

SamCERA Times

Your San Mateo County Employees' Retirement Association Newsletter
Volume 10, Number 3, December 2002



AFSCME, SEIU & BCTC negotiate improved SamCERA Benefits for Active County General Members

New Contracts! The Board of Supervisors approved new contracts with AFSCME & SEIU on December 3rd. The BCTC contract will go to the Board on December 17th for adoption. The new contracts represent the first major negotiated improvement in San Mateo County's retirement benefits for SamCERA's Members in more than a decade.

Who will be Eligible for the improved benefits?

To qualify for the improved benefits, (1) you must be a County Employee on the dates the new benefits are implemented and (2) you must be a General Member in SamCERA's Plan 1, Plan 2 or Plan 4.

If you retired before the effective dates, you will NOT be eligible for the improved benefits.

• SamCERA's service retirement benefits are based on your **years of service** times your **final average salary** times a **factor for your age**. Currently a General Member will receive a benefit equal to 2% of final average salary for each year of service credit at age 61.25.

When will the New Benefits be Implemented?

September 2003: New retirements will be calculated under a new **2% @ 55** formula contingent on agreement by all employee organizations representing employees in SamCERA's General Member Plans, or on enactment of legislation enabling implementation of the benefit by individual representation units. If all employee organizations agree, or if the legislation is enacted earlier than September 2003, this benefit can be implemented earlier.

March, 2005: New retirements will be calculated under a new **2% @ 55.5** formula contingent on enactment of legislation implementing a 1/120 employee contribution

design instead of the 1/240 design currently provided in the Retirement Law. This benefit is also contingent on agreement by all employee organizations representing employees in SamCERA's General Member Plans, or on enactment of legislation enabling implementation of the benefit by individual representation units.

The County is actively pursuing both pieces of legislation noted above.

For individuals who plan to retire between ages 53-55, the 2% @ 55 benefit is greater than the 2% @ 55.5 benefit. Therefore, members who wish to take advantage of this unique age 53-55 anomaly must retire prior to September 2005. In all other regards, the 2% @ 55.5 benefit is greater for all other ages and much greater than SamCERA's current benefit.

The new formulas provide an improved benefit for nearly all Plan 1, Plan 2 & Plan 4 General Members. For instance, **an active member with a \$1,000 final average salary and 10-years of Service Credit would receive the following monthly benefit at retirement:**

Retirement Date	Before 9/2003	Before 3/2005	After 2/2005
Retirement Age	2% @ 61.25	2% @ 55	2% @ 55.5
50	\$118.18	\$142.60	\$147.50
55	\$149.23	\$200.00	\$194.77
60	\$191.67	\$226.20	\$243.97
62	\$209.13	\$236.60	\$261.13
65	\$243.22	\$243.22	\$261.13

What will the new Benefits Cost?

The new benefits will result in major cost increases in the County's retirement contributions. Employees will also share in the increased cost as follows: In addition to your current General Member contribution to SamCERA, each member will be responsible for paying a portion of the cost of the new benefit, as follows: Year 1, 1% of compensation; Year 2, 2% of compensation; Year 3 and thereafter, 3% of compensation.

SamCERA's Retirement Planning Seminar Series Now Accepting 2003 Registrations

1st 2003 Series: **February 4, 11, 18 & 25**

2nd 2003 Series: **May 6, 13, 20 & 27**

3rd 2003 Series: **October 7, 14, 21 & 28**

SamCERA's Retirement Planning Seminar Series – Now More Important Than Ever

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.

Who should attend? All *SamCERA* members. The younger you are when you attend, the better prepared you will be to manage your finances. Retirement Planning is so important you should bring along your spouse or significant other.

Where? The seminars will be held in the **Elk's Lodge at 229 West 20th Avenue, San Mateo**, 1 block South of Highway 92 and 2 blocks West of El Camino Real.

How Much? *SamCERA* & Net Equity Associates are picking up the full cost of providing it to *SamCERA*'s members. The course is on County time, but only if pre-approved by your Supervisor.

Sign Up Now! Simply complete the Enrollment Form below and submit it to *SamCERA* today. **If you sign up, you must agree to attend all 4 sessions in the series**

Yes, I want to register for *SamCERA*'s & Net Equity Associates' Four Session Course on

Financial Strategies for A Successful Retirement

I / We promise to attend all 4 Morning Sessions from 8:15 a.m. to 11:45 a.m.

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

2003 Series: **February May October** (Circle the month for which you wish to enroll)

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 to (261-9028) or Mail (address on pg. 4) it to SamCERA today

SamCERA's Actuary Completes Triennial Experience Study

The good news is that *SamCERA*'s retirees are living longer. The bad news is that this good news is driving up the County's contributions to your Retirement Fund. Every three years the Board of Retirement's actuary analyzes everything that has happened to *SamCERA*'s members since the last study. This year William M. Mercer reports that over the past three years *SamCERA* experienced more terminations, both vested and non-vested;

more disabilities and more retirements than the actuary had expected to see. Most significantly, the analysis indicates that there were fewer deaths among retired members than the actuary expected.

The net impact of the analysis will increase the Employer Contribution Rates by approximately 1.94 % next fiscal year. In addition, the actuary recommended an additional 2.09% increase to reflect the disappointing investment returns of the past three years. The actuary will report on the cost of the new benefit formulas in January.

CalPERS' Long-Term Care Offers New Options for 2003 Application Period

The CalPERS Board of Administration has approved the Long-Term Care Program's new application period. **Beginning April 1, 2003 and extending through June 30, 2003, all California public employees (including non-CalPERS members), retirees, their spouses, parents, parents-in-law and siblings (age 18 and over) will have the opportunity to apply for long-term care coverage.**

CalPERS Long-Term care (LTC) coverage pays for the extended care that would be needed when, due to chronic disease, injury or frailty of old age, help is required with basic activities such as dressing, bathing, or eating. LTC plans can help pay for extended care at home, care in an assisted living facility, adult day care center and in a nursing home. Today, without a LTC plan, the cost for one year in a nursing home averages \$50,000 per year.

During the 2003 Application period, applicants will have an opportunity to choose from a broad array of benefit options in each of three CalPERS Long-Term Care Plans. In addition, for all new applicants who are issued coverage on or after April 1, 2003, there will be five Nursing Home Daily Benefit Amount Options to choose from and the Assisted Living daily benefit maximum will increase to 70% of the Nursing Home Daily Benefit Amount, up from 50%. More details are available on the CalPERS website.

Act now! Join more than 170,000 members of the CalPERS Long-Term Care Program and share in the peace of mind this coverage offers. Call, toll-free 1-800-266-1050 today to request your free 2003 application kit. You can also order your application kit on the web at www.calpers.ca.gov/longtermcare.

MEET YOUR BOARD OF RETIREMENT

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Senior Peer Counseling Is Looking for a Few Good Volunteers

We all know that prudent financial planning is essential for retirement. Another equally important aspect is what you will do with your time. For those of you who are fortunate enough to live in San Mateo County, there are a wealth of volunteer opportunities available.

One very fine volunteer opportunity is the Senior Peer Counseling Program. This program is part of the Health Services Department working in partnership with Aging and Adult Services, Kaiser Permanente, Seton Medical Center and the San Mateo Health Center.

Senior Peer Counseling trains individuals age 50 and up to work with older adults in processing life changes brought on by age, health and loss.

Training is free. The only qualification is to be a good listener. Enhance your retirement!

The next class will begin in early March 2003.

For additional information call Howard Lader at (650) 573-2716.

San Mateo County Employees' Retirement Association
Attn: Sid McCausland, Chief Executive Officer, Pony: RET 141
100 Marine Parkway, Suite 125, Redwood Shores, CA 94065

A Prayer for Peace to All, from All of Us

SamCERA is Moving to our new home December 15th

SamCERA is going to have a New Address:
SamCERA
100 Marine Parkway, Suite 125
Redwood Shores, CA 94065

How to Find Us:

From Northbound 101 take the Ralston/
Marine World Parkway exit. Drive East on
Marine Parkway toward the Bay.

From Southbound 101 take the Ralston/
Marine World Parkway exit. Drive East
over the freeway on Marine Parkway
toward the Bay.

From El Camino Real, turn East toward the
Bay on Ralston and drive over the freeway
on Marine Parkway. (Ralston becomes
Marine Parkway at 101.)

Twin Dolphin Drive is two stoplights beyond
the freeway. The “Shores Center” sign on the
lawn is located in front of our new home.

Continue on Marine Parkway one block
beyond Twin Dolphin to Lagoon Drive. Note
the 100 Marine granite monument with
SamCERA logo near curb as you approach
Lagoon Drive.

**From Marine Parkway turn Right on Lagoon
Drive and then immediately take the next
two Right turns into our parking lot.**

Park in the **Visitor spaces** on the Marine
Parkway side of our building near the North
Entrance.

SamCERA is in Suite 125 on the first floor, on
your left just inside the North Entrance on the
Marine Parkway side of the building.

SamCERA's New Telephone Number:
(650) 599-1234

From a County Extension Dial 1234

From Outside the 650 Area Code:
(800) 339-0761

Web Site: [www . samcera . org](http://www.samcera.org)

**Our offices will be closed December 11th, 12th
and 13th to facilitate our relocation efforts**

