

SCERS NEWSLETTER

RETIREMENT INFORMATION

What's inside

- Employer Spotlight: Sacramento County Department of Airports
- The #1 Reason for Delayed First Checks
- Benefit Verification Continues
- Investment Performance Update
- SCERS Funded Status vs Other Systems

A Message from SCERS' CEO

It's been an unusual spring at SCERS. In April, the Park Tower building in downtown Sacramento, where SCERS offices are located, closed due to an electrical fire. The SCERS' office space was unharmed but damage to the building resulted in a full building closure for all tenants and members of the public for almost three months.

Unlike the unexpected COVID lockdown of 2020, this instance of being sent home to work accentuates how far SCERS has come and how seamlessly we have been able to maintain the same high standards and service levels outside of a traditional office setting. Most staff at SCERS have maintained hybrid office/telework schedules since the pandemic, with tools, resources, and support to do their jobs effectively and efficiently.

We are proud to be of service to you in any setting, and look forward to seeing you again in-person.



—Eric Stern

SCERS Launches New Service Purchase Calculator



SCERS is pleased to introduce the Service Purchase Calculator, a new online tool designed to help members estimate the cost of purchasing or restoring service credit.

Purchasing service credit may allow eligible members to increase their total credited service, which can increase their retirement benefit. The new calculator gives members a convenient way to explore potential purchase options and better understand the estimated cost before submitting a request to SCERS.

The Service Purchase Calculator is available through the MySCERS member portal. Once logged in, members can generate an estimate based on their membership information and the type of service they are interested in purchasing or restoring.

Types of service you may be able to purchase are:

- Medical Leaves of Absence
- Pre-Membership Employment
- Re-Deposit of Previously Withdrawn Contributions
- Public Service

The estimate provided by the calculator is for planning purposes only and does not replace an official cost calculation from SCERS. However, beginning July 1, 2026, if you wish to pursue an official Request for Service Purchase Calculation (Form 6401), you must first generate a Service Purchase Calculator estimate using this tool. This estimate will be saved in your MySCERS account and will be required as an attachment to your Form 6401 submission.

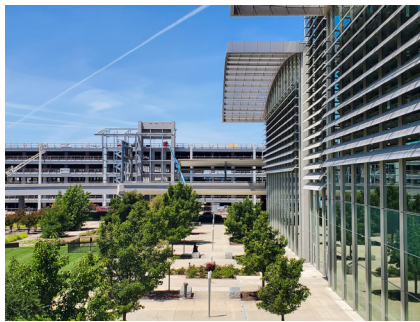
Service credit purchases often come with sticker shock, as members have to make up for past contributions plus interest. Less than half of requests for service purchases are followed through on. In the past two years, SCERS received 1,643 service purchase requests for cost estimates, but only 692 were returned. The online calculator will save you time if you decide not to purchase.

More information about service purchases can be found at scers.gov/service-purchase-policy.



Employer Spotlight: Sacramento County Department of Airports

Few assets connect a region to the world as directly as its airports, and the Sacramento County Department of Airports oversees four of them. Sacramento International Airport (SMF), which surpassed one million passengers in its first year of 1967 and welcomed nearly 14 million passengers in 2025, serves as the region’s primary



Terminal B parking garage undergoing expansion

gateway to California and the world while continuing to expand and modernize to meet growing traveler demand. Mather Airport, a former Air Force base, serves as a major cargo hub providing critical access to Northern California

markets. Sacramento Executive Airport is a leading general aviation airport and home to more than 30 businesses, and Franklin Field is a public-use airport that also supports aviation training through its flight school.

SMF’s growth is driven by the larger community, being one of the fastest growing areas in California. “Our entire mission is our customers’ experience and safety,” said Airport Sr. Public Information Officer Scott Johnston, and changes currently in progress or planned for the near future support that mission.

For instance, an additional parking garage with 5,500 spaces, real-time availability displays, and a new permanent art installation, is scheduled to open in late 2026. Also planned by the end of the year is an ADA-compliant, scenic Pedestrian Walkway that will link Terminal B to Concourse B and will feature multiple new pieces of art throughout the expansion.



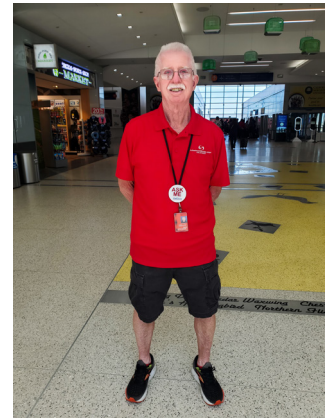
New food and beverage offerings in the new look of Terminal A

By the end of 2027, a new Terminal A Exit Road and shuttle hub that will improve traffic flow and passenger access is scheduled to open, and by late 2028, a planned Concourse B expansion will add six new gates with ticketing and baggage handling upgrades.

Other future plans include a Ground Transportation Center—walkable from both terminals—that will provide a new hub for taxis, rideshares, and off-site shuttles; and a Consolidated Rental Car Center that will relocate rental car facilities into the terminal area for a seamless pickup/drop-off.

New dining options with local ties are already in place, with one now open in the pre-security area of Terminal B near the tramway.

It’s a lot of change for staff to keep up with. Currently there are around 4,000 badged employees at SMF, including 400 County employees. Among its 130 unpaid volunteers is Gene Inderkum, who grew up on a dairy farm near what became the airport. Inderkum High School—named in recognition of his father’s community service—honors the family’s longstanding commitment to serving the region, a tradition Inderkum carries on by happily assisting travelers.



Gene Inderkum standing ready to help at SMF

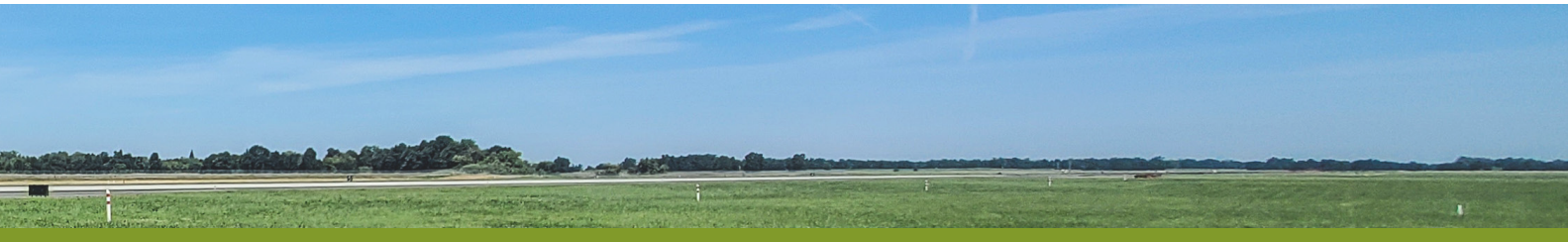


Amy Lopez and Adam Valdivia keeping SMF running smoothly

But whether public-facing or behind the scenes, it’s the Airport Operations team that keeps track of all things SMF. Airside Ops Construction Coordinator Adam Valdivia and Landside Ops Construction Coordinator Amy Lopez work closely with all sections of the airport, including contractors, consultants, tenants, and stakeholders, and they both love what they do.

“Thirty years at the airport has meant connecting people, welcoming the world to our region, and helping guide the airport through decades of change, growth, and unforgettable moments. Every day has brought a new challenge, a new story, and a renewed sense of pride in serving this community,” Lopez said.

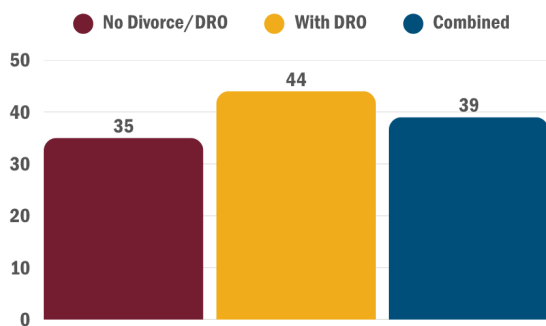
SMF stays connected to our world 24 hours a day and is here to serve you. Any questions you’d like to ask will be answered via email at air-market@saccounty.gov. For information about volunteering at SMF, contact TustinBa@saccounty.gov, and for flight information, visit flysmf.gov.



Divorce—The #1 Reason for Delayed First Retirement Checks

If you plan to retire soon and experienced a divorce or legal separation while working for a SCERS-covered employer, give yourself enough time to gather your divorce paperwork in advance of applying, as the longest delays in receiving initial pension payments are due to divorce issues. Since 2023, retirement applications with divorce-related issues took an average of nine days longer to process. These cases can stretch over long periods of time—17% of retirement applications with divorce-related issues took more than two months to process, compared to 11% for applications without divorce matters to review.

**Retirement Processing Time
(average days since 2023)**



Divorce can affect your SCERS benefit in several ways:

- Retirement benefits earned during the marriage may be considered community property.
- SCERS may require a court-issued Domestic Relations Order (DRO) to divide your account or direct future payments. SCERS offers model DRO language for your attorney or the court. Contact SCERS early in the divorce process for guidance.
- If you fail to update your Member’s Affidavit to reflect any change in beneficiary after divorce, your former spouse may remain eligible to receive death benefits—even if that was not your intention.

“SCERS is prohibited from processing retirement applications with unresolved divorce matters. It’s imperative that members submit completed divorce orders once they are finalized to ensure timely inception of retirement allowances,” said SCERS Chief Benefits Officer Keith Riddle.

For more information, review SCERS’ Marital Dissolution Policy at scers.gov/marital-dissolution-policy.

Benefit Verification Continues

Since last summer, SCERS has been taking proactive steps to safeguard benefit payments and ensure they reach those who have earned them with a new verification process.

To help protect the system we all depend on, SCERS phased in a periodic certification requirement for a subset of retirees (mostly those who are over 90 years of age) and beneficiaries. This certification serves to confirm continued eligibility for benefit payments and requires either notarization or a witnessed signature through SCERS-approved alternatives when a notary is not a viable option.

Implementing this measure reinforces the long-term health of the pension fund and strengthens public confidence in our stewardship by protecting the benefits you’ve worked hard to earn.

SCERS has now completed the certification for this subset of members in California and will now begin to reach out to retirees and beneficiaries who reside out of state for this certification. There is no action to take unless you are contacted by SCERS. Our member services team is available to assist and answer any questions or concerns.

Thank you for your understanding, and for helping keep the SCERS system secure for generations to come.

Investment Performance Update

As SCERS approaches the close of the fiscal year on June 30, the retirement system remains on track to meet its 6.75% investment return assumption. As of March 31, 2026, the portfolio had returned approximately 7%, positioning SCERS well despite a period marked by market volatility, geopolitical tensions, fluctuating energy prices, and persistent inflation concerns.

Achieving the investment return target is important because it helps reduce pressure on future employer contribution rates and supports SCERS’ continued progress toward full funding. Strong investment performance today strengthens the system’s ability to provide secure retirement benefits for decades to come.

“SCERS invests with a long-term perspective,” said Chief Investment Officer Steve Davis. “While markets will always experience periods of uncertainty, our diversified portfolio and disciplined investment approach are designed to help us navigate short-term volatility while remaining focused on meeting our long-term obligations to members and employers.”

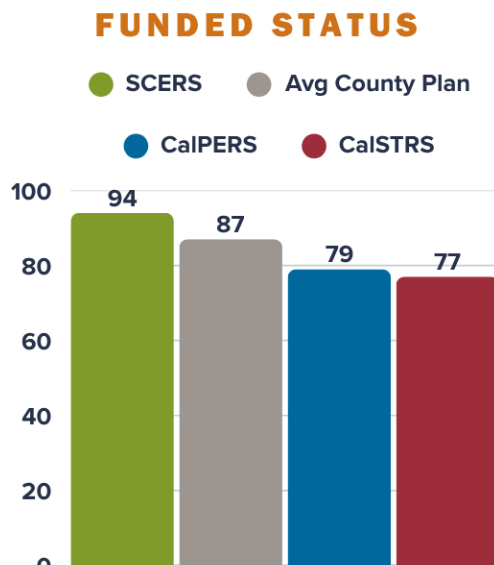


Sacramento County
 Employees' Retirement System
 980 9th Street, Suite 1900
 Sacramento, CA 95814

PRESORTED
 STANDARD MAIL
 U.S. POSTAGE
PAID
 SACRAMENTO, CA
 PERMIT #24

SCERS Funded Status vs Other Systems

One of SCERS' main objectives is to solidify long-term financial sustainability and proactively develop strategies for sustaining a high funded ratio by continuously monitoring the long-term financial sustainability of the fund. Despite the present economic fluctuations, SCERS is still in a good place in reaching its target of being 100% funded in about 10 years.



As of June 30, 2025 for SCERS, County Plan, and CalPERS; As of June 30, 2024, for CalSTRS.

Upcoming Events

Board Meetings - 10:00 a.m.

- Wednesday, August 19
- Wednesday, September 16
- Wednesday, October 21

Board meetings are presented as in-person events, with live-streamed meeting links accessible from our home page quick link menu. Visit scers.gov/about/board-of-retirement/board-meetings for agendas, minutes, and other Board updates.

Retirement Planning Webinars - 10:00 a.m.

- Thursday, September 10
- Wednesday, October 28 (Mid-Career, 12:00 p.m.)
- Thursday, December 10

Retirement Planning Webinars are for members who plan to retire within a few years. SCERS is joined by representatives from some or all of the following agencies: Social Security, Fidelity Investments, MissionSquare Retirement, Sacramento County Retired Employees Association, and Sacramento County's Employee Benefits Office. Mid-Career webinars provide a short, high-level overview of the SCERS benefit program for employees far from retirement. Register via the SCERS event calendar at scers.gov/about/calendar.