



SPRING/SUMMER 2012

# WHAT'S UP?

NEWS FOR ACERA MEMBERS



NEW

## Web Member Services 5 Best Things You Can Do

**A**CERA's new Web Member Services (WMS) feature is live! And it's powerful. Go to [www.acera.org](http://www.acera.org) and click on the Member Login button to try it. Here are the top 5 things you can do once you log in:

### 1. Estimate your Retirement Benefit in 5 minutes

#### ACTIVE AND DEFERRED MEMBERS

Gone are the month-long waits in line to get an estimate of your future lifetime retirement allowance. Get an accurate estimate right now, in 5 minutes, based on your own employment data. In fact, get 10 or 100 estimates. It's up to you.

Log in to Web Member Services, click on Benefit Estimator, and type in your projected last day of work and first day of retirement. You can even add payment for vacation hours, which increases your retirement allowance.

Financial planners say that after you retire, you will need 70–80% of what you were earning before retirement to be able to maintain

your same standard of living. Run a retirement estimate today to see whether you may need to increase other savings or investments now to reach that 70-80% range on the day you want to retire.

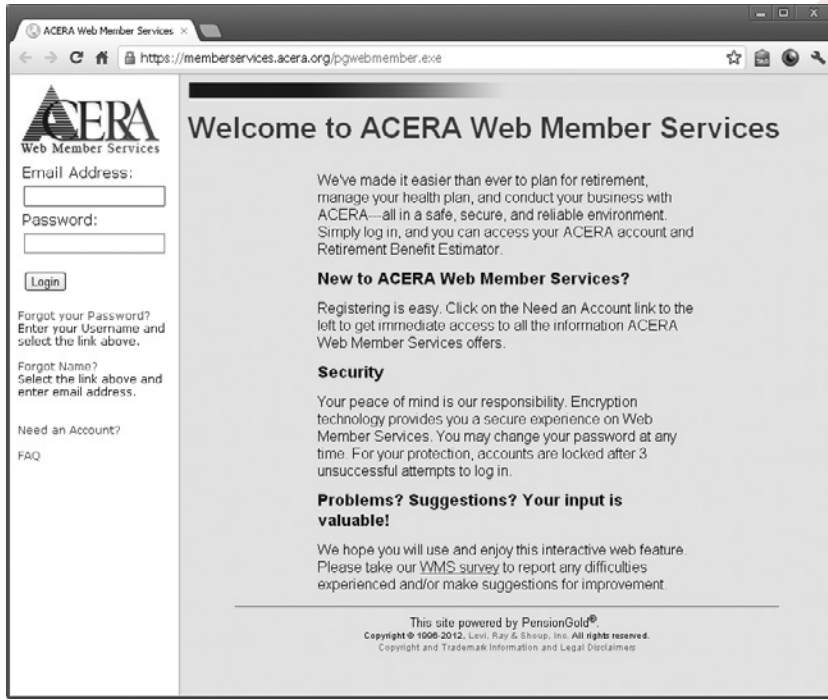
### 2. See how many years of service you've earned toward retirement

#### ACTIVE AND DEFERRED MEMBERS

While you work, you earn service credit. You even earn service credit while you're taking your earned vacation or out on sick leave. When you retire, your number of service years is one of the multipliers in the retirement formula. The more service you have, the higher your retirement allowance. **(continues)**

(continued from cover page)

new web member services



Log in to Web Member Services to see how much service you've already earned, as of your last pay period. There are even some types of time that are eligible to purchase to increase your service, such as part-time work, TAP work, and unpaid medical leave. You can submit an inquiry about purchasing time while you're logged in by clicking on the Web Forms link.

### 3. Verify that your death benefits would go to the right people

#### ALL MEMBERS AND PAYEES

Ensure that your loved ones are taken care of after you pass away; it takes 5 minutes. Log in to Web Member Services and verify that you have designated them as beneficiaries so that ACERA can efficiently pay out your death benefits to the right people. Simply click on Nominated Beneficiary. If you want to re-designate your beneficiaries, follow the link at the bottom of the beneficiary webpage.

### 4. See your retirement pay statement (and statements of years past!)

#### RETIRED MEMBERS AND PAYEES

How much money is going into your bank account via direct deposit every month? How much was your COLA increase last month? How much is Uncle Sam taking out? How much are you paying for your health insurance? You can get the answers to these questions for the past month, and even past years. Simply log in and click on Benefit Payroll History.

### 5. Check on a service purchase contract

#### ACTIVE AND DEFERRED MEMBERS

When purchasing eligible time to increase your service (such as prior public service time or time worked prior to becoming an ACERA member), ACERA will let you split up payment over time, for up to 5 years. If you've engaged in a purchase contract, log in to Web Member Services to get a breakdown of how much you've already paid and how much you have left.

#### BONUS LIST

6. See info from 1099-Rs for years in the past (Retired Members and Payees)
7. Verify and modify your federal and state withholding (Retired Members and Payees)
8. See how much you've contributed to the retirement system (Active and Deferred Members)
9. See your deductions including medical, dental, vision, association dues, etc. (Retired Members and Payees)
10. Much more...

# New ACERA Rule Mandates Part Time Contributions

If you're actively employed and think you may go to part time in the future, you should know about a recent change to ACERA's part time service procedure.

## Why the change?

As a member of ACERA actively working in a full-time position, you contribute a percentage of your salary with each pay check to the retirement system to help pay for your retirement benefits. You don't pay income taxes on your contributions when you make them; when you retire or withdraw, you will owe taxes on your benefits when you receive them.

The IRS makes the rules on what is taxable and has recently stated its intent to review public pensions. To ensure ACERA is in compliance with IRS rules, we've undertaken our own review of our policies. We found one policy in particular to be out of compliance, so we've changed it.

## What changed on January 1st?

Before January 1, 2012, ACERA members working in full time, retirement-eligible positions who changed to part time were given a choice: they could continue contributing to the retirement system while continuing to earn service credit, or they could stop paying contributions and earning service credit, putting their memberships on hold and becoming what we call deferred members.

As of January 1, 2012, members changing to part time or into other certain ineligible positions no longer have the choice; they must continue to contribute to the retirement system and continue to earn service credit.

## Working part time

If you go from full time to part time, you will continue to be an active member of ACERA and contribute to the retirement system at the same percentage you have been contributing. Also, you'll continue to earn partial service credit for time worked based on your reduced hours.

Generally, if you go back to full time, your contributions will go back up because you'll be making more money, and you'll begin earning credit for full time service again.

## Members who previously deferred when changing to part time

If you changed to part time before January 1 and chose to defer, you'll remain a deferred member until you increase your working hours to full time. At that point, you will become an active member again automatically and begin contributing to the retirement system again, as well as begin earning service credit again. Additionally, once you're back to full time, you will be able to purchase the part time work to add to your service credit.

During the fourth quarter of 2011, the Retirement Board adopted ACERA's Real Return Pool Policy to guide and govern investing in Real Return Pool assets, and approved one Real Return Pool investment. The Board also approved one new Private Equity and Alternatives Return Leading Strategy investment to a Debt-Related Fund. As part of the annual review process, the Investment Committee reviewed real estate consultant The Townsend Group, ACERA's Directed Brokerage Program, Third Party Directed Brokerage Administrator—Capital Institutional Services, Inc., and three of ACERA's Domestic Equity Managers.

For the fourth quarter, US Stocks fared better than their international and emerging markets counterparts. The DJIA outperformed the S&P 500 and NASDAQ posting returns for the quarter of 12.8%, 11.8%, and 7.9%, respectively. The MSCI EAFE was up 3.4% and MSCI Emerging Markets was up 4.5%.

ACERA's total Fund returned 6.3% in the fourth quarter 2011 and ranked in the 21st percentile among public funds greater than \$100 million. The Fund did not exceed its policy index of 6.7% during this time period. Longer term, the 5-year average annual return was 1.8%, ranking in the 59th percentile. The 10-year and 15-year returns ranked in the upper 15th and 17th percentiles, respectively, with 6.1% and 7.1% annualized returns, respectively. The market value of the total Fund as of 12/31/11 was \$5,062,576,166.

## Investment Returns for 4th Quarter, 2011\*

	4th Quarter	1 Year	3 Year	5 Year
TOTAL FUND	6.3%	-0.4%	13.0%	1.8%
Policy Index**	6.7%	-0.3%	12.4%	2.5%

\* Returns for periods greater than one year are annualized. Results of all publicly traded investments are presented in a format consistent with the CFA Institute's Global Investment Performance Standards®.

\*\* As of October 1, 2011, the Policy Index is 34% Russell 3000/ 15% Barclays Aggregate/ 3% Citigroup WGBI - ex US/ 2% Barclays High Yield/ 25% MSCI AC World - ex US IMI/ 6% NCREIF Property Index/ 10% Russell 3000 + 100 bps/ 5% CPI + 300 bps.

# RETIREE PAGE

## Which Costco Eye Doctors Are In-Network?

If you're heading to Costco to visit the eye doctor and/or fill your prescription for glasses, keep in mind not all Costco eye doctors are in the VSP Network. What does this mean to you and your pocketbook?

### If you visit an in-network VSP doctor, you get:

- A free exam every year
- Free lenses with a \$25 copay every year
- \$120 toward frames every two years
- \$105 toward contact lenses every year

### If you visit an out-of-network doctor, you get:

- \$50 toward an exam every year
- \$50 (single), \$75 (bi), or \$100 (tri) toward lenses
- \$70 toward frames every two years
- \$105 toward contact lenses every year

Before you go to Costco, call and ask "are you a VSP doctor?" Either way, the doctor should submit the VSP insurance claim for you, but your out-of-pocket costs could be dramatically different.

## 3 Ideas to Stay Active This Summer

### FIND TEAM SPORTS

To beat the routine of exercise, play a sport. Beyond the usual basketball, softball, and tennis, try these: American handball, volleyball, badminton, bocce, and pickleball. Pickleball is similar to tennis, but played on a much smaller court and is much lower impact. To find people to play sports with, search for your particular sport or just type in "sports league" at [www.yelp.com](http://www.yelp.com) or [www.meetup.com](http://www.meetup.com). Also try contacting your city recreation department or local YMCA.

### TRAVEL THE U.S. AND THE WORLD WITH ROAD SCHOLAR

Road Scholar is a non-profit organization that lets retirees choose from 6,500 educational adventures. Make friends and go places where most tourists don't get to go. All the details like lodging and food are taken care of. Scholarships are available if your income is limited. Go to [www.road scholar.org](http://www.road scholar.org).

### VOLUNTEER WITH SENIOR CORPS

If you're 55 or older, use your lifetime of experience, unique talents, and desire to make a real difference in your world by working for your community and enriching your own life in the process. Senior Corps helps you become a mentor, coach, or companion to people in need, or contribute job skills and expertise to community projects and organizations. Go to [www.seniorcorps.gov](http://www.seniorcorps.gov).

## \$2 Prescriptions for UnitedHealthcare Members

UnitedHealthcare members in Medicare: Don't pay more than you have to for prescription drugs. Find hundreds of prescriptions for as low as \$2 for a 30 day supply by going to [www.unitedpharmacysaver.com](http://www.unitedpharmacysaver.com). Enter your zip code for an interactive map of pharmacies near you, including Target and Safeway. Enter the name of your medication to see the price. Save money.



## LIVE WELL

A Frenchman walks into a bar...with a duck on his head.

The bartender says, “Where’d you get that?”

and the duck says, “In France. They’ve got millions of ‘em.”

**Y**ou’ve heard that laughter is the best medicine. It’s obvious that laughter is a great stress reliever, but two 2009 Japanese studies<sup>1</sup> presented to the American College of Sports Medicine found that this adage may be true for heart health as well.

Groups of healthy adults watched either a comedy or a documentary film while their blood flow was monitored. The groups watching the comedy movies showed increased blood flow through the arteries as well as dilated blood vessels, both of which are associated with healthy blood pressure.

And the effect lasted: “Arterial compliance [and blood vessel dilation] improved for a full 24 hours after subjects watched a funny movie,” said lead researcher Jun Sugawara. “Laughing is likely not the complete solution to a healthy heart, but it appears to contribute to positive effects.”<sup>1</sup>

So have a good laugh. Just like any other part of a well-rounded life, laughter is something you can deliberately seek out. Here are some ideas to increase your good humor:

**Try taking yourself less seriously.** Did you just explode a bag of flour all over the rug? Classic three stooges move. Have a good laugh with whoever saw it.



**Call up the friends you laugh with.** Go out and have a good time. A 2010 Brigham Young University study<sup>2</sup> showed that being social has more effect on life span than exercise or even obesity.

**Go see some standup.** Visit [www.sfstandup.com](http://www.sfstandup.com) for a calendar of standup comedy events every day in the Bay Area.

**Ask coworkers and friends for funny stories.** You’ll become known as the person who wants to hear hilarious stories rather than gossip or complaints.

**Download some comedy albums for the ride to work.** A few (mostly clean) suggestions: Jim Gaffigan, Ellen Degeneres, Steven Wright, Todd Barry, Mike Birbiglia

**Watch a few hilarious videos** at [www.funnyordie.com](http://www.funnyordie.com) or [www.comedycentral.com](http://www.comedycentral.com)

**Read the Onion,** America’s satirical newspaper at [www.theonion.com](http://www.theonion.com)

1 Sugawara J, Tarumi T, Tanaka H. (2010). Effect of mirthful laughter on vascular function. *The American Journal of Cardiology*, Volume 106, Issue 6, Retrieved from [http://www.ajconline.org/article/S0002-9149\(10\)01050-7/abstract](http://www.ajconline.org/article/S0002-9149(10)01050-7/abstract)

2 Holt-Lunstad J, Smith T, Bradley J. (2010). Social Relationships and Mortality Risk: A Meta-analytic Review. *PLoS Medicine*, July 2010, Retrieved from <http://www.plosmedicine.org/article/info:doi/10.1371/journal.pmed.1000316>

S	M	T	W	T	F	S
JUNE						
17	18	19	20	21	22	23
24	25	26	27	28	29	30
JULY						
1	2	3	4	5	6	7
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AUGUST						
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SEPTEMBER						
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22

# ACERA Calendar

## ■ PRE-RETIREMENT PLANNING SEMINARS

Aug 7, Sep 6; 9:00-12:00

## ■ NEW EMPLOYEE SEMINAR

Aug 28; 9:30-12:00

## ○ POST SESSIONS

Aug 28, 12:15-1:45; Wills, Trusts, and Powers of Attorney

## ■ RETIREE SEMINARS (9:30-12:00)

Jul 19, Medicare Transition  
 Aug 23, Defeat Diabetes with a 1-2 Punch  
 Sep 13, Medicare Transition

All seminars are held at ACERA, 475 14th Street, 11th Floor, Oakland. To register, contact ACERA at 510-628-3000 or 800-838-1932 and specify the seminar you wish to attend. Space is limited.

## ■ CHECK AND DIRECT DEPOSIT PAYABLE DATES

Jun 29, Jul 31, Aug 31, Sep 28

## ■ RETIREMENT BOARD MEETINGS

Jun 21, Jul 19, Aug 16, Sep 20

Third Thursday of each month C.G. "Bud" Quist Board Room 10th Floor, 2:00 p.m.

**WEBSITE: WWW.ACERA.ORG**

**TELEPHONE: 510-628-3000**

**TOLL-FREE: 1-800-838-1932**

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ALAMEDA COUNTY EMPLOYEES'  
 RETIREMENT ASSOCIATION

