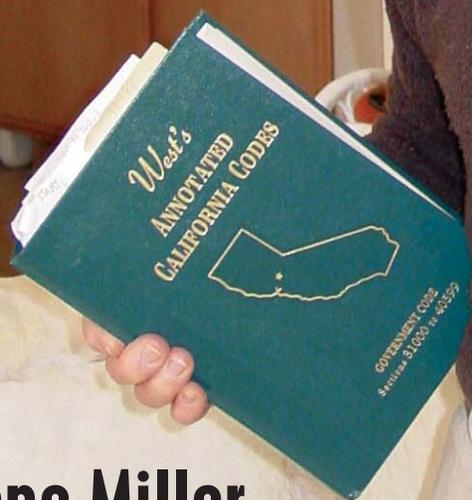


# At Your Service

Orange County Employees Retirement System  
Volume 7 Number 2 Magazine for all Members April 2008



**Eugene Miller  
has all the clues**

*At Your Service*



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At Your Service is published for members and  
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Retirement System

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

April 21, 2008	August 25, 2008
May 19, 2008	October 20, 2008
June 16, 2008	November 17, 2008
July 21, 2008	December 15, 2008

## **OCERS to host 'Baby Boomer' seminar on May 5, 2008**

In recent months, there have been a number of high-profile stories about the increasing costs for the federal government to provide Social Security and Medicare benefits for retirees. Indeed, according to a USA Today report published in February 2008, the federal government spent \$952 billion in 2007 on senior benefits, up from \$601 billion in 2000.

And the number of people moving into retirement will soon rise dramatically, as an estimated 79 million baby boomers (those born between 1946 and 1964) qualify for Social Security and Medicare health insurance. OCERS is also seeing an increase in the number of members moving into retirement; as of March 1, 2008, the retirement system had 11,473 members on its retiree payroll (an increase of 4.8 percent from a year earlier).

The County of Orange Defined Contribution Program (Great-West Retirement Services) is going to be holding a free seminar at OCERS titled "The Retirement Boom: Good News and Bad News for Boomers Nearing Retirement Age."

This seminar will focus on the reality of some of the issues facing baby boomers nearing retirement, including not saving enough, uncertainty surrounding Social Security, and the increasing cost of health care.

The hour-long seminar will offer key strategies to learn now so you are better prepared for the challenges that await you as you move into retirement.

"The Retirement Boom: Good News and Bad News for Boomers Nearing Retirement Age" will be held in the Board Room at OCERS, 2223 Wellington Ave., Santa Ana, at 10:30 a.m. on Monday, May 5, 2008. There is plenty of free and available parking at OCERS.

For more information, contact Doug Slavin at Great-West Retirement Services, (800) 933-9808.

# Retirees, survivors to see 3% COLA benefit on May 1

Retirees and other members who receive a monthly payment from OCERS will see a 3 percent cost of living adjustment (COLA) beginning with their May 1, 2008 monthly retirement allowance. The increase, designed to help ease the impact of inflation, was approved by the Board of Retirement at its regular meeting held February 19, 2008.

Any OCERS member who retired on or before April 1, 2008 will receive the 3 percent COLA this year. A cost of living adjustment is made annually in accordance with changes in the Consumer Price Index (CPI) for the Orange County area. The CPI for the Orange County region in 2006 was 3.30 percent; the 1937 Act calls for cost-of-living increases to be rounded to the nearest one-half percent.

Any changes in the CPI over the maximum 3 percent are held in a COLA bank and are applied to retirees' benefits in a future year when the CPI change may be less than 3 percent. For example, if a member retired in March 2008, they would receive the maximum 3 percent on their May 1, 2008 payment, and the remaining .50 percent would be placed in the COLA bank. If in the second year of retirement, the CPI is 2.5 percent, the member would receive the maximum of 3 percent (with .50 percent coming from the COLA bank).

For more information on a wide variety of services and additional resources, visit our Web site [www.ocers.org](http://www.ocers.org).

## Please think of OCERS when you are on the move

When it comes time to move, it is important to keep OCERS updated. Indeed, when OCERS completed a recent mailing to all active, deferred and retired members, thousands of pieces of mail were returned. Not only does this account for thousands of dollars in cost to the retirement system, but that means many members and their eligible beneficiaries didn't receive critical information about their retirement benefits.

Here's where you come in. If you are planning on moving, please submit a change of address immediately. Follow the instructions below that match your current membership status with OCERS.

- If you are an active employee working for an OCERS-covered employer, please contact the human resources specialist or payroll representative within your agency/department as soon as possible. Your employer will then contact us electronically to update our files with that updated information. Do not contact OCERS directly.
- 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. You can change your address by writing to OCERS at 2223 Wellington Ave., Santa Ana, CA 92701, or you can download a "Change of Address Form" at our Web site [www.ocers.org](http://www.ocers.org).

# 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. Planning Seminars held at:

**OCERS (Training Room)  
2223 Wellington Avenue  
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 Catie Flores at Financial Management Specialists, (714) 245-1954.

## 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  
April 2, 9 and 16, 2008  
6 – 9:30 p.m.

**Workshop**  
Wednesdays  
May 7, 14 and 21, 2008  
6 – 9:30 p.m.

**Workshop**  
Wednesdays  
June 4, 11 and 18, 2008  
6 – 9:30 p.m.

**Workshop**  
Wednesdays  
July 2, 9 and 16, 2008  
6 – 9:30 p.m.

**Workshop**  
Wednesdays  
September 3, 10 and 17, 2008  
6 – 9:30 p.m.

# OCERS' portfolio sees continued growth in 2007

By Steve Delaney, Chief Executive Officer

Active and retired members can't help but be concerned about their retirement security when they see news reports focusing on volatile financial markets in the U.S., as well as around the world.



However, the good news is that OCERS has a broadly diversified asset allocation policy that is designed to provide strong returns with relatively low risk. In addition to domestic and international stocks, OCERS' \$8 billion portfolio also includes domestic and international fixed income, alternative investments and real estate.

While OCERS' Board of Retirement and investment staff monitor developments closely to respond to economic issues that could impact the system's range of investments, the most important thing for members to know is that OCERS is a strong defined benefit plan that has been providing all of our members with promised benefits for more than 60 years.

Since its establishment in January 1945, OCERS has survived a number of market storms (notably Black Monday, when the Dow Jones Industrial Average dropped 508 points and lost almost 23 percent of its value in a single day on Monday, October 19, 1987) and has continued to record positive growth over extended periods of time.

In 2007, we saw a 10.73 percent return for the year, and OCERS recorded an average 12.81 percent return for the previous five-year period. Those positive figures exceed the 7.75 percent assumed rate of return that we use to calculate the funding of retirement benefits. Looking back over the 10-year span for the date ending Dec. 31, 2007, OCERS saw an 8.46 percent average rate of return. There will undoubtedly be select periods where the portfolio doesn't perform so well, but OCERS takes a long-term approach to investing that is specifically designed to weather both short and extended periods of uncertainty on Wall Street.

While the management of OCERS' investment portfolio is an important focus here, so are the wide range of services we provide for our members. We continue to offer one-on-one appointments for members getting ready to retire, while also being among a mere handful of retirement systems in California already able to allow members to retire via the Internet using the Member Information Center. We continue to provide free daytime and evening seminars that provide members with the necessary tools to make important decisions about their retirement.

I look forward to working with the Board of Retirement, Plan Sponsors, our staff and all of our members to continue to make OCERS a model of success in the 21st century.

# Eugene Miller is making the most of his retirement

While countless experts look at the challenges facing those moving into retirement, it's easy to forget there are many people like Eugene Miller who are fully enjoying their Golden Years. A former Chief Deputy Coroner for the County of Orange, the 82-year-old Laguna Niguel resident is fit and trim, works out at a gym most mornings and loves traveling around the globe with his wife Janet.

Since getting his first job working in the photography department at 20th Century Fox Studios at age 16, Miller has experienced the full range of joys and challenges that go into a rich life.

In early 1943, the 17-year-old Miller joined the U.S. Navy, spending most of his service during World War II in the Philippines. It was as a direct role of his being assigned to Criminal Investigation Division (better known as "CID") in the military that later led him to pursue a career as a private investigator in Hollywood and subsequently as a Deputy Coroner in Orange County.

After the war, when Miller had returned to Hollywood, he met and married his first wife. They soon moved from Pacific Palisades to Costa Mesa.

"I was commuting to Los Angeles everyday," Miller said. "My wife Marian said, 'Can't you find a job in Orange County?' I saw an ad in the newspaper for a Coroner investigator. I got the job and a year later when the Chief Deputy Coroner retired, I got that job."

Miller has a number of strong memories about his role as Chief Deputy Coroner for the County. He worked for the County of Orange during a period of tremendous growth. He noted when he started, he worked in a small lab in the old County Courthouse.



"Orange County was growing and I was adding employees." During his tenure, Miller also pushed for the construction of a morgue.

"We didn't have a morgue. Year after year, I got into a fight (with the Board of Supervisors) over it," said Miller. "I had to use (area) funeral homes and it wasn't practical." Today the County has a state-of-the-art morgue.

The case that Miller continues to think about most is Orange County's worst aviation disaster, a June 1965 incident where a military flight crashed into Loma Ridge near Irvine, killing all 84 persons aboard the flight.

"It was one of the hardest cases I ever worked on," Miller said. "It was such a vast number of deaths and we set up an emergency morgue at El Toro Marine Corps Air Station. The Air Force gave me a commendation for the way I handled the case."

"The last year I was there (at the County), there were 65 homicides," recalled Miller, who noted the stress of serving in the position. "I wanted to leave early. I was handling more and more cases."

Before making his final decision, Miller and his wife Marian took a six-week vacation to Hawaii. He had never taken any extended time off while employed by the County and immediately fell in love with the idea of retiring and moving to Hawaii.

So after his retirement in August 1976, Miller retired and his family (he and his first wife had four children) moved to Hawaii. "I lived in Hawaii for 20 years. I worked in a law office for 11 years. I was their investigator. I traveled around to all of the islands and it was the best job I ever had."

After Miller's first wife died in 1986, he met and married his second wife. Because he married Janet after he had already retired from the County of Orange, he realized that she was not eligible to receive a portion of his retirement benefits from OCERS if he died before her. So when Miller and his wife moved to Laguna Niguel a decade ago, he got involved with the Retired Employees Association of Orange County to see if he could get the law changed.



"I had started checking around to see how many retirees had remarried and this was a critical issue," Miller recalled. "I was a REAOC Board Member for a number of years and tried to get legislation through the State. I got assistance from a couple of state senators and finally got the bill through," Miller explained.

AB 2060, which went into law on Jan. 1, 2003, allows a member's spouse at the time of his or her death to receive a survivor's 60 percent continuance under the "unmodified option" as long as certain conditions are met. Key parts of the law are targeted at after retirement spouses. For example, a retiree's spouse is now eligible to receive a 60 percent continuance under the unmodified option as long as the member's spouse at the time of the member's death is 55 or older, and was married to the member at least two years prior to death.

Because Janet is a native of New Zealand and has family there, the couple frequently take trips to that island nation. Miller's oldest son is a lawyer in Honolulu, so they often go to Hawaii too. And they agree that London and Paris are among their favorite places to vacation.

A fellow with the American Academy of Forensic Sciences and a life member of the International Association of Chiefs of Police, Miller is proud of his career with the County of Orange and his more recent role as a member of REAOC able to champion rights and benefits for other retirees.



Miller also advises today's young workers to think about the future and plan for a long and active retirement: "I feel people should invest in safe investments. The revenue is quite substantial and will supplement your monthly (OCERS) retirement."

# 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 a full schedule of Pre-Retirement Seminars in spring 2008 for those considering retirement. 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.

The Pre-Retirement Planning Seminar will be held at OCERS, 2223 Wellington Ave., Santa Ana, from 8 a.m. to 1 p.m. on April 9 and 23; May 14 and 28; and June 11 and 25. The one-session, five-hour seminar is free, and there is plenty of free on-site parking for those attending.

Various topics of interest and importance to you will be covered. A representative from "Deferred Compensation" will discuss your 457 plan; a Social Security representative will discuss your Social Security and Medicare benefits; a representative from Retiree Medical will discuss medical benefit options; and an OCERS Retirement Specialist will focus on your OCERS retirement plan.

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."



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