

# SamCERA Times

Your San Mateo County Employees' Retirement Association Newsletter  
Volume 11, Number 2S, May 2003



## All Unions Representing SamCERA's Safety & Probation Members have Ratified Two New SamCERA Retirement Benefits

**New Contracts!** The Deputy Sheriffs' Association has voted to ratify the new retirement benefits previously approved by the Sheriffs' Sergeants and Probation & Detention Association. On June 10<sup>th</sup> the Board of Supervisors is scheduled to approve the last of the MOU's granting the new retirement benefits and to adopt a resolution providing for their implementation.

**Who will be Eligible for the improved benefits?** You must be a SamCERA Safety or Probation Member to qualify for the improved benefits.

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

### Step One: Implementation of 3% @ 55 on July 6, 2003

SamCERA's Monthly Retirement Benefit for Safety & Probation Members who retire on or after **July 6<sup>th</sup>** will be calculated using the new 3% @ 55 formula.

### Step Two: Implementation of 3% @ 50 on January 2, 2005

SamCERA's Monthly Retirement Benefit for Safety & Probation Members who retire on or after **January 2, 2005** will be calculated using the new 3% @ 50 formula.

#### What will it cost me?

Members will share some of the cost of the improved benefits. Each union has negotiated its own Cost-Sharing Member Contribution agreement. The details are spelled out in the *Overview of Upcoming Changes* on SamCERA's website.

## County Cost for SamCERA's Safety & Probation Members will increase approximately 84% next year

This fiscal year, the County is paying about 18.5% of payroll for SamCERA's Safety Members' retirement benefits and 17.2% of payroll for SamCERA's Probation Members' retirement benefits.

Next fiscal year, the County will need to contribute roughly 34.6% of payroll for SamCERA's Safety Members' retirement benefits and 30.1% of payroll for SamCERA's Probation Members' retirement benefits, due to actuarial changes, investment shortfalls and the new Safety & Probation Member benefits.

## How Can I Learn More About SamCERA's New Benefits?

1. **SamCERA's website** includes an updated manual Benefit Calculator with the new formulas as well as *An Overview of Upcoming Changes to SamCERA's General, Probation & Safety Member Benefits & Costs*. You can access them from the scrolling banner on the Home Page at [www.samcera.org](http://www.samcera.org)
2. **SamCERA's online intranet Benefit Estimator** will be updated soon with the new formulas. You will then be able to do your own real time retirement benefit estimates online using the 3% @ 55 & 3% @ 50 formulas from a County computer.
3. **Retirement Enrollment Workshop.** Next week, members age 49½ and older with ~10 years of service will be receiving an invitation to attend a Retirement Enrollment Workshop. Those interested in retiring this year will be guided through completing the necessary paperwork. Workshops will be conducted between June 2<sup>nd</sup> and August 17<sup>th</sup>.

## How Can I Enhance My SamCERA Benefits?

You may increase your retirement benefits if you are eligible to do any one of the following:

- Purchase your Extra Help time
- Upgrade your Plan 3 service credit
- Redeposit your previously withdrawn contributions
- Purchase your Military Service time if you meet stringent eligibility criteria
- Protect your reciprocal service

Purchase requests must be submitted to SamCERA in writing. Purchases should be completed prior to retirement. You may purchase service credit in a lump-sum payment, rollover, or by payroll deduction.

Please plan ahead since it may take several months for SamCERA to research your historical records & calculate the cost.

## Social Security Reduces Benefits for Public Employees who are not covered by Social Security & their Spouses

Visit [www.ssa.gov](http://www.ssa.gov) to learn more. Click on the word "Search" and then search for "Windfall Elimination Provision" for your penalty & "Government Pension Offset" for your spouse's penalty. SamCERA's staff **cannot** counsel you on Social Security issues.

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

SamCERA has teamed with Net Equity Associates to bring you this highly acclaimed four-part seminar that will teach you everything you need to know to prepare 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 your spouse or partner to the seminar with you.

**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.

**Cost?** SamCERA & Net Equity Associates pay the full cost of providing it to SamCERA's members. The course is on County time, but only when it is pre-approved by your Supervisor.

**Sign Up Now!** Simply download an Enrollment Form from our website and submit it to SamCERA today. When you enroll, you commit to attending all 4 sessions.

**Fall Series: October 7, 14, 21 & 28**

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: **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

## How *SamCERA's* "Retirement Formula" Works

<b>Your Years of Service Credit</b>	2,080 eligible hours equal one year	20
Times		X
<b>Your Final Average Salary</b>	<i>Plan 1 &amp; 2: eligible compensation for 2,080 consecutive hours divided by 12. Plan 4: eligible compensation for 3-sets of 2,080 consecutive hours divided by 36.</i>	\$10,000
Times		X
<b>Your Age Factor</b>	<i>Increases incrementally every three months until maximum factor is reached.</i>	.02091
Equals		=
<b>Your Unmodified Monthly Benefit</b>	<i>Plan 1, 2, &amp; 4: Leaves 60% of Unmodified Monthly Benefit to Eligible Spouse. Optional reduced Member Benefit can be elected to provide additional benefit to spouse or others.</i>	\$4,182

### *SamCERA's* Benefit Factor for Your Age at Retirement Depends on your Date of Retirement

Retirement Date Formula Age	Benefit Factor			Monthly Benefit Examples**			Percentage of Current	
	Before 7/6/03	7/6/03–1/1/05	On & after 1/2/05	Before 7/6/03	7/6/03–1/1/05	On & after 1/2/05	7/6/03–1/1/05	On & after 1/2/05
	2% @ 50	3% @ 55	3% @ 50	2% @ 50	3% @ 55	3% @ 50	3% @ 55	3% @ 50
	\$31664*	\$31664.2	\$31664.1	\$31664	\$31664.2	\$31664.1	\$31664.2	\$31664.1
41	0.01252	0.01433	0.01877	\$125	\$143	\$188	115%	150%
42	0.01325	0.01517	0.01988	\$133	\$152	\$199	115%	150%
43	0.01401	0.01604	0.02101	\$140	\$160	\$210	115%	150%
44	0.01479	0.01694	0.02219	\$148	\$169	\$222	115%	150%
45	0.01561	0.01787	0.02342	\$156	\$179	\$234	115%	150%
46	0.01645	0.01884	0.02468	\$165	\$188	\$247	115%	150%
47	0.01736	0.01988	0.02603	\$174	\$199	\$260	115%	150%
48	0.01817	0.02081	0.02726	\$182	\$208	\$273	115%	150%
49	0.01904	0.02181	0.02857	\$190	\$218	\$286	115%	150%
50	0.02000	0.02290	0.03000	\$200	\$229	\$300	115%	150%
51	0.02103	0.02408	0.03000	\$210	\$241	\$300	115%	143%
52	0.02216	0.02537	0.03000	\$222	\$254	\$300	115%	135%
53	0.02338	0.02678	0.03000	\$234	\$268	\$300	115%	128%
54	0.02473	0.02825	0.03000	\$247	\$283	\$300	115%	121%
55 & up	0.02620	0.03000	0.03000	\$262	\$300	\$300	115%	115%

\*Current formula

\*\* Assumes: Service = 10 years & Salary = \$1,000

**Timely Tips: Plan 3 Upgrade Purchases:** Contact *SamCERA* if you have five or more years of Plan 3 Service Credit and want to purchase an upgrade to the new formulas.

**Divorce Technicalities Can Delay Retirement Payments:** If you went through a Dissolution of Marriage while you were a County employee, then your former spouse probably has a community property claim on your *SamCERA* benefits earned during the marriage. Contact *SamCERA* for a copy of the proper Domestic Relations Order for dividing up your *SamCERA* benefits.

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## ***Critical Dates for Those Who Wish to Retire on July 6<sup>th</sup>***

Safety & Probation Members who wish to take advantage of the new 3% @ 55 formula may retire at any time on or after July 6, 2003. However, you should leave paid status on the last day of a biweekly pay period.

Members who want to receive their first retirement benefit payment on August 31<sup>st</sup> must meet the following deadlines & be aware of critical *SamCERA* processing dates:

- June 2<sup>nd</sup>:     **First Day to File** for July 6<sup>th</sup> Retirement & First Retirement Enrollment Workshop
- July 5<sup>th</sup>:     Your Last Day In Paid Status
- July 6<sup>th</sup>:     Your Date of Retirement
- July 11<sup>th</sup>:    **Last Day to File** Application for August 31<sup>st</sup> Benefit Payment for July 6<sup>th</sup> Retirement
- July 30<sup>th</sup>:    *SamCERA* mails *Your Election of Monthly Retirement Allowance* form
- Aug 18<sup>th</sup>:    **Last Day to File** *Your Election of Monthly Retirement Allowance* form
- Aug 31<sup>st</sup>:    *SamCERA* distributes August Benefits Payroll including retroactive benefits for July



*SamCERA*  
**100 Marine Parkway, Suite 125**  
**(across from the Oracle complex)**  
Redwood Shores, CA 94065

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

**From a County Extension Dial 1234**

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

**Website: [www.samcera.org](http://www.samcera.org)**

***SamCERA's* Office Hours:**

***SamCERA* is open Monday – Thursday  
from 7:00 a.m. until 5:30 p.m.**

*SamCERA* is closed Friday – Sunday