

Protecting Your Privacy

Sonoma County Employees' Retirement Association (SCERA) is a public agency, which means that certain laws apply to us and shape how we conduct our business. Some of those laws affect how we keep your information confidential. We work hard to balance the public's right to information with your right to privacy.

When you become a member of SCERA and throughout your membership, we collect sensitive information from you so we can set up your member account and keep track of your contributions into our plan, the service credit earned through your public service, your banking information so we can pay your benefits, and other details that will help us administer the pension plan. We guard this sensitive information very carefully in order to protect it from being disclosed to third parties unless you authorize us to do so, it is necessary for us to conduct business, a law allows us to disclose it, or a court orders us to. There are several laws that help us protect your information like, the **County Employees Retirement Law (CERL)** and the **Public Records Act**.

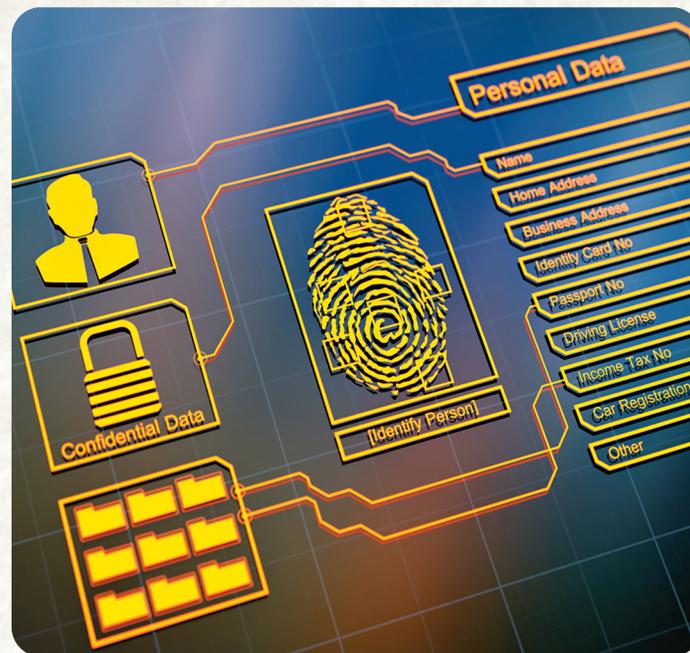
When we get a request for your sensitive information, we look to the CERL and the Public Records Act to determine whether the person or organization requesting your information is legally allowed to get it.

Under the CERL, there is a law that requires us to assist a recognized retiree organization (which in our case is the **Sonoma County Association of Retired Employees (SCARE)**) with mailing out information about membership in SCARE or the benefits that SCARE offers.

There is also a law allowing a charitable organization, like United Way, to access names and addresses of retired members and their beneficiaries. SCERA doesn't just provide them with this information. Instead, we use a mailing service that has a confidentiality agreement with us and we require SCARE and United Way to work with that mailing service so neither SCARE nor United Way see your name and address information.

SCERA will never disclose certain information like

your Social Security number, date of birth, age, phone number, medical information, contribution amounts paid into SCERA and other benefit related information unless you give us written authorization to do so, we need to in order to pay a benefit, or a court orders us to. Other information isn't confidential, like name and pension amount, total final compensation used to calculate a benefit, total years of service, effective date of retirement, the former employer and job class, the statute containing the retirement formula and the type of retirement granted. If SCERA is asked for non-confidential information, it must be provided.





SCERA Board of Retirement

Brian Williams, Chair
Bob Williamson, Neil Baker,
Travis Balzarini, Chris Coursey
Amos Eaton, Greg Jahn,
Erick Roeser, Joe Tambe,
Tim Tuscany

Board of Retirement Meetings

Meetings are generally held at 9:00 a.m. on the third Thursday of the month in the SCERA Board Room.

Executive Staff

Julie Wyne, Chief Executive Officer
Jim Failor, Chief Investment Officer
Cristina Hess, Assistant CEO/CLO

The SCERA Times is published for members of the Sonoma County Employees' Retirement Association.

Comments and suggestions should be directed to:
Retirement@sonoma-county.org

Or contact SCERA at:
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Santa Rosa, CA 95403
(707) 565-8100

This Newsletter is not intended or designed to be financial advice, tax advice or legal advice. SCERA does not render financial, tax or legal advice. Please consult with your financial, tax and legal advisors regarding your personal circumstances.

This Newsletter was prepared by SCERA staff to help members understand issues surrounding many aspects of their retirement benefits. Every effort has been made to ensure the accuracy of the information provided. However, you should not rely solely on the information contained in the newsletter. If there is any discrepancy between information in this newsletter and legal requirements under State or Federal law, the law will govern.

Protecting Your Privacy *Continued from page 1.*

We do our best to keep your information safe, but you can also be vigilant. When you get mail from an organization other than SCERA and you have concerns about how your name, address or other information was discovered, contact that organization and find out. Your sensitive information is better protected when we work together.

SCERA Retirement Seminars

Scheduled upcoming seminars that are currently open include the following:

TITLE	START DATE	TIME
Planning to Retire	6/19/2023	2:00 PM
Planning to Retire	6/22/2023	1:30 PM
Planning to Retire	7/5/2023	2:00 PM
Planning to Retire	7/17/2023	8:30 AM
Planning to Retire	8/1/2023	2:00 PM
Planning to Retire	8/15/2023	2:00 PM
Planning to Retire	8/25/2023	1:30 PM
Planning to Retire	9/6/2023	2:00 PM
Planning to Retire	9/15/2023	2:00 PM
Path to Retirement	9/25/2023	8:30 AM
Planning to Retire	10/10/2023	2:00 PM
Planning to Retire	10/16/2023	2:00 PM
Planning to Retire	10/31/2023	8:30 AM
Path to Retirement	11/7/2023	12:00 PM
Planning to Retire	11/9/2023	2:00 PM
Planning to Retire	11/14/2023	9:00 AM
Planning to Retire	12/5/2023	2:00 PM

A complete description of the seminars is available at [scretire.org](https://www.scera.org/scretire.org). For those considering retirement please note attending a seminar is not a requirement. You can enroll in the seminars by logging into your [MySCERA](#) account and clicking on [Seminar Registration](#).

SCERA Staff Update

In January, **Ellen Herdell** was hired as our new Accountant I in the Finance & Retiree Services division. Ellen previously worked as a Payroll Clerk for General Services

DISASTER PREPAREDNESS

DIRECT DEPOSIT

Sign up for Direct Deposit today!

Natural disasters can happen anywhere and at any time so it is important to be prepared. None of us ever expect to be affected by these kinds of natural disasters.

A disaster can disrupt mail service for days or even weeks. Don't let a disaster come between you and your money when it's needed the most as part of your recovery. Receiving your benefits electronically eliminates potential problems since funds are automatically deposited and available on time even if you, or the local bank, had to relocate.

Signing up for direct deposit can give a peace of mind knowing you have access to your money wherever or whenever you need it.

Sign up today by logging into your MySCERA account, drop by our office with a voided check, or contact us to have one mailed out to you.



IMPORTANT DATES

Retiree Pay Dates

May 31, 2023

June 30, 2023

July 31, 2023

August 31, 2023

September 29, 2023

October 31, 2023

November 30, 2023

December 29, 2023

Holiday Schedule 2023

May 29: Memorial Day

July 4: Independence Day

September 4: Labor Day

November 10: Veterans Day

November 23:

Thanksgiving Day

November 24: Day After

Thanksgiving

December 25: Christmas

Our office will be closed on these holidays, but we're still available at [scetire.org](https://www.scera.org) when you need information on our programs and services. Our personalized, secure portal [MySCERA.org](https://www.myscera.org) lets you view your account information and conduct much of your SCERA business online at any time.

Investment Market Update

YOUR PLAN'S INVESTMENT PORTFOLIO returned -6.9% in 2022 which by many measures was a challenging year in the financial markets. After the previous year's strong gains that were driven by the post-COVID reopening of economies, low-interest rates and unprecedented monetary and fiscal stimulus, 2022 represented a reversal in this paradigm as inflation began to infiltrate the world economy. Partly fed by strong consumer spending and easy credit, the spike in inflation became even more troubling with Russia's invasion of Ukraine. The resulting disruption in oil and natural gas supplies and crucial agricultural commodities sent shockwaves that central banks and governments are still coping with today.

As a result of this price instability, the Federal Reserve accelerated its plans to raise interest rates starting in March 2022. This hawkish stance led to seven consecutive fed funds rate hikes during the year. Asset prices plunged in response with equities delivering their worst performance in over a decade and the Russell 3000 Index dropping 19%. Both stocks and bonds fell into bear market territory, leaving few places to hide across the investment landscape. Non-US markets did not fare any better in 2022 with double digit negative returns as countries around the globe experienced the negative effects of rising rates.

Despite the turbulence, the Plan's investment managers in both equities and fixed income performed above their benchmarks in aggregate. Real Assets, which includes Real Estate, Infrastructure and Farmland, delivered a solid 8.4% return. As a result of the Board's decision to increase both Infrastructure and Farmland policy weights, the **Fiera Comox Global Agriculture Open-End Fund** was selected in 2022 as the Plan's second Farmland manager with a \$125 million commitment. Fiera Comox's global strategy is complementary to the Plan's other Farmland manager, the **UBS AgriVest Farmland Fund**, which is US-centric. Additionally, by year-end the Plan was nearly fully invested in the **KKR Diversified Core** *Continued on back page.*

Investment Market Update *Continued from page 3.*

Infrastructure Fund, a third Infrastructure manager added in 2021. Once these expanded allocations are fully implemented the policy weight for Real Assets will total 26% of Plan assets.

SCERA's portfolio avoided most of the impact of the sharp selloff in Chinese and Russian markets in 2022 as we implemented a Rule of Law (ROL) guideline in early 2021. The ROL guideline eliminates exposure to poor ROL markets, where practicable, as ranked by the World Justice Project, and as a result significantly reduced the Plan's exposure to Chinese and Russian domiciled securities.

The Plan was able to weather the 2022 volatility in a manner that demonstrated the advantages of diversification in SCERA's investment holdings. As a result, the long-term returns have remained at or near the expected rates of return over the trailing 10 and 20 years. We continue to have confidence in SCERA's investment process, focusing on the funding requirements of the Plan, mitigating risk and not being distracted by the short-term fluctuations of the financial markets. It is noteworthy that as of the end of 2022, the Plan's funded status based on the portfolio's market value was a healthy 88.5%.

Sonoma County Employees' Retirement Association

SCERA Summary of Performance (Gross-of-Fees) as of December 31, 2022

	4th Quarter	1 Year	3 Years	5 Years	10 Years	20 Years	25 Years
Plan Return (Gross-of-Fees)	7.0%	-6.9%	6.3%	6.3%	8.5%	8.1%	6.8%
Policy Benchmark	6.4%	-11.7%	4.2%	5.2%	7.5%	7.4%	6.2%
Difference	1.4%	4.8%	2.1%	1.1%	1.0%	0.7%	0.6%

The impact of fees would be to reduce stated Plan returns by approximately 0.5% per annum.

The Assumed Rate of Return is 6.75%