

SCERS NEWSLETTER

RETIREMENT INFORMATION

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A Message from SCERS' CEO

As another year heads toward a close, I am encouraged by SCERS' 2023 performance data in all of our key agency goals.

SCERS has been focusing hard on getting retirement benefit processing time sped up to reach our 45-day goal, and our 2023 median is now at 48 days for new retirees to receive their first payment—a great improvement from last year's 61 and 2021's 67.

Member satisfaction with our retirement planning webinars is well above our 80% goal, with 98% of respondents stating the events were "good", "very good", or "excellent" this year.

SCERS' overall employee satisfaction rate is 89%, and we continue to expand our team in order to provide you with a much better customer experience. This includes new tools for our website that will soon roll out for your use.

Until next time, I wish you a happy holiday season.

—Eric Stern

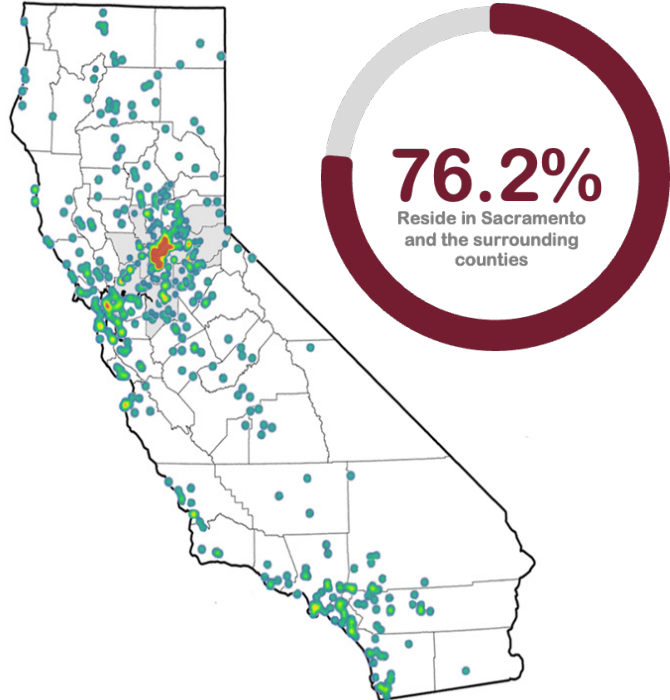
SCERS Retirees Stay in Sacramento, Contribute to Economy

For SCERS retirees, there's apparently no place like home: More than 83% remain in California.

Several hundred retirees have settled in neighboring states like Oregon, Nevada, and Arizona, while a few landed far away in Australia, Costa Rica and Japan to enjoy their retirement years. But the vast majority – nearly 11,000 out of 14,000 total retirees and beneficiaries – continue to live in Sacramento and surrounding counties, contributing to the local economy by spending their pension income here.

According to a recent study by the National Institute on Retirement Security, retirees of state and local governments provide a steady economic stimulus to their communities and their states as they spend money from their pension benefits.

This map shows the distribution of SCERS retirees in the state and local area.



The study finds that each pension benefit dollar paid in California supports \$1.24 in economic activity (and \$2.13 in total U.S. economic output). In 2020 alone, California state and local pension benefit expenditures supported:

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SCERS Welcomes New Board Member

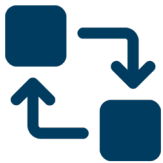
The SCERS Board welcomes the new County Director of Finance, Chad Rinde, as its Ex Officio member on the Board of Retirement, effective June 26, 2023.



Ex Officio Chad Rinde

Prior to Sacramento County, Mr. Rinde worked for Yolo County, where he began as an Accounting Manager in 2015 and progressed to Chief Financial Officer in 2019. He also served Yolo County as an interim administrator in 2021-22. He has received many Yolo County awards in leadership and is a Mentor at the Sacramento Valley Leadership Academy.

Are you Eligible for Reciprocity?



Are you new to SCERS, having been previously covered by another California public pension system, such as CalPERS? If so, you may be able to connect your SCERS benefit to your service in the previous system

through what is known as reciprocity.

Reciprocity is an agreement between most California public employee retirement systems that links public service for employees who move between two or more systems. This allows eligible employees to maintain retirement rights and benefits in each system. At retirement, each system will provide you with a benefit based on the service credit in that system, but will calculate it using the highest compensation you earned in either system.

Even if you are not new to SCERS, if this situation applies to you and your previous California pension system participates in this agreement, it's best to establish reciprocity as soon as possible and well in advance of retirement. When you decide to retire, it is important to choose the same retirement date for both systems in order for the reciprocal agreement to work.

Reciprocity provides a financial incentive to members to work a longer career in public service. For more information on how to establish reciprocity, visit scers.org/member-handbooks, click on the "Membership" tab, and click the plus sign to the right of the word "Reciprocity". Also, be sure to watch our Reciprocity video at scers.org/videos.

SCERS Retirees continued from cover

- 381,038 jobs that paid \$26 billion in wages and salaries
- \$76.1 billion in total economic output
- \$11.9 billion in federal, state, and local tax revenues

Another finding of the study is that the spending of pension benefits causes a multiplier effect in the economy, meaning the spending of one person's pension money creates income for someone else.

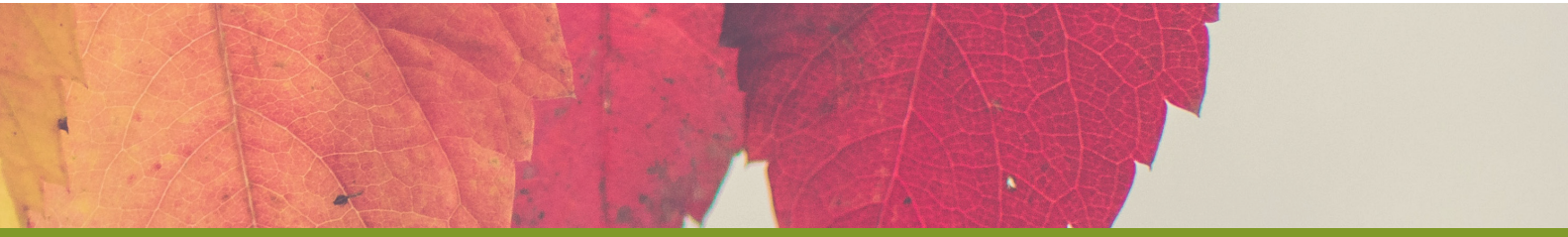
With a vast majority of SCERS retirees living in California, those of us who are still working benefit economically from each pension dollar spent in the state. However, SCERS retirees also live in and contribute to the economies of other states and countries. In fact, 48 states outside of California are home to at least three SCERS retirees and as many as 265. Rhode Island is the only state where no SCERS retirees reside. Additionally, 22 SCERS retirees reside in 15 countries outside the U.S.

The tables below show the top states where SCERS retirees live.

State	Retirees
California	11,674
Oregon	265
Nevada	238
Texas	210
Washington	210
Idaho	209
Arizona	193
Tennessee	129
Florida	111
Colorado	68
Utah	59
Montana	56
Georgia	46
North Carolina	43
Oklahoma	43

State	Retirees
South Carolina	35
Missouri	34
Virginia	34
Arkansas	30
Hawaii	30
Wyoming	26
Alabama	25
New Mexico	25
Ohio	22
Illinois	19
Michigan	16
Minnesota	15
South Dakota	15
Kansas	12
All Others	148

For more information about the study, *Pensionomics 2023: Measuring the Economic Impact of Defined Benefit Pension Expenditures*, visit nirsonline.org/reports/pensionomics2023.



Attend a SCERS Retirement Planning Webinar

Can you afford to retire? This may be the most important question you need to answer before making the decision to do so. According to AARP, you need approximately 80 percent of your working income to maintain your current standard of living in retirement.

If you are nearing retirement and haven't done so already, it's time to register for and attend a SCERS Retirement Planning Webinar. The information provided in the webinar – as well as other presentations available on SCERS' website – will assist you with your retirement preparedness.

SCERS offers quarterly webinars (via Zoom) to members, which last approximately 2 hours if guest presenters join, and may include representatives from Social Security Administration, Fidelity Investments, Sacramento County Employee Benefits Office, and Sacramento County Retired Employees Association.

The next Pension Planning Webinar will be held at 10 a.m. on Tuesday, Dec. 12. By attending a SCERS webinar, you can gain greater understanding about how your SCERS retirement allowance is calculated, what your benefit payment options are, when to apply for retirement, and what online resources are available. You also have the ability to ask questions about the retirement process.

Our webinars are designed to provide a wide-range of information and resources to help any active or deferred member take the necessary steps to make the move into retirement. Get started now by registering for an upcoming Retirement Planning Webinar at scers.org/pension-planning-webinars.



Alameda Update

SCERS is on track to complete two-thirds of all necessary pension recalculations by the end of the year.

Retirement recalculations were necessitated by the 2020 California Supreme Court's *Alameda* decision that affected many SCERS retirees, requiring a removal of certain pay elements no longer allowable for inclusion in the final compensation period.

Out of 1,600 pension adjustments required by the court ruling, we will have completed approximately 1,000 by year's end, and will continue to process the recalculations every month into 2024 until all updates have been completed.

Visit scers.org/alameda-corrections for more information.

Returning to Work After Retirement

Some people retire and then find themselves wanting to return to work. If this happens to you, be aware that state law prohibits a retired member from returning to work for a SCERS participating employer without reinstating to active service, unless:

- The retired member is appointed during an emergency to prevent the stoppage of public business; or
- The retired member is appointed because they have the skills needed to perform work of limited duration, which cannot exceed 960 hours in a year.

If the retired member is eligible to return to work under these terms, other conditions apply, including a 180-day waiting period after the retirement date. However, if the participating employer's governing body certifies that the appointment fills a critical need before this waiting period has passed, or if the retired member is a safety officer or firefighter appointed to perform the regular functions of the position, the waiting period does not apply.

The retired member also must not have received unemployment insurance compensation during the 12-month period prior to the appointment, and must not have accepted an employer-provided incentive to retire.

For more post-retirement employment information, refer to the policy at scers.org/post/post-retirement-employment-policy.

Board of Retirement

The SCERS Board is responsible for administering the pension plan in accordance with governing law, managing risk, and protecting both plan assets and the interests of plan beneficiaries.

James Diepenbrock, President, Appointed by the Board of Supervisors

Robert Aguillo, Jr., Vice President, Appointed by the Board of Supervisors

Keith DeVore, Appointed by the Board of Supervisors

Ronald Suter, Appointed by the Board of Supervisors

Chad Rinde, Ex-Officio, Director of Finance

M. Tapa Banda, Elected by Miscellaneous Members

Alina Mangru, Elected by Miscellaneous Members

Jack Noble, Elected by Safety Members

Chris Giboney (alternate), Elected by Safety Members

Martha Hoover, Elected by Retired Members

Dave Irish (alternate), Elected by Retired Members

Learn more about our Board at scers.org/board.



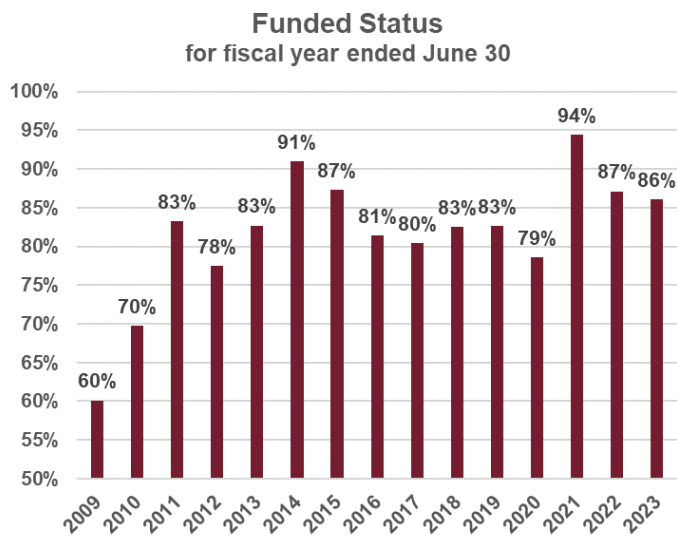
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SCERS' Latest Funded Status

The goal of a retirement system is to secure 100% of the funding needed to pay benefit obligations over the long term.

As a measure of the system's health, the funded status shows the assets the retirement system has on hand compared to its liabilities. SCERS' assets have recovered since the Great Recession and held up through a volatile market environment. As of June 30, 2023, SCERS' funded status stood at a healthy 86% on a market-value basis.



Upcoming Events

Board Meetings - 10:00 a.m.

- Wednesday, December 6
- Wednesday, January 17
- Wednesday, February 21

Board meetings are presented as in-person events, with live-streamed meeting links accessible from our home page quick link menu.

Visit scers.org/retirement-board-meetings for agendas, minutes, and other Board updates.

Pension Planning Webinars - 10:00 a.m.

- Tuesday, December 12
- Thursday, March 21
- Tuesday, June 25

SCERS will be joined by representatives from some or all of the following agencies: Social Security Administration, Fidelity Investments, Sacramento County Retired Employees Association, and Sacramento County's Employee Benefits Office. Register at scers.org/pension-planning-webinars.