

CITY OF SAN DIEGO RETIRED EMPLOYEE ASSOCIATION  
BOARD MEETING MINUTES February 13, 2007

Present: Nancy Acevedo, Ruth Ann Hageman, Ty Rogers, Sylvia Tatum, Joe Flynn, John Tsiknas, Ross McCollum, Bob West, Alan Hardtarfer, John Casey, Maggie Smith, Patricia Karnes. Guests: Carmen Lutes

Meeting called to order at 9:30a.m.  
Minutes corrected to read that the Legal Fund was approved August, not November 2006.  
Motion/Second. Unanimously approved.

COMMUNICATIONS: Nancy Acevedo  
Copy of Nancy's letter to SDCERS regarding a possible change to bi-monthly Board meetings and a reply from SDCERS Board President Prevolos saying SDCERS will continue monthly meetings.

We had a communication from our 87 year old member Emeline Pineda, making a donation, even though she is a life member. She thanked all for "your hard work" and commented that she is not able to attend our meetings, as Tuesday is her bowling day.

Copies handed out/and posted on the web site of BYLAWS and RULES OF ORDER revised August 8, 2006 updating the Legal Fund.

TREASURER'S REPORT: Sylvia Tatum  
Our dues are \$2 month per member. We deposit \$1 from each member to the General Operating Fund (checking account #2) and \$1 from each member into the Legal Fund (account #8). If a member options to pay \$30 annually, \$18 goes to the General Operating Fund and \$12 goes to the Legal Fund. An asterisk (\*) on these membership income items, in our monthly financial report, indicates an expense/transfer action to these two accounts: General Operating Fund and Legal Fund.

Grand Total Reserve-Operating Balance on 1/1/07	\$26,212.06
Receipts	\$2,237.81
Expenditures/Transfers	\$1,787.68
Operating Fund Ending Balance 1/31/07	\$4,102.85
Grand Total Reserve-Operating fund 1/31/07	\$27,681.59
(Legal Fund Money Market ending balance	\$18,526.39)
Money Market/Operating Fund	\$3,035.17

Moved and seconded to approve Treasurer's Report, passed unanimously.

ACTION ITEMS: Nancy Acevedo  
CSDREA Board retreat March 20 at 9:15a.m. at Mission Trails Park.

INFORMATION-DISCUSSION ITEMS

Retiree representation to the City (through MEA?): Nancy Acevedo and Joe Flynn.  
Joe suggested exploring an affiliate membership with MEA to gain a voice. (POA, as an example, has members that are retirees, and their membership fee depends on the year they retired.) Ty was interested in exploring an associate membership. Patricia noted that at times there may be conflicts of interest. Ruth Ann suggested joining as individuals. Ross was concerned that we cannot ask one Union to represent us all.

Sylvia pointed out that currently some retirees only have a health benefit with the MEA. Nancy added that retirees receive the same health benefit that Unions negotiate each year.

Unanimously passed a motion by Ty/Joe for Casey to inquire at MEA and report back to us.

Proposed Joint Board Meeting of CSDREA and Retired Fire & Police:

Joe said joining, approximately 1100 POA with 1100 CSDREA, would make a better impact and

representation before the City Council.

Nancy suggest a joint meeting of both Boards at a "Coffee" on March 26 or 27 from 10:00a.m. - 12:00p.m. at Mission Trails Park.

"Rebuilding Together" Project:

Nancy received information, asking CSDREA if our organization may be able to identify low-income retirees for home renovations. Nancy will contact the agency for more information. CSDREA could put the contact information for retirees into our newsletter if appropriate.

RETIREE ISSUES TASK FORCE: Joe Flynn

The topic for the March 9th meeting is eliminating paperwork for healthcare reimbursement for approximately 525 "pre-1980" retirees' Medicare, Part B.

Long term goal to move 13th check and Corbett to monthly check. This needs a resolution by the City Council. The IRS may press this change on how the 13th check and Corbett are paid.

Bob West noted that improvements to retiree benefits are not part of the requirement for public vote, as votes are only required for improvements to employee benefits.

RETIREMENT BOARD: Joe Flynn

SDCERS funding ratio has gone up from 68.2% to 79.9%, and the unfunded liability from \$1.39 billion down to \$1 billion. The fund was 92.5 % when MPI was implemented and 100% the year Corbett was approved.

2007 SDCERS Actuarial changes: The biggest change is from Book Value (price when purchased) to Market Value (current price), resulting in a \$180 million added to SDCERS' assets. Investments returns are still averaged ("smoothed") over 5 years, resulting in the City's annual required contribution ("ARC") being lower with good return years and higher with bad return years.

Ad Hoc Committee on DROP, (Interest rates, etc.):

February 27 at 1:00p.m.

March 5 at 1:00p.m.

March 22 at 1:00p.m.

Joe encouraged retirees to make the effort to attend these Ad Hoc Committee on DROP meetings as they will make voting recommendations on DROP issues to the full SDCERS Board. Contact Joe or SDCERS for specific agenda items.

Joe requested that CSDREA Directors sign up, two times a year, to attend SDCERS Committee Meetings.

SDCERS Board changes:

Peter Q. Davis resigned. Term limits ending March 31, 2007: Richard Kipperman, George Murray, President Preovolos. (Dates listed in SDCERS "Free Spirit" are not correct.) Mayor Sanders will appoint replacements.

COMMITTEE REPORTS:

Program Committee- Ruth Ann Hageman

Ruth Ann distributed a working line-up for 2007 programs-

Joe Flynn on retirement Board experiences, March 13th

President Preovolos, view from Chair of retirement Board , April 10

Long Term Care Issues, May 8

Annual Health Benefits Presentation, June 12.

Advocacy Committee- Ty Rogers

Ty said this committee will meet before our Board Retreat on March 20. (Contact Nancy Acevedo if you are interested in joining this committee.)

Membership Committee-John Casey/Ross McCollum  
Discussion of CSDREA presenting "retiree life style" seminars as a draw for new retirees to join CSDREA.

Active Employee Association Representative- John Casey/Lynn Swanson  
Casey will be attending MEA meetings as our representative.

Web Site- John Tsiknas  
Tsiknas has asked for feedback on the new subject guide to our web site.  
He will also be issuing a new password.  
Please send him ideas for future passwords.

Audit Committee- Ruth Ann Hageman, Terry Flynn, Mary Bush  
Many new funds created and account names changed in the last year.  
Bob West suggested that we consider spot checking in future years.

Treasurer/Membership Service Reorganization- Sylvia Tatum, Maggie Smith, John Mattis, Karen Anderson.  
John Tsiknas is working to simplify the City sending membership reports to Sylvia by using email/CD, and using a new program to check the 1000 plus names each month via computer, rather than by hand.

**PENDING ITEMS:**

- Issues Papers being reviewed by SDCERS- Joe will check on the progress of DROP and Health Benefits Issue Papers at SDCERS.
- Proposition G Position: Ross recommended following the issue, but not taking a position, and pulling it from the Advocacy Committee agenda.
- Disability Retirees Corbett Issue - No activity in this area.
- Obtain Retired Attorneys' Input- Nancy is covering this.

Adjourned at 10:50a.m.

*Revised and Submitted by P.Karnes March 10, 2007/April 9, 2007*