

# SamCERA Times

Your San Mateo County Employees' Retirement Association Newsletter  
Volume 8, Number 2, December, 2000



## *May all your days be filled with peace and joy*

Everyone here at SamCERA hopes you and yours have a memorable holiday season. Since we think of ourselves as your partners for life, we want each one of you to resolve now to enjoy a long and healthy retirement.

Our friends at the Stanford Center for Research in Disease Prevention are convinced they know a few of the tricks that will dramatically reduce your chances of becoming a victim of cancer, heart and many other diseases and help keep you out of the nursing home.

Good health and vitality are not matters of quick fixes and magic bullets. Good health and vitality come from the persistent, patient practice of skills that help keep your entire being balanced, vital and healthy. It is never too late to start, but the sooner you begin, the greater the cumulative benefits you will enjoy. So here is our holiday gift to you, courtesy of the folks at Stanford:

- \* Gently move and stretch each joint, muscle, tendon & ligament in a series of smooth, graceful movements five to seven days each week.
- \* Consciously relax your entire body for at least ten minutes five to seven days each week.
- \* Focus your full attention on a positive affirmation about the person you are becoming for at least ten minutes five to seven days each week.
- \* Meditate quietly for at least ten minutes five to seven days each week, letting the winds of grace embrace you.
- \* Eat at least five servings of vegetables, plus two of fruit, along with grains, legumes (beans) and a few nuts & oils each day. Let the things that are not good for you slowly disappear from your diet.
- \* Engage in 120 to 180 minutes of aerobic exercise per week, in increments of at least 10 minutes. Walking four miles an hour is a good initial goal.
- \* Engage in three sessions of strength building a week.
- \* Be of service to others regularly.

You can learn more about life-enhancing practices in *The Life We are Given* by George Leonard and Michael Murphy (ISBN 0-87477-792-5). Enjoy the holidays.

## *SamCERA's Winter 2001 Retirement Planning Seminar Coming in January*

SamCERA has teamed up with Net Equity Associates to bring you this highly acclaimed four-part seminar that will teach you everything you need to know to prepare yourself for a successful retirement. Join us for an eye opening reality check.

**Who? Priority for the January Seminar will be given to members who are planning to retire within the next two years.** If there are additional spaces available, they will be assigned in the order received. Retirement Planning is so important that you should bring your spouse or significant other along.

**When?** Four Wednesday mornings: January 10<sup>th</sup>, 17<sup>th</sup>, 24<sup>th</sup> and 31<sup>st</sup> 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 submit it to SamCERA today.

The course is on County time, if pre-approved by your Supervisor.



## ***Medicare Part-B Premium Reimbursement will be Increasing to \$50 per month at the end of January***

January Social Security benefits for recipients who are eligible for Medicare will reflect a \$50 deduction for the individual's Medicare Part-B Premium. This is the amount that each individual is required to pay monthly for Medicare's mandatory coverage for medical services that do not require hospitalization. The \$50 deduction represents a \$4.50 increase from 1999's \$45.50 Medicare Part-B premium.

San Mateo County's Board of Supervisors and SamCERA's Board of Retirement jointly sponsor a program that reimburses eligible SamCERA retirees for the cost of the Medicare Part-B premium. The SamCERA reimbursement will be increased to \$50 in the January 31<sup>st</sup> benefit payment.

The Board of Supervisors approves the annual appropriation for the program and the Board of Retirement reimburses the County for the expense. The program is funded out of the earnings of the Retirement Fund in excess of the actuarial interest assumption.

## ***Medicare Part-B Premium Reimbursement Still Available for Eligible Retirees***

At last count SamCERA was paying 1,432 retirees a monthly reimbursement for the Medicare Part-B premium that is deducted from their Social Security check. This tax-free benefit is jointly sponsored by the Board of Supervisors and the Board of Retirement.

If (1) you are receiving a monthly benefit from SamCERA and (2) a monthly Medicare Part-B premium is being deducted from your monthly Social Security benefit and (3) no one else is reimbursing you for the cost of the premium, then you are probably eligible for SamCERA's reimbursement program. Please call 363-4581 for an application. You may dial 1-800-339-0761 if you are outside of the 650 Area Code.

**Please check your SamCERA "benefit stub" before you call.** If you see \$45.50 on the "stub", then you are already receiving the reimbursement and there is no need to telephone us.



## ***1099R's Will Be Mailed by January 31<sup>st</sup>***

If you are receiving a SamCERA monthly benefit, the information that you need for your State and Federal tax returns will be mailed to you at the end of January.

All accounts are reconciled at the end of the year and all 1099R's are generated as part of a one-time computer process that also creates the master file that SamCERA submits to the State and Federal governments. You can not receive your 1099R until the process is completed.

**Please do not call and ask for a 1099R earlier.** We will not be able to comply with your request. However, we do promise you that we will mail ALL 1099Rs just as soon as they are available. If you have not received your 1099R by February 7<sup>th</sup>, then you can give us a call.

## ***Keeping Up With Your Bank***

If your bank or your account number changes, SamCERA needs to know what is going on. As banks consolidate and change their routing numbers, it has become increasingly difficult for SamCERA to make certain that each retiree's benefit gets into their account on the last business day of the month.

So, if you are receiving a SamCERA monthly benefit and your bank account number changes, send us a copy of your new check with the words "VOID" printed across it. That way we will know how to make sure you get your money on time.

## ***Actuary Says Everything Is Looking Good***

SamCERA's actuary has completed his June 30<sup>th</sup>, 2000 Actuarial Valuation. The actuary reports that the Retirement Fund now holds 98.44% of the funds needed to meet SamCERA's actuarial obligations to our members. On June 30<sup>th</sup>, the Actuarial Accrued Liability totaled \$1.292 billion and the Unfunded Actuarial Accrued Liability totaled \$20.1 million.

SamCERA's Actuarial Funding Ratio has improved dramatically in recent years, due primarily to investment returns in excess of the actuarial interest assumption.

### **SamCERA's FUNDING RATIO**

1995	69.28%	1998	89.88%
1996	76.21%	1999	92.03%
1997	82.58%	2000	98.44%

The Actuarial Funding Ratio measures the financial strength of a retirement system, by dividing the present value of the Pension Promises by the actuarial value of the Assets. At 98.44%, SamCERA can meet its accrued obligations to all of our members.

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 Morning Sessions from 8:15 a.m. to 11:45 a.m.

•You Must attend All Four Sessions, If You Sign-Up•

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

**Please Print Clearly**

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

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

E-mail: \_\_\_\_\_ PONY Address: \_\_\_\_\_ Message Phone: \_\_\_\_\_

*Complete this Application Form and Fax (261-9028) or Mail (address on pg. 4) it to SamCERA today*

## **Financial Strategies for A Successful Retirement**

### **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 which becomes Island Parkway.]

**The course is on County time, only if pre-approved by your Supervisor.**

### **Session 1 - January 10<sup>th</sup>**

YOUR *SAMCERA* RETIREMENT BENEFITS

HEALTHWISE LIVING FOR A HEALTHY RETIREMENT

SAN MATEO COUNTY RETIREE HEALTH BENEFITS

### **Session 2 - January 17<sup>th</sup>**

FINANCIAL BASICS

- Setting retirement goals
- Using credit wisely
- Barriers to financial success
- The power of compounding
- The effects of inflation
- Tax reduction strategies
- Making your money last

### **Session 3 - January 24<sup>th</sup>**

YOUR RETIREMENT INCOME

- Sources of retirement income
- Social Security benefits
- 401(k) plans
- Employer-sponsored retirement plans
- Individual retirement plans (IRAs)
- Roth IRAs
- Systematic withdrawal programs
- Maximizing retirement income

RETIREMENT INVESTMENT OPTIONS

- Importance of cash reserves
- Types of cash reserves
- Government securities
- Municipal bonds
- Corporate bonds
- Equity investment overview
- Common stock
- Preferred stock
- Types of mutual funds
- Mutual funds for income
- Tax-deferred annuities
- Asset allocation techniques

### **Session 4 - January 31<sup>st</sup>**

RETIREMENT LIFESTYLES

- Are you ready for retirement?
- Stress and retirement
- Traveling abroad
- The new "working" retirement
- Thinking about relocating?
- Lifelong learning

ESTATE PLANNING

- Importance of Estate Planning
- Understanding Probate
- Transferring your assets
- Revocable living trusts
- Tax reduction techniques

YOUR SOCIAL SECURITY BENEFITS

CASHING-IN ON DEFERRED COMPENSATION

*An optional, free, private Financial Planning Consultation will be offered after the Seminar Series*

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## *SamCERA is Proud to Welcome Two New Staff Members*

We are proud to announce the arrival of two new members of your hardworking SamCERA team.

Scott Hood is SamCERA's new Information Technology Manager. Scott has served as Executive Officer for the 7<sup>th</sup> Psychological Operations Group, Army Reserve, at Moffett Field, where his many duties included expansion and upgrade of the unit's local area computer network and service in Bosnia. Scott received his Master's Degree in Computer Information Systems from Boston University. He now looks forward to applying that knowledge and experience to keep SamCERA's information systems on the leading edge of appropriate technologies. He replaces Lonni Hocker, who retired.

Mabel Wong is SamCERA's new Senior Accountant. The new position strengthens SamCERA's internal controls. Mabel's first assignment was to implement SamCERA's new automated general ledger accounting system. She is also assuming responsibility for many of the accounting aspects of SamCERA's *PensionGold* benefits administration system. Mabel came to SamCERA from the County's Human Services Agency.

Everyone on your SamCERA staff is dedicated to providing you with caring, fair, accurate, timely and knowledgeable professional service. Scott and Mabel just made our ability to do that even stronger.

<p><b>web site:</b> <a href="http://www.samcera.org">www.samcera.org</a> <b>e-mail:</b> <a href="mailto:smccausland@co.sanmateo.ca.us">smccausland @ co.sanmateo.ca.us</a> <b>telephone:</b> (800) 339-0761 or (650) 363-4581</p>
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## *Retiree Health Insurance Premiums are Going Up*

The County's health insurance program is going to cost a great deal more in 2001, as health care costs throughout the region "skyrocket". The new premiums for Kaiser, Aetna & Secure Horizons will be deducted from SamCERA's December 31<sup>st</sup> benefit payments. (Blue Shield rates will **not** change.)

**SamCERA has NO information about your health insurance.** If you have health insurance coverage, you should have already received information about your new premiums. Please read that information before calling. **ALL questions must be directed to the County's Benefits Division of Employee & Public Services.** If you have specific questions about your coverage, you may call Rita Mitchell at (650) 363-4229, or your insurance provider. If you have questions about the public policy issues related to the rising cost of health care, you may call Paul Hackleman at (650) 363-4330. If you wish to express your concerns in writing. Their address is 455 County Center, Redwood City, CA 94063-1646.

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## *"Brown Bag" Retirement Seminars are a Success*

Everyone gets their questions answered when they participate in a *SamCERA* Brown Bag Seminar. All you have to do to schedule a seminar for your work site is e-mail or call Susie Lamica (at 363-4821) and she will schedule a time when she can join you and your co-workers at your work site during the lunch hour.