

At Your Service

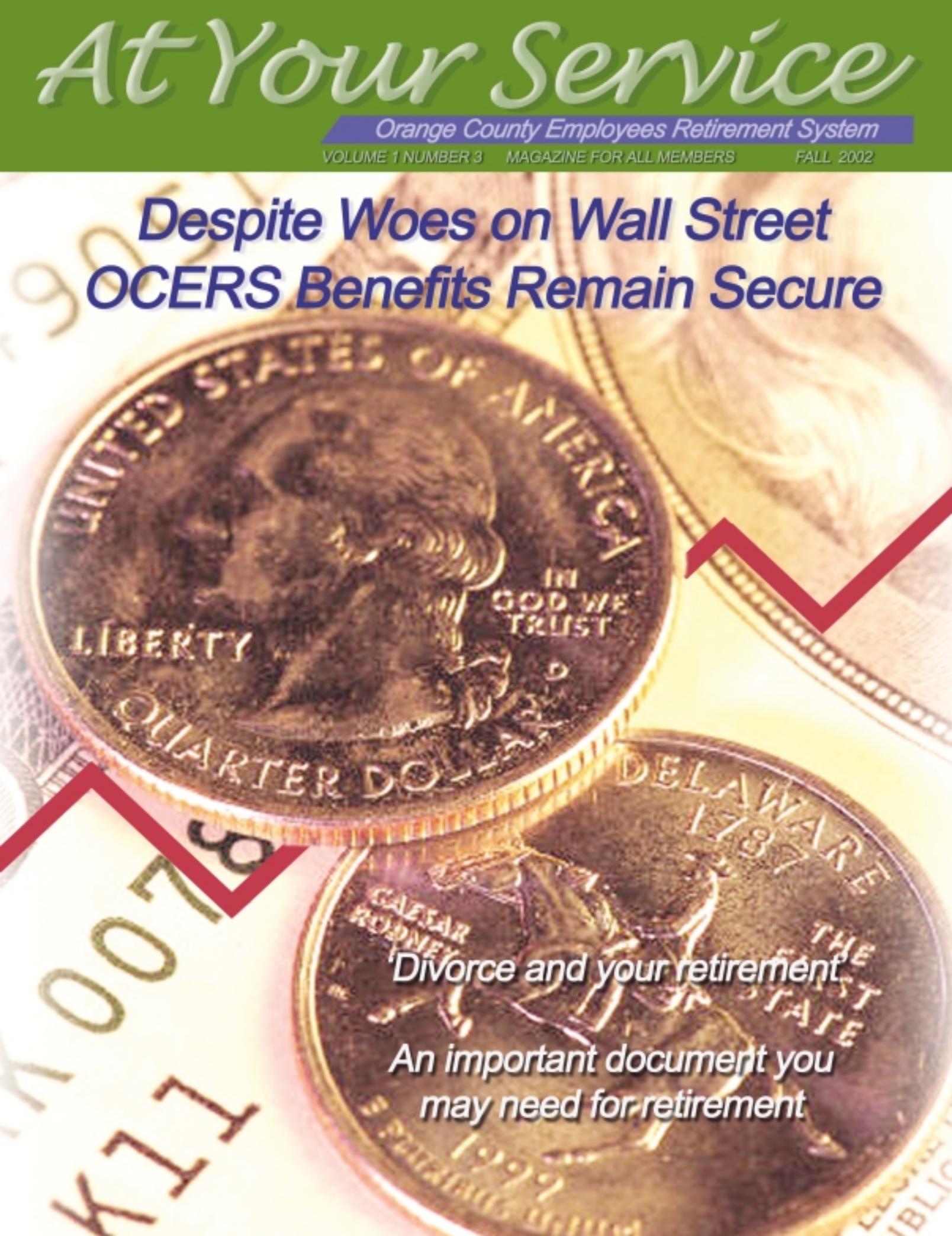
Orange County Employees Retirement System

VOLUME 1 NUMBER 3

MAGAZINE FOR ALL MEMBERS

FALL 2002

Despite Woes on Wall Street OCERS Benefits Remain Secure



Divorce and your retirement

An important document you
may need for retirement

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

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At Your Service is written, designed and edited by Robert Kinsler, Jayne Ritchey and Cuong Nguyen.

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

October 28, 2002

November 18, 2002

December 16, 2002

OCERS Web site has a wealth of information

Log on to www.ocers.org to learn more about your retirement benefits.

OCERS official Web site provides a wealth of information and services for anyone with access to the Information Highway.

One of the most popular features at OCERS Web site is the Benefits Calculator, which allows any member to get a fast estimate of their projected retirement allowance based on their current salary, age and years of service. No registration is required and it only takes a few seconds to complete the easy-to-use form.

Other expanded features at www.ocers.org include readers being able to access current and past issues of At Your Service magazine, as well as OCERS Extra, a monthly on-line newsletter published immediately after every Board of Retirement meeting.

Also available is a printable version of OCERS official Power of Attorney form for those who want to designate someone to look after their retirement account if they become unable to look after their own needs, as well as a newly-posted Beneficiary Change Form.

In addition, OCERS recently posted a Social Security link for those interested in learning how OCERS or other government pensions may impact their Social Security benefits.

The OCERS Web site has been designed so people using any number of browsers (including both Netscape and Microsoft Internet Explorer) can easily navigate throughout the site's pages and enhanced features.



There is information and photographs of all members of the Board of Retirement and staff, and even a map showing people how to get to OCERS office.

For more information, visit the official OCERS Web site at www.ocers.org.

OCERS remains \$strong



Enron. WorldCom. Arthur Anderson.

From Wall Street to Main Street, Americans have all seen the impact of a weakened economy, disappointing earnings and corporate accounting scandals.

As the stock market skids, OCERS members and Plan Sponsors are among the millions wondering if their retirement is secure and whether costs will escalate. The OCERS Board of Retirement and staff are aware of these concerns. Member benefits remain secure, and while employer contribution rates will likely increase, the system remains sound and designed to weather the type of turbulence we have experienced in recent years.

There are a few important things to note about the Orange County Employees Retirement System:

- OCERS provides a reliable source of retirement income. OCERS is a defined benefit pension plan. In a defined benefit plan, the benefits are not based on market returns but are based on a specific formula set by law.
- The OCERS Board of Retirement sets the asset allocation across a wide range of investments to ensure that all OCERS investment eggs are not put in one basket. Diversification of investments among different companies and asset classes helps to ensure that the success or failure of one particular company or type of investment does not have a huge negative impact on OCERS returns.
- The Retirement Board prudently manages and constantly monitors the investment program. The Board employs qualified managers with expertise in managing their assets. And while absolute returns have been poor, relative performance has been above the benchmark in 2001 and 2002.
- The fund's actuary uses conservative accounting practices such as smoothing to help stabilize the effect of fluctuating investment returns. Smoothing the returns helps funds like OCERS to average plan assets over a longer period of time so that any one-year performance doesn't have as big an impact on the plan.
- State law requires an annual audit of OCERS financial statements. See 2001 Financial Reports story on page 7 of this issue.
- We are long-term investors. What happened yesterday and today matters, but not nearly as much as what happens over a longer period of time.

It's true that recent economic downturns and related negative investment returns in the past 24 months have affected the OCERS fund as a whole. However, OCERS members are guaranteed to receive the retirement benefit they have earned, and the Board of Retirement will continue to use a well-balanced asset allocation and prudent investment practices to safeguard the financial future of the System and moderate costs of benefits.

Financial Strategy Seminars set to begin

If you are planning to retire within the next 3 to 10 years, you should plan to attend one of the following Financial Strategies for Retirement Planning Seminars held at:

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

The Financial Strategies for Retirement Planning Seminar consists of a three-session workshop. Each meeting will cover important topics for successful planning; individuals and couples are welcome to attend. The third meeting concentrates on information from an OCERS Retirement Program Specialist.

The seminar is free and 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.

Among the important topics covered in the comprehensive three-session workshop:

- 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

Don't miss out on this valuable information. It will help you prepare for your future. The seminars are free, but reservations are required. For more information on upcoming Financial Strategies for Retirement Planning Seminars, log on at www.ocers.org and click on News & Events.

To make your reservation to attend this seminar, please contact Susan Spietz at (714) 569-4834, or through OCERS toll-free number at (888) 570-6277, ext. 4834.

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:

First Workshop

Wednesdays

October 9, 16 and 23, 2002

6-9:30 p.m.

Second Workshop

Wednesdays

November 6, 13, and 20, 2002

6-9:30 p.m.

Getting ready to retire? Pre-Retirement Planning Seminars are offered by OCERS

When it comes to retirement planning, it's never too early —

or too late — to get started. So even if you're only a few months away from retirement, it's important to attend a Pre-Retirement Planning Seminar offered by OCERS.



The few hours you spend at the seminar can have beneficial and long-lasting impacts on your quality of life after you retire.

The Pre-Retirement Planning Seminar is held twice a month at OCERS, 2223 Wellington Ave., Santa Ana, and includes a presentation by an OCERS Retirement Program Specialist.

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 be addressing options for withdrawing funds from your 457 plan; a Social Security representative will discuss your Social Security benefits; a representative from Retiree Medical will discuss medical benefit options; and an OCERS Retirement Specialist will focus on your OCERS retirement plan.

Among the topics covered by the OCERS representative:

- When you are eligible for retirement
- How to determine how much compensation you will receive
- Reciprocal benefits for employees who have worked for two or more retirement systems
- How divorce can impact your retirement
- How to determine compensation for your beneficiaries
- When should new retirees expect their first retirement check
- How to schedule an appointment with an OCERS Retirement Program Specialist

Don't miss out on this valuable information. It will help you prepare for your future. The seminars are free, but reservations are required.

For more information on upcoming Pre-Retirement Planning seminars, log on at www.ocers.org. To make your reservations to attend this seminar, please contact Susan Spietz at OCERS, (714) 569-4834 or through OCERS toll-free number at (888) 570-6277, ext. 4834.

SCHEDULED DATES:

These one-session seminars will be held from 8 a.m. to 1 p.m. on Wednesdays.

Dates are as follows:

October 9, 2002

October 23, 2002

November 6, 2002

November 20, 2002



REAO offers services for retirees

The contents of this article were provided by REAO, and published as a service to OCERS retirees.

The Retired Employees Association of Orange County (REAO) is **YOUR** organization. No other organization represents retirees! REAO is separate and independent from the Orange County Employees Retirement System (OCERS) and the Orange County Employees Association (OCEA). Officers and Directors of REAO are volunteers and their focus is strictly on behalf of the retiree.

There is power in unity. You can actively participate in protecting your retirement benefits by joining REAO. When we appeal to the Retirement Board for cooperation or the Board of Supervisors for approval of benefits, we want to be able to say we represent all retirees. The greater our membership the greater our strength! If we are to protect current benefits and secure new ones we need your support. **Consider joining REAO today.** It s only 50 cents a month.

What REAO does:

- Addresses the Board of Supervisors and the OCERS Board to maintain and improve benefits for all retirees. Meets with County Departments that influence retiree benefits.
- Monitors Orange County Retirement System meetings to insure COLA, STAR COLA and other benefits are approved for all eligible retirees.
- Is an active member of the California Retired County Employees Association (CRCEA). This statewide organization sponsors legislation that creates new and protects existing retiree benefits for the twenty 37ACT Counties.
- Publishes a newsletter, *The Informer*, to keep members aware of retirees news and events. Maintains a Web site providing instant announcements and communications among members.
- Arranges five luncheons each year that feature speakers discussing retiree issues and concerns.

The programs always include entertainment and raffle prizes and a time to catch up with many former colleagues and meet new friends.



What REAO has accomplished:

- Successfully won its battle in the courts that resulted in increased retirement benefits for many resulting from the *Ventura Decision*.
- Developed a PPO dental and vision plan for members, facilitated by payroll deduction.
- Implemented law that prohibits the County from changing our health care contract without notice.
- Obtained free membership in OCEA permitting REAO members to participate in OCEA activities.

To join REAO and become a **MEMBER**, please fill in the application that can be found on our Web site at www.reao.org, or email us at reao@reao.org, or call the office at (714) 840-3995 for an application.

'Divorce and Your Retirement' Seminar



The Legal Division at OCERS is offering a special one-session **Divorce and Your Retirement** seminar on how divorce may impact your retirement benefits. It will be held on the following dates and times:

- **Thursday, Oct. 17, 2002; 8 a.m. - 9:30 a.m.**
- **Thursday, Nov. 14, 2002; 8 a.m. - 9:30 a.m.**

The seminar is free and open to all active members, retirees and deferred members. The seminar will be held at OCERS, 2223 Wellington Ave., Santa Ana.

Space is limited and reservations are required. To reserve a space, please contact Fred Messerer **after** September 30, 2002, at (714) 569-4894. For more information, visit the official OCERS Web site at www.ocers.org.



2001 Financial Reports now available

The 2001 Comprehensive Annual Financial Report (CAFR) of the Orange County Employees Retirement System is now available. In addition, OCERS has copies of the Summary of the Financial Report available as a brochure.

Stop by and get your personal copy of either publication, or e-mail Debbie Villa at dvilla@ocers.org and we can mail or pony you one.

Information in the CAFR is designed to provide a complete and accurate review of the year's operations. It contains information about the Retirement System's investments, financial statements, contribution rates, funding and membership.

To view the CAFR online, visit OCERS official Web site at www.ocers.org.



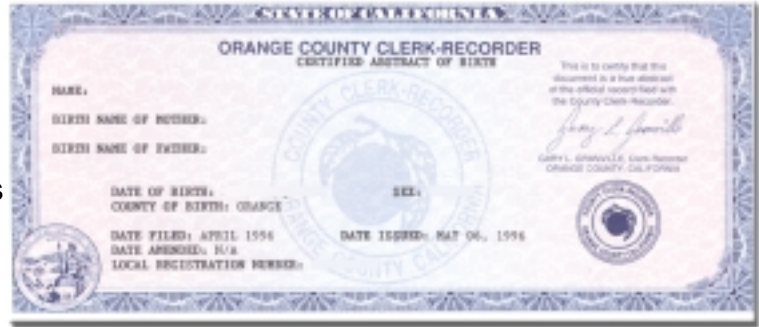
Birth Certificate, other documents assist to build the bridge to retirement

A certified copy of your birth certificate plays an important role for OCERS members in preparing for the transition into retirement.

As a way to help protect the identity of a member and their financial future, a birth certificate is the easiest way to document the identity and date of birth of an OCERS member. At the time you apply for retirement, you must provide a certified copy of your birth certificate.

If you don't have a copy of your birth certificate, one of the following may be acceptable, depending on your situation:

- Census Bureau Registration of Birth
- Hospital birth record or certificate
- Physician or Midwife birth record
- Naturalization and/or Immigration documents
- DD214 (Military Discharge)
- Valid Passport
- School records
- Life insurance policy
- Marriage records



If you are married, you must also supply a certified copy of your spouse's birth certificate (or one of the documents listed above), your marriage certificate, and your spouse's Social Security number.

For more details on preparing for retirement, visit www.ocers.org or call OCERS at (714) 558-6200.

Orange County Employees Retirement System
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