



## **Early Withdrawal Leaves the County's Money on the Table**

Too many financial advisers are telling *SamCERA*'s members they will earn more in the stock market than they can by keeping their money in the Retirement Fund. That may be half true in the present market, but it is most likely not true over the balance of your lifetime.

When employees leave the County, many take their contributions and interest with them. The majority of those who withdraw transfer their money to a tax-deferred IRA or 401k tax-deferred retirement plan.

If you withdraw your contributions from *SamCERA*, you give up all rights to any of the County's contributions and the interest earned on the County's contributions.

Currently, the County's contribution is more than \$2.50 for each \$1 contributed by the members; historically the ratio has been as high as 4:1. Since investment earnings are projected to pay more than 80% of the cost of your benefits, think of what you will be leaving on the table.

If you qualify, the County has guaranteed you a lifetime defined benefit and the County bears 100% of the risk of actuarial shortfalls. The County bears 100% of the cost of providing your eligible surviving spouse with 60% of your monthly benefit for life. The County bears 100% of the cost of providing you with annual cost of living increases for life. The County also provides lifetime disability benefits.

The only two ways for you to receive the County's contributions are through the receipt of (1) a monthly lifetime benefit or (2) a one-time death benefit (which is limited to six months salary for an active employee).

A career California public servant can link retirement benefits from one California public agency to the next and generate full-career benefits superior to just about every ERISA plan. Most California public agencies participate in this reciprocity arrangement. *SamCERA*'s benefits are capped at 100% of your Final Average Salary.

So before you jump into the dot.com stocks, take time to reflect on what you will be leaving behind when you

withdraw your money from *SamCERA*.

## **SamCERA's Spring 2000 Retirement Planning Seminar Coming in March**

*SamCERA*'s first Year 2000 financial and retirement planning seminar 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.

The younger you are when you attend this seminar, the sooner you can take the steps necessary to plan for your future. Retirement Planning is so important to your future well being that you should bring your spouse or significant other along.

**When?** Four Tuesday mornings: March 7th, 14th, 21st and 28th 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.

**NO Confirmations will be sent.** If you send in your registration form by February 15th, consider

yourself enrolled unless you hear from us. Please do not call with questions regarding the seminar.

## ***Can I Transfer Service from One Employer to the Next?***

You cannot transfer your service from one employer to another.

**However**, many California governmental agencies allow you to coordinate your retirement programs. **If you move within 180 days from one cooperating agency to another**, your contribution rate may be based on your age when you entered the first agency and your final average monthly compensation for calculating your retirement benefit will be the **highest average salary you earned while working for any of the cooperating agencies**.

This cooperative arrangement is known as **Reciprocity**. Reciprocity gives you a great deal of flexibility in building a full career of linked retirement benefits, **if** you keep your career focused on California public agencies. If you go to work for an agency which is a member of the California Public Employees' Retirement System or State Teachers' Retirement System, you may be eligible for reciprocity. The vast majority of California counties, cities and special districts belong to PERS. Non-teaching employees of all school districts, the staff and faculty of the State University campuses, such as San Jose State and San Francisco State (**but not** the University of California Retirement System) belong to PERS. All California Counties offer reciprocity.

YOU MUST NOTIFY BOTH YOUR OLD EMPLOYER AND YOUR NEW EMPLOYER IMMEDIATELY, IF YOU BELIEVE THAT YOU ARE ELIGIBLE FOR RECIPROCITY. If you establish reciprocity, you need to inform us every time you change your address, or name, or want to designate a new beneficiary.

When you get ready to retire, **you must file separate applications with each of your reciprocal retirement systems and retire from all of them on the same day**. Each retirement system will send you a separate retirement check for the service which you earned with the individual system.

If you think you may be eligible for a disability benefit, reciprocity may not be to your advantage.

Once established, reciprocity can not be canceled.

### **WARNING:**

While reciprocity is "additive" for service retirements, it is "integrated" for disability benefits.

## ***Medicare Part-B Premium Reimbursement Program a Big Help to Retirees over 65***

1,403 *SamCERA* retirees were participating in *SamCERA*'s tax-free Medicare Part-B Premium Reimbursement Program as of December 31, 1999. *SamCERA* distributed \$751,000 in premium reimbursements during the last year.

The Board of Supervisors and Board of Retirement launched the program in July 1998 for *SamCERA*'s eligible retirees, beneficiaries and survivors.

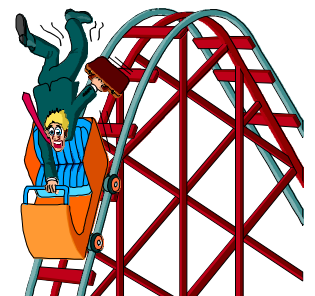
To be eligible for *SamCERA*'s program, you must be enrolled in Medicare Part-B. The Federal Government deducts the \$45.50 Part-B premium from your monthly Social Security benefit and *SamCERA* then reimburses you for the cost of the premium. The premium will remain at \$45.50 for the next year.

## ***Would You Like to Become A Senior Peer Counselor?***

Would you like to be of service to your fellow seniors? Do you have a genuine interest in the well being of others? Are you 55 years of age or older? Do you have access to transportation? Are you willing to complete a comprehensive seventy-two hour training course that is provided for counselors at no expense? Can you spare six hours a week to be of service to others?

During the past fourteen years, San Mateo County's Senior Counselors have provided thousands of hours of caring service to our seniors. Counselor and client both benefit from sharing, caring, solving and accepting.

The seventy-two hour training program begins February 2, 2000. If you are interested in participating, call (650) 573-2716.



**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 Tuesday Morning 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: \_\_\_\_\_

E-mail: \_\_\_\_\_ 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 - MARCH 7TH**

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

### **SESSION 2 - MARCH 14TH**

- 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 - MARCH 21ST**

#### **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 - MARCH 28TH**

#### **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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### **1099R's WILL BE MAILED BY JANUARY 31, 2000**

Tax return time is here. *SamCERA* will be issuing 1099R's to most retirees and beneficiaries on January 31, 2000.

Please do not call to ask us where your 1099R is until at least February 4<sup>th</sup>. *SamCERA* only has seven employees and we need to devote our time to solving real problems. So please wait patiently.

### **Direct Deposit is Worry Free**

See, even the notorious Y2K bug was unable to sting *SamCERA*'s worry free direct deposit program. So what are you waiting for?

If you are a *SamCERA* retiree who is still driving down to the bank each month to deposit your *SamCERA* check, pick up the phone now and call (650) 363-4581 and ask for a Direct Deposit Authorization Form.

If you are an active County employee, ask your payroll clerk for the form. It works great for your pay checks too.

Just about everyone else has discovered the advantages of direct deposit. It eliminates the possibility of your check getting lost or stolen and it saves your Retirement Fund staff time and money.

### **[www.samcera.org](http://www.samcera.org) IS THERE FOR YOU 24 HOURS A DAY**

Our new web site contains a wealth of information about *SamCERA*. On the site you can learn about your *SamCERA* benefits, find the answers to most of your questions, perform simple benefit estimates, learn about how *SamCERA* is governed, find out about *SamCERA's Investment Plan* and learn about *SamCERA's* actuarial strengths and weaknesses. You can also visit several important related sites that are linked to *SamCERA's* site.

The more times you visit, the more you will learn about your important *SamCERA* benefits. We welcome your suggestions on how to make the site work better for you.

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

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