

## CITY OF SAN DIEGO RETIRED EMPLOYEES' ASSOCIATION

BOARD MEETING MINUTES, October 14, 2008, War Memorial Building, Balboa Park

Present: President, Nancy Acevedo, Vice President Patti Karnes, Joe Flynn, Ruth Ann Hageman, Maggie Smith, Jean Struiksma, Lynn Swanson, Sylvia Tatum, John Tsiknas and Bob West.

Absent: Terry Flynn and Alyse Ford

Meeting was called to order at 9:30 a.m.

### **Communications:**

Letter to Roxanne Story Parks regarding her selection as the awardee of the "Annual Outstanding Contribution Award."

Email from CERS re: Free Spirit Space.

Letter from Nancy Acevedo to Council President Scott Peters and Council members (with cc: Mayor Jerry Sanders) thanking them for Version A of the Waterfall Ordinance which will eliminate the "excess surplus earnings" concept while retaining the ability and authority for SDCERS to make payments to retirees which have been previously negotiated and/or established through court settlements.

Letter to Retirement Administrator David Wescoe thanking him for meeting with CSDREA and RFPA representatives regarding retirees' concerns, especially regarding SDCERS' Death Benefit booklet, an essential advance planning tool for retirees. It was strongly recommended that this booklet be published by SDCERS as a tear-out in the Free Spirit. An email was received from SDCERS regarding space in the Free Spirit.

### **Treasurer's Report:**

Sylvia Tatum's Treasurer's Statement of Operations showed ending balances in the Legal Fund Savings of \$2,371.76 in account #01; \$35,079.46 in the Legal Fund CD, and \$8,733.25 in the Operating Fund CD for a Reserve Fund Total of \$46,184.47. The Operating Fund Balance is \$2,836.35 for a Grand Total of \$49,020.82.

Sylvia also reported on a seminar she attended sponsored by the State Board of Equalization and the County Board of Supervisors. For our non-profit status, we need to file only one application form we will send to the state.

Sylvia said that Kaye Carey has taken responsibility for doing the roster.

**Legal Fund Discussion:** Lynn Swanson inquired if we had ever thought about putting a cap on the legal fund some time in the future, and a discussion ensued. Maggie said that we are not ready for a cap yet. Lynn thought we might think about a future cap so the member dues currently devoted to the fund could instead be traded for an increase in dues. Joe said that it is early to set a cap; we need to have some capacity for advice along

the way. The onslaught will continue to be there, especially on health care. We might team up with Retired Fire and Police (RFP) to hire a consultant. Motion: Ruth Ann Hageman, second: John Tsiknas: that we continue with the legal fund but also look at it over time.

### **Action Items:**

**Auditorium Seating:** Maggie gave her report including a drawing of her suggested auditorium seating arrangement. The arrangement would be in parallel rows of tables angled toward the speaker. It would accommodate 100 to 110 people. Everyone can face front as well as having eye contact with opposite members. Tables are handy so people can take notes, have coffee, etc. Lynn suggested that rather than wait for further study, we go ahead and do it, and this was moved and seconded by Ruth Ann and Sylvia. The motion was approved unanimously.

**Buffet Luncheon:** John T. gave a report on the survey of the monthly buffet luncheon. Depending on the count, there were 14 votes to continue the monthly buffet luncheon and 9 to discontinue the luncheon, or 17 votes to discontinue and 16 votes to continue. An extended discussion ensued as to other refreshments that might be offered, such as coffee and cookies. Suggestions included purchasing a coffee urn; rotating who would come in with donuts or cookies; buying the boxes of coffee that Starbucks sells; etc. John T. said that we must announce the new structure of no more lunches unless they were to be brought back by popular demand. People would be encouraged to bring their own coffee. Motion was made by John T., seconded by Ruth Ann that the last of the monthly buffet luncheons would be in November, and that Nancy would announce to attendees that the monthly luncheons could be brought back by a demand of 30 or more members. This motion was approved unanimously. [N.B. Dora informed the caterer of the Board's decision to discontinue buffet luncheons after November's.]

**Frequency of Monthly Meetings:** Terry Flynn had brought up the idea of having less frequent meetings. Lynn said that there was a survey of members last year to go to quarterly meetings or remain with monthly meetings. There were very few responses. Is a new survey needed? Should we consider changing the day? At any rate, the board would continue to meeting monthly. It was decided that the issue would be put on the agenda for the retreat.

**Invitation to Council-Elects:** It was suggested that we invite Council-Elects to our November meeting before they must attend their Tuesday meetings. The speaker will be Doug McCalla. The Council-Elects may be interested in hearing what Doug has to say. Dave Hall spoke on this issue, and he was very confident that Doug would be very open about the Retirement Fund situation. We should let Doug know that the Council-Elects have been invited. Dave emphasized that more people would be needed at the meeting if we want to impress the Council-Elects with our importance. He suggested that each of us use word-of-mouth, a telephone tree, and the computer. [Later it was decided via email vote not to invite the Council-elects.]

**The 13<sup>th</sup> Check:** Dave Hall said that the 13<sup>th</sup> check will be voted on at the October meeting. A motion was made \*\*\* by Ruth Ann, seconded by John T., and the motion passed with one opposition.

**The Kroll Recommendation:** Patti Karnes reported that the City Audit Committee met and discussed the idea of putting a 10-year limit on the term of any one actuary. Mr. Keller from the SEC spoke and explained why such limit should be established and why it was important. It was suggested that we write a letter to the Retirement Board supporting a 10-year limit. Additional information was then provided by Dave Hall: the SEC person had recommended every 5 years. The CERS board agreed to establish the limit, their perspective being that it is part of their job. A tentative agreement was made that CERS will rebid the audit every 5 years. It is assumed that this will go back to the City Audit Committee.

**Taxes:** Bob West pointed out that people who are married filing separately subjected to a much higher premium for the Medicare Part B when their income is above \$85,001 than single or married filing jointly with the same income. This is \$250.50 compared to \$134.90.

**Court Hearing:** Ty Rogers reported that there was to be a Court Hearing on Wednesday at 11:30 a.m. in Dept. 64 about the purchase of service credits [but when he subsequently got to the court, he discovered a locked door and later learned that the hearing had been continued].

**Nominating Committee Report:** Joe Flynn spoke for the nominating committee (Joe, Bob Korch, and Ty Rogers). Sylvia Tatum (as Treasurer), Terry Flynn (as Director), Joe Flynn (as Director) and Ruth Ann Hageman (as Director) will continue on the Board. Bernie Gibson has agreed to be on the board. Maggie Smith regrettably announced that she will not be continuing on the board.

**Program Committee Report:** Patti Karnes showed the list of proposed future programs, including Doug McCalla (Nov. 18), Vickie Granolith (Jan. 13), Retiree Supports and Services Panel (tent. Feb. 10), Steve Francis (tent. March 10), SDCERS Board Member (tent. April 14) and Dr. Alan Gin (tent. May 12).

There were no reports from the Advocacy Committee, the Newsletter Editor, the Membership Committee/Brochure, the Active Employee Association, and the Web Site.

***Ruth Ann Hageman***  
***Secretary***