



SFERS
San Francisco Employees' Retirement System

milestones

Volume 8 ~ Issue 2 February 2012

A Message From The Executive Director

The Retirement System, like the rest of the country, is witnessing the beginning of resurgence as we close this calendar year. In Fiscal Year 2010, SFERS experienced the first signs of recovery with the Pension Trust returning 12.55% and assets reaching a market value of \$13.1 billion as of June 30, 2010. Although economic and political challenges facing public pension funds continue to loom, a number of indicators appear to be heading in a positive direction.

For the fiscal year ended June 30, 2011, SFERS recorded a 21.84% return on investments (not yet audited), and a market value of \$15.4 billion (not yet audited), up more than \$2 billion from the previous year. By continuing to follow a steady and well designed long-term plan, the Retirement System continues to consistently perform at the top tier of public pension funds.

By now, SFERS members may be well aware that Proposition C, legislation amending Charter provisions of the SFERS Pension Plan was approved by voters at the November 8th election. Proposition C amends Supplemental COLA provisions for all employees and retirees. The knowledgeable and dedicated SFERS staff is working to ensure that appropriate

systems and informational materials are effectuated to implement the new provisions.

Additionally, I would like to call to your attention, a new service feature for members coming in early 2012: an enhanced website offering self-service tools. I invite you to visit the SFERS website at www.sfers.org for additional information and to explore new online features available to members.

The Retirement System is also rolling out the anticipated Target Date Funds for our members who participate in the 457(b) Plan. Members can find additional details about Target Date Funds by visiting the San Francisco Deferred Compensation Plan (SFDCP) website at www.sfdcp.org.

In closing, SFERS members should be rest assured that the Trust Fund is prudently invested, the Plan's benefits soundly funded, and the SFERS staff committed to providing first-rate service to our members.

Respectfully,

Gary A. Amelio
Executive Director

Voters Approve Proposition C Amending Pension Provisions

A measure amending pension and health care provisions in the City's Charter was approved by voters at the November 8, 2011 election. Proposition C amends Supplemental COLA provisions for all employees and retirees.

Beginning July 1, 2012, new Supplemental COLA provisions will go into effect. Amendments to Supplemental COLA provisions under Proposition C that affect SFERS current and future retired members include:

- In addition to the requirement that the Trust Fund have sufficient "excess" earnings to pay a Supplemental COLA, a Supplemental COLA will only be paid to current and future retirees when SFERS is fully funded as measured by the market value of assets. This means, when the Trust Fund achieves 100% funded ratio—\$1 of Trust assets for every \$1 of benefits earned by all members—the Retirement Board may approve a Supplemental COLA payment for retired members. This new provision will begin with Supplemental COLAs that may be effective on and after July 1, 2012.
- Current members who retired before July 2, 2011, may be eligible for the Supplemental COLA effective 7/1/2011, if paid, under current Supplemental COLA provisions. The current provision stipulates that the Supplemental COLA may be paid if the Trust Fund has sufficient "excess" earnings to pay the Supplemental COLA.

You can find more information about the Charter Amendment mentioned above on the Department of Elections website at <http://www.sfgov.org/site/elections>.

Heart of the City - Combined Charities Campaign

The Retirement System extends sincere gratitude to the generous retirees who contributed to the City's Combined Charities Campaign. SFERS' retired members donated more than \$12,000 to Combined Charities. Without doubt, your dollars will help to make many lives a little brighter. A BIG thank you to all who participated!



FAQ's (Frequently Asked Questions)

Q: How do I update my beneficiary information?

A: To update beneficiary information, you can complete and submit to SFERS a Change of Beneficiary Form available on the SFERS website. The completed form must be notarized if submitted to our office by mail, or the form can be submitted to our office in person. If submitted in person, we require a picture ID (e.g. Driver's License) and the complete names and addresses of the person(s) you wish to designate as your beneficiary. An appointment is not required to update beneficiary information.

Q: My parent passed away. Who do I notify at SFERS?

A: To notify SFERS of a member's death, please contact Member Services at (415) 487-7055.

Q: How do I set up direct deposit for my pension allowance?

A: To sign up for direct deposit, complete and return an Electronic Funds Transfer (EFT) form available on the SFERS website or in the SFERS office.

Q: Can I add my domestic partner to my health benefits?

A: Your entitlement to health benefits is administered under the City's Health Services System (HSS). You can contact HSS at 415-554-1750.

Q: How can my mortgage company verify my pension allowance?

A: You may request a verification of your pension either in writing or by visiting our office (you will need to bring a picture ID). In order to protect the privacy of our members, we do not provide pension information to third parties (such as a mortgage company or financial institution) and we do not accept requests by fax, e-mail or telephone.

1099R Tax Forms Mailed in January

1099R forms for Tax Year 2011 are mailed to all benefit recipients beginning the last week of January 2012 (but no later than January 31, 2012). Your 1099R form is mailed to the address of record with SFERS.

The amount of SFERS benefits paid to you between December 1, 2010 and November 30, 2011 is included on the 1099R for tax year 2011, and the amounts reported on the 2011 1099R are the same as your year-to-date balances on the retirement allowance dated November 30, 2011. Look on the back of the form for general descriptions and definitions of all reporting boxes on the 1099R form.

If you have questions regarding the amounts reported on your 1099R, submit your questions in writing to:

SFERS, 1099R Processing, 30 Van Ness Avenue, Suite 3000, San Francisco, CA 94102, or you can call us at 415-487-7062.

If you need to increase, decrease or stop tax withholding from your SFERS retirement allowance, download a SFERS Tax Withholding Form from the SFERS website at www.sfers.org, and mail or fax the completed form to the SFERS office or, contact our office at 415-487-7062 to request the form. The deadline for processing changes to the retirement payroll is the 10th of the month in which the change is to occur.

Requests to change tax withholding received by the SFERS Office after the 10th of the month will be processed for the retirement allowance payable at the end of the following month.

Board Approves Supplemental COLA

At its meeting in December 2011 the Retirement Board approved a Supplemental COLA adjustment effective July 1, 2011, to bring the total COLA adjustments (BASIC and Supplemental) for July 1, 2011 to 3.5%.

Retired (new and old plans) miscellaneous members and new plan safety members

who retired on or before July 1, 2011 (i.e., retirement date is July 1, 2011 or before), will be eligible for the COLA; beneficiaries of deceased eligible members who receive a monthly allowance may also be eligible.

SFERS anticipates processing the retroactive payment of this Supplemental COLA in the February 29, 2012 allowance.

New and Improved SFERS Website Coming Soon!

Easier Navigation, More Tools, Safe & Secure...

SFERS is excited to announce a new and improved website coming in 2012. You will have the ability to download and print a copy of your annual 1099R Form or monthly advice notice...features that will be available through the new SFERS Member-Only Portal (mySFERS) on the SFERS website.



Once it is up and running, you can register for mySFERS on the SFERS website at www.sfers.org. Registration is secure and simple. Stay tuned for more information on the mySFERS launch. And be sure to visit the SFERS website and take advantage of the new services.



*“Don’t simply retire
from something; have
something to retire to.”*

- Harry Emerson Fosdick

Important Dates

It's not always easy to remember when COLAs are paid, when to report a check lost or stolen, or when to expect your 1099R. For your convenience, SFERS is providing a brief guide to help you keep track of important dates regarding your monthly retirement allowance.



Pension Checks Mailed:	Always on the last day of the month.
EFT Funds Credited:	First business day of the month for your financial institution. Monthly allowances deposited directly into your bank are transmitted electronically to your bank on the last day of the month (e.g. if the last day falls on a weekend, the funds are transmitted on Friday).
Report a Check lost or stolen:	Tenth day of the month following the mailing (e.g. August 10th if July 31st check is lost).
Basic COLA paid:	July 31st allowance, effective July 1.
Basic COLA Paid (Safety Old Plans):	October 31st allowance if effective July 1 (Basic COLAs may be effective at anytime during the year per MOU).
Supplemental COLA paid:	In years when a supplemental COLA is paid, it is paid in the February 28th allowance, retroactive to the previous July 1.
1099R Released:	Last week in January for tax year ending 12/31 of prior year.
Last Allowance for Tax Year:	November 30 (year-to-date earnings and tax deductions data that will appear on your 1099R).

SFERS Board Members

President

Al Casciato
Elected Member

Vice President

Brenda Wright
Appointed Member

Joseph D. Driscoll, CFA
Elected Member

Sean Elsbernd
Member appointed by the Board of Supervisors

Victor Makras
Appointed Member

Herb Meiberger, CFA
Elected Member

Wendy Paskin-Jordan
Appointed Member

Meeting Schedule:

Meetings are held on the second Wednesday of every month.

Meetings begin at 10:00 am at the SFERS Office
30 Van Ness Avenue,
Suite 3000 (3rd Floor).

Meetings are open to the public.

Agendas/Minutes:

[www.sfers.org/Board Minutes and Agendas](http://www.sfers.org/BoardMinutesandAgendas)

SFDCP

Stable Value Rates:

1/1/12 – 3/30/12	2.80%
10/1/11 – 12/31/11	3.40%
7/1/11 – 9/30/11	3.55%
4/1/11 – 6/30/11	3.45%

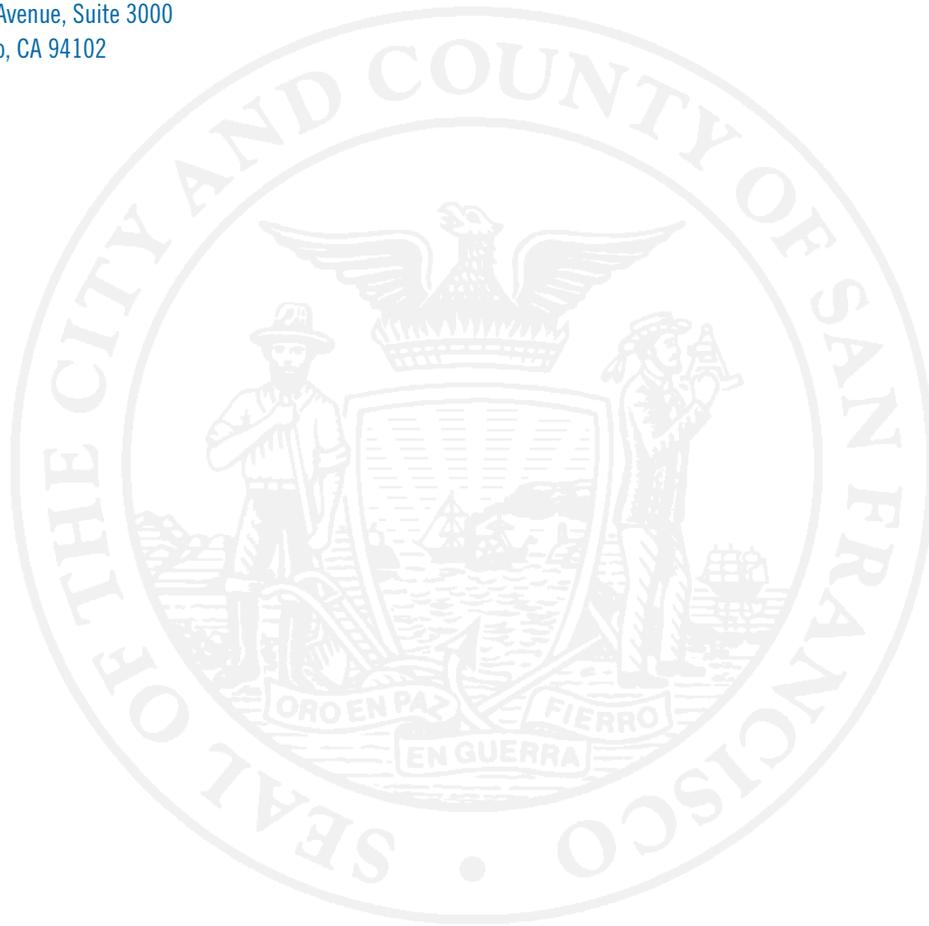


SFERS

San Francisco Employees' Retirement System

Milestones

30 Van Ness Avenue, Suite 3000
San Francisco, CA 94102



Contact Us:

30 Van Ness Avenue
Suite 3000 (3rd Floor)
San Francisco, CA 94102

Office Hours:
8:00 a.m. – 4:30 p.m.

Telephone: (415) 487-7000
Out of Area: 1 (888) 849-0777

Website: www.sfers.org

Organizations of Interest

Health Service System
Social Security Administration
The Retired Employees of the
City and County of San Francisco
CalPERS
SFDCP (GWRS)

Internet Link

www.myhss.org
www.ssa.gov
www.reccsf.org
www.calpers.ca.gov
www.sfdcp.org

Phone

(415) 544-1750
1 (800) 772-1213
(415) 681-5949
1 (888) 225-7377
1 (888) SFDCP4U
1 (888) 733-2748