

SCERS NEWSLETTER

RETIREMENT INFORMATION

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A Message from SCERS CEO

This newsletter marks the end of our 80th anniversary celebration, and we are grateful for all the strides we've made this year in delivering a better experience for our members. Along with the return of in-person appointments since reopening in August and the steady decrease in wait times for retirees' first checks, we have also completed office upgrades to better livestream Board meetings and events.

It is our goal to put your retirement at your fingertips to be accessed at your convenience, and we are working hard to launch the secure self-service member portal as soon as possible. It will be worth the wait.

As we head toward the holiday season and reflect on thankfulness, we are thankful to be entrusted with the honor of serving you, and we aim to keep providing SCERS members with robust pensions for generations to come. Here's to the next 80 years!



—Eric Stern

Former SCERS Employers Keep Promises to Retirees

Almost 90% of active SCERS members work for Sacramento County, but SCERS also provides retirement benefits to employees in 10 other government agencies, including the Superior Court, the Sacramento Employment Training Agency, and several park and cemetery districts.



The list of employers has evolved over SCERS' 80-year history, shaped by governance changes, mergers, and reorganizations of agencies that provide public services to the region.

For example, the County Hospital transferred to the University of California-Davis Medical Center in 1973, and its active employees began receiving retirement benefits from the UC system. However, more than 70 retired hospital workers and their beneficiaries are still receiving SCERS pensions today.

Over the decades, many fire districts in the region consolidated into the Sacramento Metropolitan Fire District, including the Florin and North Highlands fire districts, both of which belonged to SCERS. While Metro Fire provides pension benefits through CalPERS today, 145 retirees and beneficiaries from the former fire districts still receive SCERS pensions.

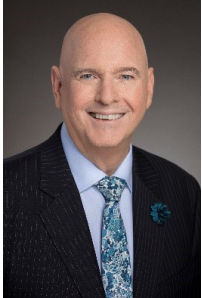
Similarly, SCERS provides benefits to dozens of retirees of the County Library, now part of the Sacramento Public Library Authority, the Sacramento Air Pollution Control District, which reorganized into the Sacramento Metropolitan Air Quality Management District, and the County Office of Education.

These agencies may not have active employees paying into the fund today, but the retirees and beneficiaries are still receiving SCERS retirement benefits as promised. SCERS works with successor agencies to ensure funding is available to pay these benefit obligations.

In recent years, SCERS has secured more than \$50 million in additional funding from these agencies to keep pensions safe, secure, and sustainable for all members.



SCERS' First CIO Raised the Bar



Looking back over SCERS' 80-year history, we've seen many great leaders, and some have gone on to achieve amazing things beyond their time with us. One such former leader is Christopher Ailman, SCERS' first Chief Investment Officer (CIO) who for over 21 years has held the same title at California State Teachers' Retirement System (CalSTRS), a \$315 billion pension fund. We asked Mr. Ailman to reflect on his time with SCERS.

"I had no staff – it was just me and the accountant," Ailman recalled about his early days as a financial analyst managing SCERS assets through the Sacramento County Treasurer's office, which oversaw the pension fund. But things quickly changed.

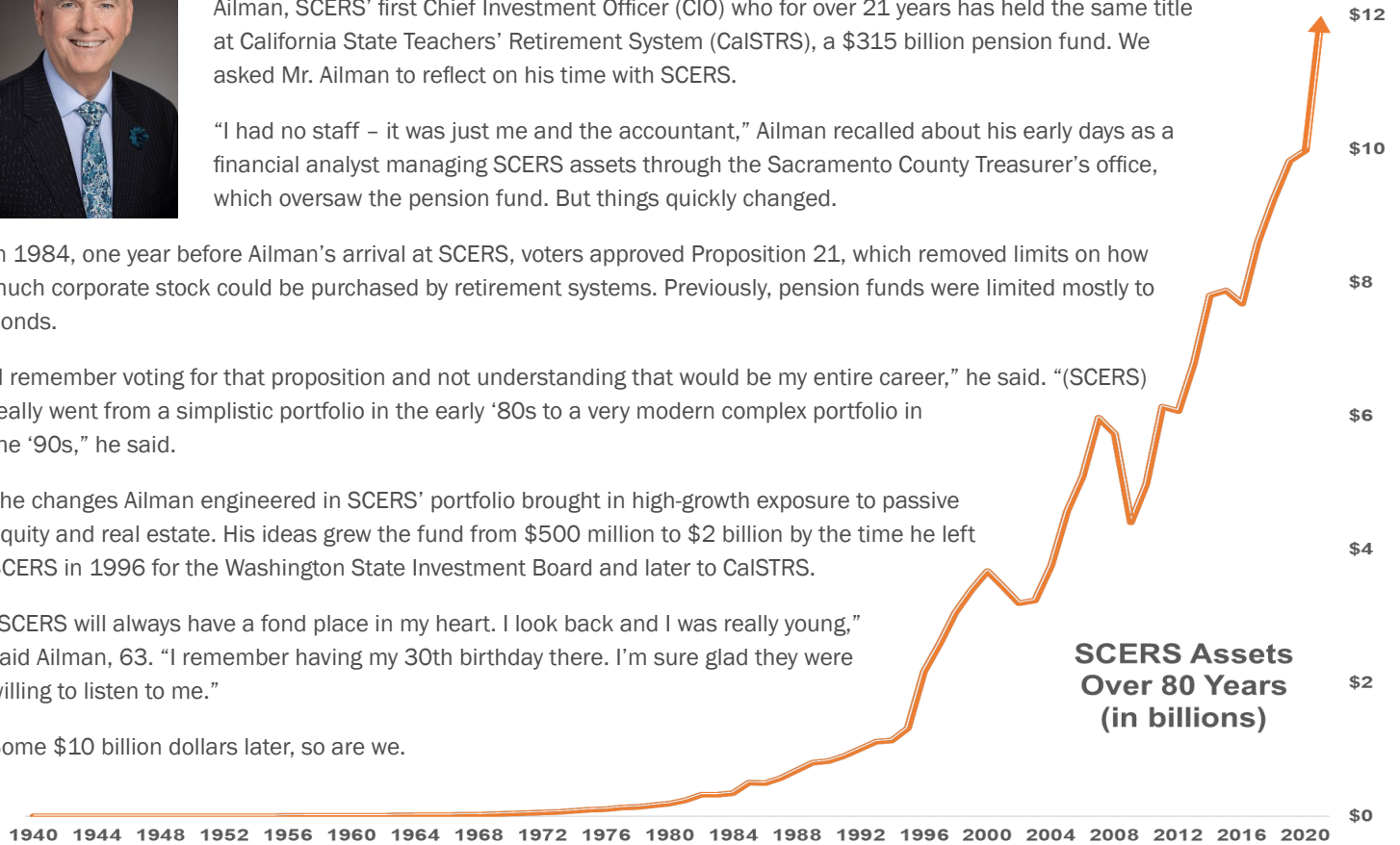
In 1984, one year before Ailman's arrival at SCERS, voters approved Proposition 21, which removed limits on how much corporate stock could be purchased by retirement systems. Previously, pension funds were limited mostly to bonds.

"I remember voting for that proposition and not understanding that would be my entire career," he said. "(SCERS) really went from a simplistic portfolio in the early '80s to a very modern complex portfolio in the '90s," he said.

The changes Ailman engineered in SCERS' portfolio brought in high-growth exposure to passive equity and real estate. His ideas grew the fund from \$500 million to \$2 billion by the time he left SCERS in 1996 for the Washington State Investment Board and later to CalSTRS.

"SCERS will always have a fond place in my heart. I look back and I was really young," said Ailman, 63. "I remember having my 30th birthday there. I'm sure glad they were willing to listen to me."

Some \$10 billion dollars later, so are we.



SCERS Welcomes New Chief Operations Officer

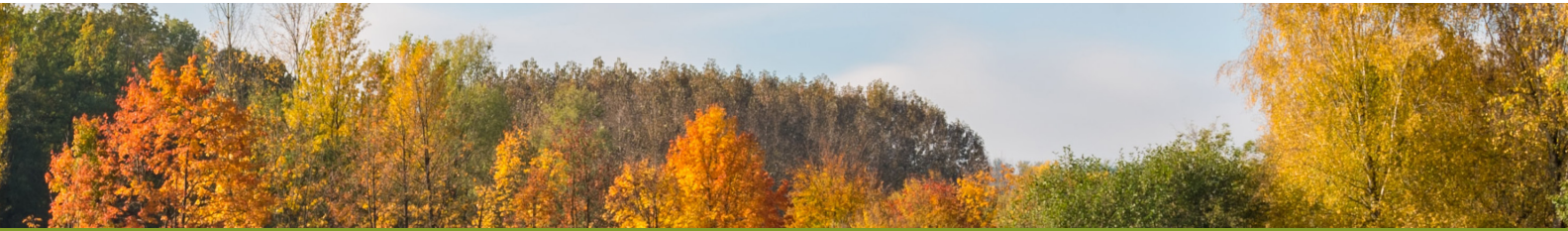
SCERS welcomes Margo Allen, a Sacramento-area native who comes to SCERS from Alameda County Employees' Retirement Association, where she served as the Fiscal Services Officer since 2013.



Ms. Allen brings more than three decades of experience in government, business, and industrial operations. Her work history includes serving as Executive Director for the North Baldwin Chamber of Commerce, serving on economic and industrial development boards, and a 13-year stint teaching business and management as a college professor.

Before her civilian career, Ms. Allen served in the United States Air Force for over 20 years in various roles, including Director of Logistical and Aerospace Systems Operations, Director of Aircraft Maintenance and Production, and Director to Total Quality Management.

Ms. Allen received her Ph.D. in Applied Management and Decision Science from Walden University, her Master of Science in Human Resource Management from Chapman University, and her Bachelor of Science in Management Studies from the University of Maryland, College Park.



SCERS Welcomes New Board Members

Sacramento County recently conducted a SCERS Board election for a Miscellaneous Representative, a Safety Representative, and an Alternate Safety Representative. The results were announced on October 8 and are as follows:

Alina Mangru, Senior Administrative Analyst for the Department of Finance, was elected as Miscellaneous Representative. Ms. Mangru replaces Diana Gin, who served on the Board since 2019, and previously from 2011 to 2016.

Jack Noble, Sheriff's Lieutenant, was elected as Safety Representative. Lieutenant Noble replaces Matt Petersen, who served on the Board since 2019.

Chris Giboney, Fire Captain with the Sacramento Metropolitan Fire Department, was elected as Alternate Safety Representative. Captain Giboney replaces Jack Philp, who joined the Board this year to serve the remainder of John Conneally's vacated term.

The new trustees' terms begin on January 1, 2022.



SCERS Releases 7th Animated Video

Since early 2020, SCERS has focused on improving its member experience and providing resources that explain complex topics in simple terms. One such resource is animated videos, designed to provide brief overviews and explanations on common retirement topics.

SCERS has just released a new video on the important topic of survivor benefits, explaining the choices members have to make when they apply for retirement.

Other SCERS video topics include:

- New member orientation
- Pension funding basics
- Planning to retire
- Disability retirement
- Reciprocity
- Service Credit

To watch these videos and keep informed of retirement topics that impact your future, visit scers.org/videos.

A Matter of FAQs: Retirement Application Deadlines are Firm

If you are ready to retire, be sure to submit your application within 60 days of your desired retirement date. Submitting documents earlier than 60 days in advance will result in facing the inconvenience of a rejection notice and needing to resubmit your application.

The 60-day maximum limit was established by the County Employees Retirement Law of 1937 (CERL) Government Code. The law also prevents you from selecting a retirement date that precedes the application date.

To learn about all of the steps needed to start the retirement process, download a service retirement application packet from our website. The packet includes a planning checklist and all of the required and optional forms. (See scers.org/forms.)



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 the plan beneficiaries.

Rick Fowler, President. Appointed by the Board of Supervisors

John B. Kelly, Vice President. Appointed by the Board of Supervisors

Keith DeVore, Vice President. Appointed by the Board of Supervisors

Vacant, Appointed by the Board of Supervisors

Dave Comerchero, Elected by Miscellaneous Members

Diana Gin, Elected by Miscellaneous Members

Martha Hoover, Elected by Retired Members

Matt Petersen, Elected by Safety Members

Ben Lamera, Ex-Officio. Director of Finance

Kathy O'Neil (alternate), Elected by Retired Members

Jack Philp (alternate), Elected by Safety Members

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



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SCERS Receives Honor

In July 2021, the California State Assembly commended SCERS for its outstanding 80-year record of dedicated service to Sacramento County and its special district employers and members. A special thanks goes out to Assemblymember Jim Cooper, a retired Sheriff's Captain and longtime SCERS member for introducing the resolution. The resolution highlights the growth of SCERS' portfolio from its initial investments in government bonds to the current \$12 billion diversified portfolio of stocks, bonds, real estate, and private equity, and the ranking of SCERS in the top decile of pension plan performance over a three-year period.



See full text at scers.org/article/scers-receives-honor

Upcoming Events

Board Meetings have returned to in-person events in the SCERS Board Room, with live-streaming available and accessible from our home page quick link menu. Visit scers.org/retirement-board-meetings for agendas, minutes, and other Board updates.

Pension Planning Webinars will continue as Zoom events. Visit scers.org/pension-planning-webinars for resources and materials.

Board Meetings - 10:00 a.m.

- Wednesday, November 17
- Wednesday, December 8
- Wednesday, January 19

Pension Planning Webinars - 10:00 a.m.

- Wednesday, December 15