

At Your Service

October 2014

OCERS Payees contribute millions to local economy

Because the majority of OCERS' 15,000 payees (which includes, in part, retirees, survivors, and divorced spouses) live locally and are taxpayers, it should come as little surprise that a major portion of the dollars they spend benefit the Orange County economy in a big way. For example, when a retired health care worker residing in Orange County spends their pension check on goods and services, they are supporting the local economy and the local job market. The largest employment impact of pension spending occurs in the food services, real estate, health care and retail trade sectors.¹

The National Institute on Retirement Security (NIRS) has calculated that each dollar paid in defined benefit pensions leads to \$1.65 in economic impact to the California economy. That's a \$40.8 million boost to the local economy each month from Orange County payees; close to half a billion dollars a year.

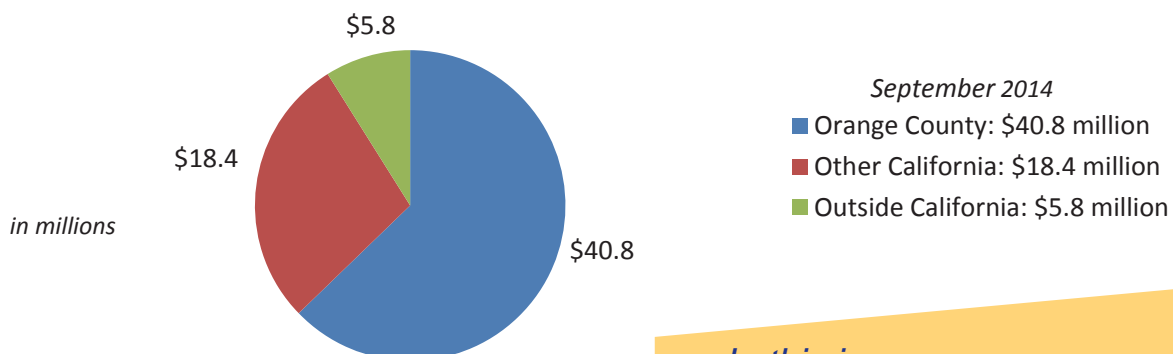
Each and every month OCERS pays out benefits to retired members and beneficiaries. Benefit payments are made whether the stock market is up or



down; they are made in good times and bad. When other sectors of the economy shrink, OCERS benefit payments do not. As a result, OCERS pensions positively impact California's economy by providing payees with a predictable source of income that promotes economic stimulus even during tough

'Economic Impact' story continued on page 7

OCERS' monthly impact on local economy



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At Your Service



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

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Board of Retirement Meetings:

All regular business meetings are held in the OCERS Board Room at 9:00 a.m. (unless otherwise specified)

October 20, 2014

November 17, 2014

December 15, 2014

Future meetings and agendas can be found at
www.ocers.org.

County of Orange Benefits Open Enrollment coming

Attention: County of Orange Retirees, Open Enrollment is upon us! This is the time of the year when health plan rates are announced and you have an opportunity to make changes to your elections for the upcoming 2015 plan year.

Open Enrollment: November 1 – 21, 2014.

The annual Open Enrollment period is the only time during the year (without a qualifying event), that you have the opportunity to enroll or change your medical elections. Your medical benefits will remain the same if you do not make changes. During the month of November, Employee Benefits will have Open Enrollment meetings to give retirees an opportunity to ask questions from each of the County's health plans. You will receive your Open Enrollment package prior to November 1 with a schedule of Open Enrollment meetings.

During Open Enrollment, if you are 65 or older and planning to enroll in one of the County's Medicare Advantage plans, please make your elections early. Enrollment in a Medicare Advantage plan must be approved by the Centers for Medicare and Medicaid Services (CMS) and depending on the plan you choose, you may be required to send in enrollment and/or disenrollment forms. If your form is not received by the required deadline, or you are not approved by CMS, you will be automatically enrolled in the County's Wellwise PPO health plan at higher rates.

Be sure to watch your mailbox and carefully review the Open Enrollment materials from the County. For questions about your current benefits, Open Enrollment, or to verify your current mailing address, please visit the Benefits Web site at www.benefitsweb.com/countyoforange.html or call the Benefits Resource Line toll-free at (866) 325-2345.

For more information on attending a special Open Enrollment meeting at OCERS on November 6, please see the article on page 7 of this issue.

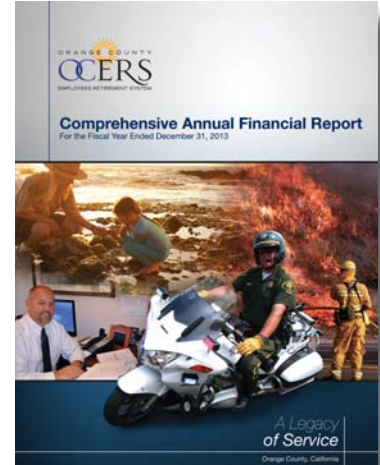
2013 CAFR focuses on Legacy of Service

On July 30, 2014 OCERS Board approved the 2013 *Comprehensive Annual Financial Report* (CAFR). The annual report details all financial, investment and actuarial activities for the 2013 calendar year. It highlights major initiatives and significant events that occurred during the year and gives a preview of any known challenges facing the system in the coming year.

“This year marks the System’s 69th year of operation and as such, we have chosen the theme for this year’s CAFR to be “Legacy of Service,”

said Steve Delaney, CEO. “Our Plan Sponsors provide a wide range of services to the residents of Orange County, from overseeing parks and recreational services, managing the historic cemeteries of Anaheim, Santa Ana and El Toro, to fulfilling the transportation needs of our County, as well as providing law enforcement and fire safety services. We have highlighted these and a variety of other services performed by our members to pay tribute to their hard work and dedication.”

The CAFR is considered a valuable resource for current



and historical financial OCERS data. The 2013 CAFR, as well as prior editions, can be viewed and downloaded at www.ocers.org.

On the move? Keep OCERS informed

If you are an active member, 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.



member please download and complete the Change of Address form and mail it back to OCERS.

If you are a payee and have recently moved, please update your address via the online

so you continue to receive important information from us, including your 1099-R Form and future issues of *At Your Service* magazine.

If you have more questions about the process of keeping OCERS and your employer updated, please watch the “On the Move” video available at the OCERS video library at www.ocers.org.

If you are a deferred member please contact the Member Information Center,



Stay Connected – Follow us on Twitter

Get up-to-the-minute updates about OCERS by following us on Twitter. Latest news, Board meetings, and current events can all be at your fingertips.

Financial Planning Classes focus on smart money

Understanding steps you as a member of OCERS can take to help enhance your overall financial health is a key reason to enroll in the Financial Planning Class held at OCERS. The three night class teaches members worthwhile tools to:

- Create a path to follow and make appropriate financial decisions
- Know when you can retire and how much you will need
- Identify factors that can positively or negatively impact your plan to retire
- Make appropriate investment selections for your short, mid and long-term goals
- Locate resources for further education and planning

Members will also learn income tax planning, estate planning, proper beneficiary designations, calculating Social Security benefits, and an explanation of the OCERS' pension, among other things.

Members will have an opportunity to meet with the financial advisor after the class is completed at no cost on a one-on-one basis to have specific questions answered and create a personalized financial plan with recommendations for the best steps to achieving

SCHEDULED DATES for upcoming classes:

Financial Planning Class

Wednesdays

November 5, 12 and 19, 2014

6 – 9:30 p.m.

Financial Planning Class

Wednesdays

January 7, 14 and 21, 2015

6 – 9:30 p.m.



their financial goals. Attendees have found this individualized planning to be extremely valuable.

Financial Planning Classes are held in OCERS' Training Room, 2223 E. Wellington Avenue, Santa Ana, CA 92701. The three-night class is free, however, seating is limited so reservations are required. To make your reservation to attend this class, visit www.ocers.org and see the "Retirement Seminars" page. For more information on upcoming Financial Planning Classes please call Robert Kinsler at (714) 558-6230.

Looking for answers? View a video

OCERS has short informational videos on a number of topics for active members



and retirees. OCERS' Video Library features videos focusing on helpful retirement tips, benefit options, reciprocity and using the online Benefits Calculator. More videos will be posted soon, so check back often to learn more about your retirement system. See the **Video Library** inside the Quick Links box at www.ocers.org.

Investment portfolio now \$12 billion strong

August 2014 marked the first time in OCERS' 69-year history that the retirement system's portfolio crossed the \$12 billion mark. Indeed, this year has been marked by positive returns in a number of key areas of OCERS' diversified portfolio.

At its regular meeting held on September 24, 2014, the Investment Committee received a report with the latest information about OCERS' portfolio.

The investment fund ended August 2014 with a market value of \$12.039 billion, up more than \$1.5 billion from August 31, 2013.

OCERS' one-year performance through August 31, 2014 was 13.82 percent. Five-year (9.55 percent), 10-year (7.66 percent) and 20-year (8.40 percent) returns have also exceeded OCERS' investment assumption rate of 7.25 percent.

Orange County Employees Retirement System SUMMARY OF PERFORMANCE As of August 31, 2014

	Year-to-Date	1 Yr	3 Yrs	5 Yrs	10 Yrs	20 Yrs
Plan Return	6.35%	13.82%	9.54%	9.55%	7.66%	8.40%
Policy Benchmark	5.96%	12.97%	9.70%	9.28%	7.78%	N/A
Difference	0.39%	0.85%	-0.16%	0.27%	-0.12%	N/A

Assumed Rate of Return 7.25%

Members get questions answered at OCEA event

The annual Orange County Employees Association (OCEA) Health Fair provides OCERS' staff an excellent opportunity to get out and meet with members on a one-on-one basis and get their retirement-related questions answered. The most recent event, held on September 9, was no exception with many members coming up to ask questions about reciprocity, purchase of service credit ("buybacks"), upcoming Pre-Retirement Sessions and other topics.



Several members asked for advice on "the best time to retire" while others asked for help on how best to use the OCERS online Benefits Calculator. Other topics discussed included the annual retiree COLA granted payees, and contribution rate increases impacting many active members. Information on these topics can be found in your Summary Plan Description and throughout OCERS' Web site.

To make updates to your beneficiary designations use the online Member Information Center.

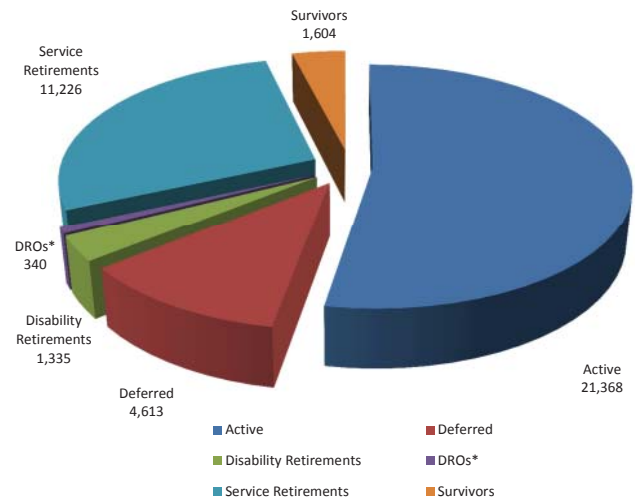
'OCERS by the Numbers' has the 411

Are you a numbers person? Looking for data about OCERS? Our publication *OCERS by the Numbers* has it! *OCERS by the Numbers* is issued annually to compliment the *Comprehensive Annual Financial Report (CAFR)* by providing a wealth of information about the retirement system in a way that our members, plan sponsors and the public can easily understand.

Capturing a comprehensive view of OCERS as of December 31, 2013, the 37-page document is anchored by graphs and charts that provide a clear view of OCERS' demographics, benefit payments and investment portfolio. We have also included data about the geographic location of OCERS payees as well as funding sources, performance and asset allocation. "OCERS is a complicated pension system, so having a tool that breaks the data down into comprehensible pieces is

a welcome addition to your OCERS toolbox," said Catherine Fairley, Director of Member Services.

This year's *OCERS by the Numbers* document can be viewed and downloaded at www.ocers.org.



Pre-Retirement Sessions set for October – December

It's not unusual for some OCERS members to work 20 or 30 years before they begin to seriously think about retirement. Other members begin planning for their retirement from the very beginning. The good news is that OCERS offers a special series of Pre-Retirement Sessions designed for all members thinking about making the transition from employee to retiree. The retirement-related sessions are designed

to provide a wide-range of information and resources to help any active or deferred member take the necessary steps to make their move into retirement. All sessions will be held at OCERS, 2223 E. Wellington Avenue, Santa Ana.

The remaining 2014 Pre-Retirement Session dates will be held on October 15, November 5 and December 3, 2014. Members can get additional dates on OCERS' Web site.

Pre-Retirement Sessions Schedule

8 - 9:30 a.m.	Social Security and Medicare session
9:45 - 10 a.m.	Retired Employees Association of Orange County (REAOC) session
10 a.m. - noon	County of Orange Retiree Medical session
1 - 1:30 p.m.	County Deferred Compensation Plan (Great-West Retirement) session
1:30 - 2:45 p.m.	Orange County Employees Retirement System (OCERS) session

REAOC, County to co-host special 2015 Open Enrollment meeting for retirees on November 6

Dear Retirees: The 2015 Open Enrollment period for your County of Orange benefits begins November 1 and continues through November 21 of this year. You will be sent your enrollment packets and have the opportunity to review any modifications to your current plan including the 2015 rates. 2015 medical plan changes and rate increases/decreases may affect your decision to keep or change your current coverage.

The Retired Employees Association of Orange County (REAOC) in cooperation with the County of Orange Employee Benefits staff is hosting two workshop sessions on Thursday, November 6, 2014, to provide information to help you explore your 2015 plan options. If you are a pre-65 retiree you may note a significant increase in the cost of your 2015 premiums compared to the premiums you are currently paying. This is

due to a one-time credit which offset 2014 rates, but is not available in 2015.

The morning session – beginning at 9 a.m. – will focus on pre-65 retirees. An afternoon session, starting at 1 p.m., will focus on post-65 retirees. Representatives from the health plans and Employee Benefits will be there throughout the day to answer your questions.

New 2015 rates for all retiree plans are posted on the REAOC Web site at www.reaoc.org. Whether you are a pre- or post-65 retiree, if you have any questions regarding plan benefits, options and rates, please consider attending either the morning or afternoon session on November 6. We look forward to seeing you at OCERS, 2223 E. Wellington Avenue, Santa Ana, CA.

*Linda Robinson & Doug Storm,
Co-Presidents, REAOC*

‘Economic Impact’ continued from page 1:

Payees contribute to Orange County economy



economic times.

- With 12,170 payees calling California home, 86% of OCERS' total September 2014 monthly payroll was paid to people living in the state of California.
- OCERS' September payroll generated a \$59.2 million boost to the state and is forecast to generate more than

\$710 million annually.

- More than 59% of OCERS retirement benefits are paid to Orange County residents.

“Every time OCERS payees go shopping, eat at restaurants or complete repairs in their homes, they are contributing to the health of the local and state economy,” said Steve Delaney, OCERS' Chief Executive Officer.

¹ The National Institute on Retirement Security (NIRS) study Pensionomics 2014



Orange County Employees Retirement System
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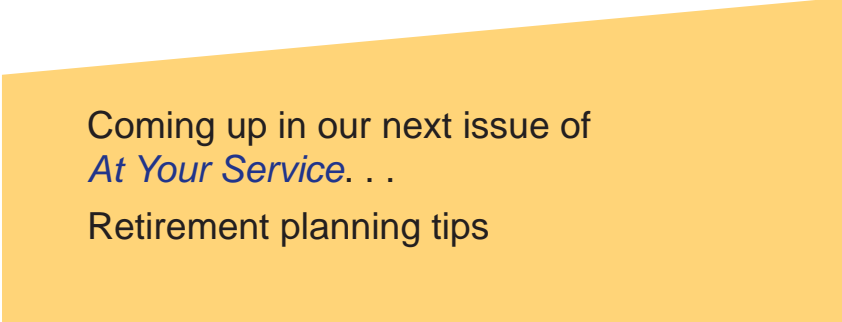


OCERS Benefit Payment Schedule for 2015

Payment Month	Payment Day	Benefit Payment Date*
January	Friday	January 2, 2015
February	Friday	January 30, 2015
March	Friday	February 27, 2015
April	Wednesday	April 1, 2015
May	Friday	May 1, 2015
June	Monday	June 1, 2015
July	Wednesday	July 1, 2015
August	Friday	July 31, 2015
September	Tuesday	September 1, 2015
October	Thursday	October 1, 2015
November	Friday	October 30, 2015
December	Tuesday	December 1, 2015

Please note that tax tables change at the beginning of January. Payees may change their current tax withholding options by logging onto the Member Information Center and submitting their changes online.

*Electronic Funds Transfer (EFT) deposit schedule



Coming up in our next issue of
At Your Service . . .
 Retirement planning tips