a beneficial and long-lasting impact on your quality of life after you retire. Anyone who is within three years of their retirement date should plan on taking this seminar.

These daytime seminars will be held at OCERS, 2223 Wellington Ave., Ste. 100, Santa Ana, from **8 a.m. to 1 p.m. on Jan. 14 and 28; Feb. 11 and 18; and March 11 and 25, 2009.** The one-session, five-hour seminar is free, and there is plenty of free on-site parking for those attending.

Various topics will be covered. A Social Security representative will discuss Social Security and Medicare benefits; a representative from "Deferred Compensation" will discuss the County's 457 plan; a representative from Retiree Medical will discuss the County's retiree medical benefit options; and an OCERS Retirement Specialist will focus on your OCERS retirement benefits.

No advance registration is necessary and this information will help prepare you for the move into retirement.

For more information, please log on at [www.ocers.org](http://www.ocers.org) and click on "Retirement Seminars."

---

Orange County Employees Retirement System  
2223 E. Wellington Avenue, Suite 100  
Santa Ana, CA 92701

Presorted  
First-Class Mail  
U.S. Postage Paid  
Santa Ana, CA  
Permit # 61