



SFERS
San Francisco Employees' Retirement System

milestones

Volume 9 ~ Issue 1 October 2012

A Message From The Executive Director



It is truly an honor to serve as Executive Director for the San Francisco Employees' Retirement System. Having been appointed by the Retirement Board on April

25th, I once again express my sincere appreciation to the members of the Retirement Board for their confidence in my ability to lead this System.

As Executive Director, providing stability and continuity of leadership is of the utmost importance. I fully intend to maintain SFERS track record providing retired members with the benefits to which they are entitled each month, making certain our active members are well informed and therefore, well prepared to transition into retirement, and to do so in such a way that embodies SFERS reputation for great integrity, performance and service.

As a result of the voters' approval of Proposition C in November 2011, new

Supplemental COLA provisions went into effect July 1, 2012. And at its meeting in March 2012, the Retirement Board approved a 2% Basic COLA adjustment effective July 1, 2012. Additional details related to the changes to the Supplemental COLA and approval of the Basic COLA are provided on page 2 in this newsletter.

During Fiscal Year 2011-12, SFERS took on several significant projects aimed at enhancing member service capability and we will continue this trend into Fiscal Year 2012-13.

Earlier this year, the Deferred Compensation Plan (SFDCP) launched new Target Date Funds and a revamped website.

What's ahead in 2012-13:

- We have begun implementation of a major document management system to streamline our records management process, making member record retrieval more efficient.

- Later this year, we will launch a new website providing 24/7 access to individual account data, electronic forms and a calculator for estimating retirement benefits. Be sure to visit the SFERS website at www.sfers.org and take advantage of the new features available to you online.

Again, I am pleased at the opportunity to lead the Retirement System. Together with a dedicated team of Retirement staff and an experienced Board, we are singularly committed to the SFERS mission. We are also committed to providing you with quality service and information so that your retirement is a rewarding experience.

Respectfully,

Jay Huish
Executive Director

Retirement Board Update

Board President Al Casciato resigned from his position on the Retirement Board upon his retirement from City employment effective June 30, 2012, after having dutifully served the members of SFERS as a member of the Retirement Board for the past 17 years, the last two as President. President Casciato was first elected to the Retirement Board in 1995 while working to serve and protect the citizens of San Francisco as an officer for the SFPD. A well-respected member of the Board, the SFPD and the City and County of San Francisco community, we wish him all the best!

In an election just concluded, Officer Brian Stansbury from the San Francisco Police Department was elected to the Retirement Board seat vacated by Al Casciato. This election produced one of the largest voter turnouts seen in some time, generating more than 13,000 votes, demonstrating

the strong interest in retirement matters from the members of the Retirement System. Commissioner Stansbury was sworn in as Retirement Board Commissioner on October 5, 2012 and will serve the remainder of President Casciato's unexpired term (through February 21, 2015).

At its June 13, 2012 meeting, the Retirement Board elected Commissioner Wendy-Paskin-Jordan to serve as President and Commissioner Joseph Driscoll to serve as Vice President of the Retirement Board. Commissioner Paskin-Jordan is a well-respected professional in the investment community and a mayoral appointee serving in her second year of a five-year term. Commissioner Driscoll, a Captain in the City's Fire Department, is an elected member serving in his sixth term. Commissioners Paskin-Jordan and Driscoll will serve as Retirement Board officers through June 2013.

FAQ's (Frequently Asked Questions)

Q: Will I get a COLA every year that I'm retired?

A: Generally yes, but limited to years when the Bay area CPI is at least 1%. Retired members may receive a Basic COLA—an adjustment to your monthly retirement allowance—effective July 1st of each year (when paid) and payable to eligible members on the check dated July 31st.

Q: Will SFERS mail my pension check outside the U.S.?

A: Yes, but you must allow for delays and SFERS cannot guarantee prompt delivery of your check.

Q: Can I work while I am retired without affecting my SFERS benefit?

A: Yes. If you return to work for the City, you are limited to working no more than 960 hours in any fiscal year without affecting your pension benefit. All members who retired for service from the City can work for any employer other than the City; however, certain employment restrictions apply to disability retirees.

Q: When do you make the monthly pension payments?

A: Pension payments are always issued on the last day of each month. The check covers the period from the first day of the month to the last day of the month.

Q: How do I report a lost check?

A: If you do not receive your monthly benefit check by the 10th day of the month following the issue date (e.g. August 10th if it is your July 31st check), you can contact the Retirement System and request a Lost Warrant Affidavit form to report the check lost or stolen.

Basic COLA Approved for 2012

At its March meeting, the SFERS Retirement Board approved the Basic Cost of Living Adjustment (COLA) for qualified miscellaneous retirees and New Plan Safety retirees or their eligible qualified survivors or beneficiaries. Effective July 1, 2012, in accordance with Charter Section §A8.526, if you were receiving a monthly allowance that was effective on or before July 1, 2012, you received a COLA increase equal to 2% of your June 30, 2012 **gross** SFERS retirement allowance. This Basic COLA increase was paid commencing with retirement allowances dated July 31, 2012. You can determine the amount of the 2012 Basic COLA increase by comparing the gross amounts of your June 30, 2012 and July 31, 2012 retirement allowances.

The cost of living adjustment is calculated by rounding the percentage increase or decrease in the San Francisco-Oakland-San Jose CPI-U (Consumer Price Index) for the prior calendar year to the nearest one percent. Basic COLA adjustments are limited to a maximum of 2%. The San Francisco-Oakland-San Jose CPI-U had a 2.9% increase between December 2010 and December 2011, which was rounded to 3%. The additional 1% increase was placed in the SFERS COLA Bank to help fund Basic COLAs in future years when the Consumer Price Index does not support the maximum 2% Basic COLA.

"There's one thing I always wanted to do before I quit...retire!"

- Groucho Marx

New Supplemental COLA Provisions under Proposition C

Proposition C, approved by voters on November 8, 2011, amends pension and health care provisions in the City's Charter. Beginning July 1, 2012, changes to Supplemental COLA provisions under Proposition C affecting SFERS current and future retired members are as follows:

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 fully-funded requirement must be met for all Supplemental COLAs effective on and after July 1, 2012.

Access Your Retirement Allowance Sooner

An Electronic Funds Transfer (EFT) to your bank account assures that your monthly benefits will be available to you in a timely manner regardless of a disruption or delay in mail delivery. So, you could have access to your retirement allowance on or around the first day of each month with direct deposit.

SFERS strongly encourages those retirees and beneficiaries who have not yet set up an EFT for their SFERS retirement allowance to seriously consider this option. Please contact the Retirement System at 415-487-7000 or visit the SFERS website at www.sfers.org and click on the Forms icon, to access information and forms to establish an EFT for future monthly retirement allowances.

Retirement Associations are independent from SFERS

If you are a retired member of SFERS who is also a member of a retirement association, please note that SFERS does not collect dues or conduct business on behalf of your retirement association. You must contact your retirement association directly. SFERS is the System administering retirement benefits for the active and retired workers of the City and County of San Francisco.

Heart of the City - Combined Charities Campaign

During October, you will have an opportunity to once again demonstrate your generosity as a retired CCSF employee during the annual "Heart of the City" combined charity drive. You should receive a letter from Mayor Edwin Lee inviting you to participate in the annual combined charity campaign with your September 30, 2012 retirement allowance.

The Heart of the City charity drive officially runs from October 1 through October 31, 2012, although checks will be accepted through the end of November. We want to thank you for your generosity in past campaigns and ask you to contribute to the organization(s) of your choice through one or more of the charitable federations representing hundreds of charities in our community.

Checks should be made payable to one of the federations listed on Mayor Lee's letter or to a qualified non-profit (tax exempt) organization of your choice and mailed to:

Norm Nickens, Executive Assistant
SFERS, 30 Van Ness Avenue, Suite 3000
San Francisco, CA 94102

With your support the City can reach its goal of raising \$1 Million for our community. Just imagine what can be done with \$1 million: providing shelter for the needy, providing food and medicine for victims of disaster, or helping to solve our environmental challenges.

Please join the team to make this the best charity campaign ever. The need has never been greater and with your help we can reach our goal! If you have any questions or require any additional information, please call the campaign Hotline at 415-925-2604 or visit the website at <http://www/sfgov.org/charity>.



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.
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

Wendy Paskin-Jordan
Appointed Member

Vice President

Joseph D. Driscoll, CFA
Elected Member

Vacant

Member appointed by the Board of Supervisors

Victor Makras

Appointed Member

Herb Meiberger, CFA

Elected Member

Brian Stansbury

Elected Member

Brenda Wright

Appointed Member

Meeting Schedule:

Meetings are held on the second Wednesday of every month.

Meetings begin at 3:00 pm 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:

10/01/12 – 12/31/12 2.80%

07/01/12 – 09/30/12 2.80%

04/01/12 – 06/30/12 2.80%

01/01/12 – 03/31/12 2.80%

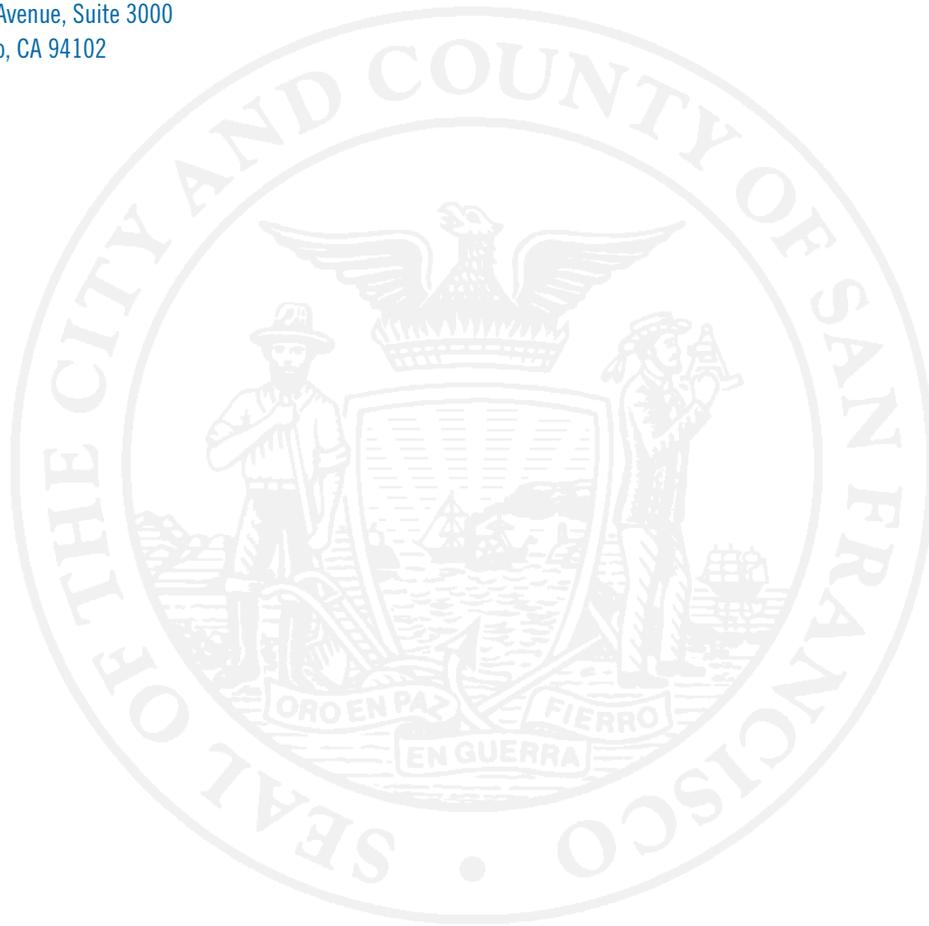


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San Francisco Employees' Retirement System

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Contact Us:

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8:00 a.m. – 5:00 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

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1 (800) 772-1213
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