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## ***Y2K, SamCERA and You***

Everyone is talking about what may or may not happen to the World on January 1, 2000, but your Board of Retirement has taken positive steps to protect your *SamCERA* benefits. Specifically...

***SamCERA's Retirees' and Beneficiaries' December 31st benefit payments will be released early. That means Checks will be mailed on Thursday, December 23rd and Direct Deposits will be in the bank on Friday, December 24th.*** If you want to hide your money in a sock, you will have plenty of time to go the bank before New Year's Eve.

***Annual Member Statements*** will be issued to Active and Deferred *SamCERA* Members by November 30th, based on June 30th balances.

***SamCERA's computer systems have all been tested*** and our Investment Managers and Global Custodian all indicate that they will be "Year 2000 Compliant" as required by the Securities Exchange Commission.

*SamCERA* routinely backs up all computer data off-site and is completing remote site disaster recovery plans. *SamCERA's* data bases will be backed up in enough places that we should be able to recover from doomsday itself.

***We are confident that the transition to the new Millennium will be relatively smooth for SamCERA,*** but since we can not guarantee that something, someplace in the World won't knock us off-line for a few days (or weeks!), we have taken the precautions outlined above.

If the gremlins do win and the telephones and e-mail do go bonkers on January 1st, please be patient. Your *SamCERA* team will be working diligently to guarantee that the January 31st retiree payroll gets distributed on time and that all member records are

# ***SamCERA's* Fall 1999 Retirement Planning Seminar Coming in October**

*SamCERA's* last retirement planning seminar of the 20th Century has been scheduled by your Board of Retirement.

*SamCERA* has teamed up once again with Net Equity Associates to bring you this highly acclaimed four part seminar that will teach you everything you need to know to begin to prepare yourself for A Successful Retirement. Join us for an eye opening reality check.

**When?** Four Wednesday mornings: October 6th, 13th, 20th and 27th from 8:15 a.m. to 11:45 a.m. If you sign up you must agree to attend all 4 sessions.

**Where?** The seminars will be held in the Belmont Sports Complex, 550 Island Parkway, Belmont.

**How Much?** While tuition is usually charged for this program, *SamCERA* & Net Equity Associates are picking up the full cost of providing it to *SamCERA's* members. There will be no cost to *SamCERA's* members and guests.

**Sign up Now!** Simply complete the Enrollment Form on Page 3 and send it to *SamCERA*. Enrollment is limited to 100. The Course is on County time, if you have the approval of your Supervisor. Retirement Planning is so important to your future well being that you should bring your spouse or significant other along. If space becomes a problem, preference will be given to those nearing retirement. If necessary, a waiting list will be established for the next seminar.

**NO Confirmations will be sent.** If you send in your registration form by September 15th, consider yourself enrolled unless you hear from us. Please do not call with questions regarding the seminar. Last time the calls swamped our telephones & staff.

## **Getting a Divorce?**

The retirement benefits which you earned during the period of your marriage are community property and

may be divided into two separate accounts at the time of your divorce.

If you are separated, but not divorced, your spouse is still entitled to survivor benefits until you name a new beneficiary. You may not designate a new beneficiary without your spouse's written consent.

If you become involved in dissolution of marriage proceedings, your attorneys needs to know the following:

- ♦ The San Mateo County Employees' Retirement Association must be **Joined** by Order of the Court.
- ♦ *SamCERA* requires court orders which split the member's service credit and contributions into two separate accounts at the time of the divorce. This allows each of you to make your own independent decision about your *SamCERA* retirement. **Please contact *SamCERA* for a copy of the *Dissolution of Marriage Guidelines*** which describes this program and includes Model Domestic Relations Orders.
- ♦ Service Credit, Contributions and Interest reflecting the former spouse's community property interest, as defined in the Domestic Relations Order, are withdrawn from the member's *SamCERA* account and deposited into a new account in the name of the former spouse. If the former spouse chooses to retire, the benefit will be based on the member's highest average compensation at the time of former spouse's retirement, the service credit in the former spouse's account & the former spouse's age at retirement.
- ♦ If the former spouse withdraws the funds, the member may repurchase the service credit.
- ♦ *SamCERA* is not governed by the Federal Employees' Retirement Income Security Act.
- ♦ **Your Domestic Relations Order must be in a form that is acceptable to *SamCERA*; therefore, it is very important that you contact us very early in the process.**

# Ventura Ventura Ventura Ventu

*Times* will be devoted to providing all *SamCERA* members with notice of the Class Action Law Suit.

The Honorable Stuart R. Pollak, Judge of the Superior Court for the City and County of San Francisco has begun organizing the Coordination Proceeding for the lawsuits which have been filed since the *Ventura* decision.

For those of you who missed the news, *Ventura* refers to a decision by the California State Supreme Court in October 1997. The Supreme Court found that “all compensation paid in cash” (except overtime) should be included in the payment of contributions and the calculation of a member’s retirement benefit. This decision overturned a fourteen year old Appellate Court decision which had held that only compensation paid to the average or typical member of a work group should be included in the calculation of the retirement benefit.

**When the Supreme Court decision was final, your Board of Retirement and Board of Supervisors amended *SamCERA*’s Regulations almost immediately to resolve all but two issues raised by the *Ventura* decision.**

**The two unresolved issues which effect *SamCERA*’s members are (1) Terminal Pay and (2) Retroactivity.**

(1) The Court is being asked to decide whether or not **vacation pay, etc. which is cashed-out upon retirement** must be included in the retirement benefit, if the member was not allowed to cash it out in the normal course of employment.

(2) The Court is also being asked to rule on whether or not current retiree & beneficiary benefits need to be recalculated based upon *Ventura* and, if so, how far back retroactive payments need to go.

Judge Pollack will be rendering a decision on these two issues as a part of the Coordination Proceeding. **The litigation is expected to continue for another 18 to 24 months.**

Judge Pollack has asked all parties to respond to his proposal that each of the cases in the Coordination Proceeding be certified as a Class Action Law Suit. It is probable that the next issue of the *SamCERA*

**Yes, I want to register for SamCERA's & Net Equity Associates' Four Session Course on  
*Financial Strategies for A Successful Retirement.***

I / We will attend All 4 Wednesday Mornings Sessions from 8:15 am to 11:45 am

Name: \_\_\_\_\_ Projected Date of Retirement: \_\_\_\_\_

Spouse or Significant Other: \_\_\_\_\_ [if attending seminar with you]

Home Address: \_\_\_\_\_ City: \_\_\_\_\_ Zip: \_\_\_\_\_

PONY Address: \_\_\_\_\_ Work Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_

*Complete this Application Form and Mail it to SamCERA today at PONY RET 141.*

## **Sign Up Today for SamCERA's Retirement Planning Seminar**

**8:15-11:45 a.m. at the Belmont Sports Complex,  
5450 Island Parkway, Belmont.**

[From 101 take Marine World Parkway to Oracle,  
turn left and then left at the first intersection  
(Shoreway) which turns into Island Parkway.]

### **SESSION 1 - OCTOBER 6TH**

- Your SamCERA Benefits
- Healthwise Living for a Healthy Retirement
- Your Social Security Benefits
- San Mateo County Retiree Health Benefits
- Cashing-in on Deferred Compensation

### **SESSION 2 - OCTOBER 13TH**

- Foundation for a Successful Retirement
- Retirement Planning is for Everyone
- Retirement Income: Perception vs Reality
- Objectives of Retirement Planning
- The Success Triangle
- Nine Main Reasons people fail to capitalize on their retirement years
- You can put your dollars to work with compound interest
- The impact of inflation on income
- Taxes and their impact on retirement planning
- The "double whammy" of taxes and inflation

### **SESSION 3 - OCTOBER 20TH**

#### **YOUR OTHER RETIREMENT INCOME**

- IRA's
- Home Equity
- Working After Retirement

#### **PUTTING YOUR DOLLARS TO WORK WITH FIXED**

#### **INCOME SECURITIES**

- Savings and cash reserves
- Tax-deferred annuities
- Corporate & Treasury Bonds
- Municipal bonds- tax-free income
- Nine Steps to Retirement Success
- Your Personal Retirement Plan

#### **PUTTING YOUR DOLLARS TO WORK WITH EQUITY INVESTMENTS**

- Common & Preferred Stock
- Mutual Funds
- Inflation Proofing Income
- Tax-deferred Investing in variable annuities
- Direct participation programs
- Portfolio hedging with tangible assets
- Asset Allocation

### **SESSION 4 - OCTOBER 27TH**

#### **RISK MANAGEMENT**

- Medicare
- Long-Term Health Care
- Life Insurance at Retirement
- Disability Insurance

#### **ESTATE PLANNING**

- Objectives of Estate Planning
- Understanding Probate
- Advantages of Joint Tenancy
- Using trusts to Reduce Estate Transfer Costs
- Three Ways to Avoid Estate Shrinkage
- Charitable Giving

*Optional, free, private Financial Planning  
Consultation will be offered after the Seminar.*

San Mateo County Employees' Retirement Association

Attn: Sid McCausland, Chief Executive Officer, RET 141

702 Marshall, Suite 280, Redwood City, California 94063-1823

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## ***KEEP YOUR SamCERA BENEFICIARY INFORMATION UP TO DATE***

SamCERA provides some excellent survivor benefits for named beneficiaries.

### **FOR THE SAKE OF YOUR LOVED ONES, YOU MUST TAKE THE TIME TO NAME A BENEFICIARY**

If you marry, remarry, divorce, have a baby, or simply change your mind about who your beneficiary should be...**change it officially!**

Call us at (650) 363-4581 and request a CHANGE OF BENEFICIARY FORM. We will not disclose the name of your beneficiary on the telephone. However, the form which we send you will indicate the name or names of your current beneficiary.

If you wish to change your beneficiary, complete the form and return it to the Retirement Office. If you are married, your spouse **must** sign the form with you. The change will go into effect as soon as we receive the form.

**If you do not return the form to the Retirement Office, your beneficiary will remain unchanged.**

Your beneficiary information is confidential and is not disclosed to anyone.

## ***DID YOU KNOW?***

County Benefits handles all **Medical Benefit Enrollments & Questions**. Call (650) 363-4229.

**Social Security** will provide you with an estimate of your Social Security Benefits if you call 1-800-772-1213. Your Social Security Estimate will include a history of your contributions.

County Extra Help Employees are enrolled in the **Public Agency Retirement System**, which is a unique program offered to part-time workers in lieu of *SamCERA* and Social Security coverage.

Questions regarding Extra Help coverage should be directed to PARS at 1-800-540-6369 Ext. 108.

Questions regarding your *SamCERA* benefits should be directed to (650) 363-4581.

### ***YOUR BOARD OF RETIREMENT***

Dennis J. Cosgrove, Chair

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