

CITY OF SAN DIEGO RETIRED EMPLOYEE ASSOCIATION  
BOARD MEETING MINUTES May 9, 2006

Meeting called to order at 9:35a.m., by President Nancy Acevedo.

Present: Nancy Acevedo, Sylvia Tatum, Ruth Ann Hageman, Maggie Smith, Terry Flynn, Ty Rogers, Lynn Swanson, John Tsiknas, Virginia Silverman, Ross McCollum, Jean Hughes, Robert West, Joe Flynn, Patricia Karnes.

Not present: John Casey

Guests: Bob Headland, John Swanson, Paulette Mormino, Sharon Beach.

Minutes of April 11, 2006

Motion to approve, Ross/Lynn. Approved unanimously.

COMMUNICATIONS: Nancy Acevedo

Email from new SDCERS Chief Administrator, David Wescoe. He expressed interest in getting acquainted with us.

TREASURER'S REPORT- Sylvia Tatum

Grand Total Reserve-Operating Balance on 4/1/06 \$16,421.19

Receipts for April \$2085.36

Expenditures for March \$2087.64

Grand Total Reserves- Operating Balance 3/31/06 \$17,331.77

Legal Fund is now four months old and is close to \$4000 as of May 1.

ACTION ITEMS-

Legal Fund Committee Recommendations will be heard at the June meeting.

Update Bylaws (Delete III-3)

Corbett Issue Paper- Virginia Silverman

Motion to accept the final draft by Ross/Ruth Ann. Passed unanimously.

Supp. Cola Benefit Issue Paper- Bob West

This is a benefit for long-time retirees.

Motion to accept by Ross/Joe. Passed unanimously.

PR Brochures- Virginia Silverman, Ross McCollum

Folder focus: who we are and recruiting members.

Cover page for flyer: "Who says there is no free lunch", an incentive piece for recruiting retirees to come to a first meeting.

Contact person: Nancy agreed to take emails forwarded from the web site.

Discussion. Minor word changes. Move, to price printing and order first run, approved unanimously.

INFORMATION-DISCUSSION ITEMS

DROP Issue Paper -Jean Hughes/Ross McCollum

Discussion.

- 1) Is DROP separate from the retirement fund? Virginia said the Municipal Code indicates DROP is part of the total fund. Jean noted other descriptions say it is separate. It is not clear.
- 2) Ruth Ann asked to add that conflicts exist regarding the value/costs of DROP. Patricia noted the previous City Manager issued a report indicating that it saved the City money. Joe added that SDCERS' auditors say the cost is negligible to SDCERS. Jean recommended re-inserting "there

is a difference of opinion on this".

3) West said another conflict was the interest paid to DROP accounts.

Ross suggested that as issue papers are used also for defense on challenges. that the papers be divided into factual and editorial sections. The group agreed.

Ross will email editorial comments to Jean for inclusion and bring the paper back to the June meeting as an action item. Jean will put the summary at the beginning for quick reviewers.

Joint CSDREA Meeting with Firefighter and Police retiree org.-Joe Flynn

New Member Campaign- Ross McCollum

- 1) Ross handed out "SDREA NEW MEMBER CAMPAIGN" listing benefits for members. He asked for thoughts and a discussion at the next meeting.
- 2) Suggestion: to put the membership recruiting brochures in SDCERS' lobby. Nancy noted that it is not appropriate to recruit in SDCERS' newsletter- "Free Spirit".
- 3) Suggestion: Lynn asked about a web link from SDCERS to CSDREA. Joe recommended "staying at home". Ruth Ann pointed out the advantage of not linking with political appointees to SDCERS' Board who have not done retirees well in the past.
- 4) Ross pointed out 20% of SDCERS membership are members of CSDREA.

Letterhead Revision- Nancy Acevedo

A sample of the new letterhead design was shared.

RETIREE ISSUES TASK FORCE- Joe Flynn

Joe announced that SDCERS is in transition back to a committee structure.

See Joe's monthly report of SDCERS Board meetings on CSDREA's web site.

A high moment for Joe was the appointment of a new chief administrator: David Wescoe.

Wescoe has given Joe his home and cell phone number and told Joe to call if he has any questions.

Joe's message to Wescoe was 522 retirees have pension of less than \$500 a month, and 1,464 retiree pensions place them under the Federal poverty level of \$12,649, while 1 or 2 retirees make \$150,000 a year.

NAVIGANT COMMITTEE REPORT-Virginia Silverman/Patricia Karnes

Virginia commented that the meeting was postponed a week to May 17, 2006. (And later, Virginia notified us the topic was changed from healthcare to SDCERS' Waterfall.)

COMMITTEE REPORTS

Program Committee- Ruth Ann Hageman

Discussion of inviting David Wescoe to do a cameo appearance and later to do a program at CSDREA.

Web Site- John Tsiknas, John Swanson

Two of the most popular selections on the web site are the news articles and Virginia's calendar.

Advocacy Committee- Ty Rogers, Virginia Silverman, John Casey, Patti Karnes, Ruth Ann Hageman, Lynn Swanson.

Ty said healthcare issues were the focus of the last meeting. Virginia finds the healthcare insurance situation troubling (only about \$8 million of approximately \$13 million to pay for retiree healthcare was included in the Mayor's budget when Virginia checked). Joe said the transfer of the healthcare insurance from SDCERS, to the City, is critical. The Care Council (serving retirees with healthcare insurance problems), is another related issue.

Discussion:

Ross pointed out that the City will need to add 2 or 3 positions to handle retiree healthcare and those positions are not in the City budget, which will create frustrations. Ross suggested that

Wescoe meet with the City regarding the transfer.

RETIREE HEALTH ISSUE TASK FORCE

Ty asked if a representative from the Advocacy Committee is on the Retiree Task Force. Nancy is reviewing slots on the Task Force and said the Task Force needs to meet.

Meeting Adjourned at 11:10 am.

*P. Karnes, CSDREA Secretary, 5/31/06*