



## ***Sgt. Keith Hoffman Unopposed in Safety Member Election***

Sgt. Keith Hoffman has been declared the new Safety Member Trustee on SamCERA's Board of Retirement. He was the only Safety Member to file a Nominating Petition. His term begins July 1<sup>st</sup>.

Sgt. Hoffman, who prefers to be called Keith, has spent thirty-two years of his life with the Sheriff's Office. He has worked in every major division of the Office. Currently, Keith is the Detective Sergeant serving as Special Agent Supervisor for the County's Vehicle Theft Task Force. If you think your car wound up in a chop shop, Keith is the man to call. His unit also provides assistance to the Narcotics Task Force as necessary.

Keith was the first Coordinator of both the Peer Support Program and Critical Incident Response Team. He serves on the Critical Stress Management Team and the Sheriff's Subcommittee on Substance Abuse.

Keith is a Past President of the Organization of Deputy Sheriffs, and Past President and current Board Member of the San Mateo County Sheriff's Office Association.

Alumni of Explorer Posts 810 and 830 remember Keith's efforts on behalf of scouting. As a Shriner, Keith is an active supporter of the Shrine Hospital for Children in Sacramento.

Keith's wife Ruthann is a Family Nurse Practitioner for the County. Keith is the proud father of three children and very proud grandfather of three grandchildren.

Sgt. Hoffman will take Dennis Cosgrove's seat on the Board. Mr. Cosgrove, Past President of the Probation and Detention Association and Chair of the Board of Retirement, retired at the end of March.

## ***It's Time for SamCERA's General Members to VOTE***

The County Elections Office has mailed ballots to the homes of SamCERA's Active General Members. [Retirees and Deferred Members are not eligible to vote in this election.] Ballots must be returned to the Elections Office by June 12<sup>th</sup>.

## ***SamCERA's Summer 2000 Retirement Planning Seminar Coming in July***

Because of the popularity of this retirement planning seminar program, your Board of Retirement has added a Summer series to its annual line-up.

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 begin to prepare yourself for A Successful Retirement. Join us for an eye opening reality check.

**Who? Priority for the July 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: July 5<sup>th</sup>, 12<sup>th</sup>, 19<sup>th</sup> and 26<sup>th</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.

## ***Markets go up and Markets go down, but your Retirement Fund is still exceeding its actuarial expectations.***

By avoiding the "dot.com" craze, SamCERA's investment managers provided some comfort during the recent major market corrections. Details next issue.

## Board of Retirement Revises Investment Program

The Board has voted to modify SamCERA's asset allocation policy and manager structure.

The move began in January with a two-day planning retreat aimed at evaluating each component of SamCERA's investment program.

The Board voted in April to implement the new plan effective May 31<sup>st</sup>.

The Board's former policy was driven in part by a need to pay-off an Unfunded Accrued Actuarial Liability that had equaled more than 1/3 of the County's total pension liability six years ago. Consequently, the allocations to Small Cap Stocks and International Stocks were more aggressive than those of typical pension funds.

In the meantime, the strong investment markets of recent years have moved SamCERA from a position of being 64% funded in 1994 to being 92% funded as of June 30<sup>th</sup> 1999. Consequently, the need for the relatively aggressive investment policy is less necessary today. In addition, the performance of Small Cap and International stocks has not provided returns consistent with their higher level of risk. So the Board decided it was time for a change.

SamCERA's Asset Allocation is as follows:

Asset Class	Former	New
Large Cap Equity	27%	40%
Small Cap Equity	15%	10%
International Equity	20%	15%
Domestic Bonds	25%	29%
Foreign Bonds	5%	0%
Real Estate	8%	6%

The Board also voted to increase its use of passive index funds and approved plans to terminate four investment management contracts as part of the consolidation program.

Barclays Global Investors will manage the Large Cap, Small Cap and more than half of the Bonds in their passive index funds. Bank of Ireland Asset Management will continue to manage International Stocks, Deutsche Asset Management will manage a little less than half of the bonds and Invesco Realty Advisors will manage the real estate portfolio.

The Board will evaluate the cost effectiveness of additional refinements in the months ahead.

For additional information go to [www.samcera.org](http://www.samcera.org) and click on *Goverance*, then on *Minutes*, then on the *January* and subsequent Minutes.

## Most Member Contributions to Increase Slightly July 1st

SamCERA is governed by the County Employees' Retirement Law which requires that our Active Members pay for a portion of their retirement benefit. Each member pays for an "annuity" that is projected to equal half of his or her "base" benefit. (In our County, the member pays nothing for the cost of the annual Cost of Living Allowance.)

This year's actuarial valuation had some good news and some bad news for our members. The good news was that the investment returns exceeded the actuarial projections and could be counted on to reduce the cost of contributions. The bad news was that the last two rounds of collective bargaining have cost a great deal more than the actuary anticipated and our retirees are now living much longer than in the past. These last two bits of news are good for our members, but they add to the cost of your annuity.

The actuary now expects everyone to receive a larger benefit when they retire and to live longer after they retire. Consequently, the actuary had to increase his estimate of the cost of the member-purchased annuity. Your Member's Contribution Rate is based on **Your Age when you joined SamCERA**. Here are some examples of the old and new rates for General Members.

Entry Age	Old	New	Change
Plans 1 & 2 (came to work before 7/13/97)			
20	5.24%	5.39%	0.15%
25	5.32%	5.46%	0.14%
30	5.47%	5.60%	0.13%
35	5.71%	5.82%	0.11%
40	6.03%	6.14%	0.11%
45	6.41%	6.54%	0.13%
50	6.83%	7.03%	0.20%
55	7.29%	7.60%	0.31%
59	7.69%	8.09%	0.40%
Plan 4 (came to work on or after 7/13/97)			
20	4.98%	5.14%	0.16%
25	5.06%	5.21%	0.15%
30	5.21%	5.34%	0.13%
35	5.43%	5.55%	0.12%
40	5.73%	5.85%	0.12%
45	6.10%	6.24%	0.14%
50	6.50%	6.71%	0.21%
55	6.94%	7.25%	0.31%
59	7.69%	8.09%	0.40%

Safety Members' already higher rates remained relatively stable, with some declining slightly.

To see the new rate for your Entry Age and Plan go to [www.samcera.org](http://www.samcera.org) and click on "New Member Rates".

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: \_\_\_\_\_

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 Parkway.]

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

### **Session 1 - July 5<sup>th</sup>**

YOUR *SAMCERA* RETIREMENT BENEFITS

YOUR SOCIAL SECURITY BENEFITS

CASHING-IN ON DEFERRED COMPENSATION

### **Session 2 - July 12<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 - July 19<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 - July 26<sup>th</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

HEALTHWISE LIVING FOR A HEALTHY RETIREMENT  
SAN MATEO COUNTY RETIREE HEALTH BENEFITS

*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.

Melchor E. Cruz joined your SamCERA team on May 8<sup>th</sup>. Mel is our new Controller. He is responsible for assuring that all disbursements from the Retirement Fund are made in accordance with the law. Mel came to us from the Controller's Office. He replaces Alena Rehacek who moved to the private sector.

Celedonia Amacker also joined your SamCERA team on May 8<sup>th</sup>. Cele is our new Office Assistant. You will find her helping Janell LaBlanc take care of your needs over the phone and at our reception counter. She and Janell are responsible for keeping the whole office running smoothly. Cele is new to County government, but comes with a wealth of experience in meeting client's needs.

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



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## *"Brown Bag" Retirement Seminars Are Back In Style*

Susie Lamica, SamCERA's friendly Member Services Retirement Analyst, has revived SamCERA's popular "Brown Bag" Retirement Seminar program.

Susie will come to your work site to meet during the lunch hour with ten or more SamCERA members to review your SamCERA benefits and answer your questions.

If you are interested in scheduling a Brown Bag session, please e-mail Susie or give her a call at 363-4821.

P.S. Susie does not provide the lunch.

## *Direct Deposit is a Winner*

If you are one of the less than 400 retirees still insisting on getting a check in the mail, please think again.

Nearly 90% of SamCERA's retirees and beneficiaries are now using direct deposit.

They are the ones that do not have to drive down to the bank each month to deposit their SamCERA benefit, because it is already Money in the Bank.

They are the ones that do not call our office and say that their check was lost in the mail or eaten by their iguana.

Try it, you will like it. Phone now for your Direct Deposit Authorization Form.

That number again is (650) 363-4581.