

## CITY OF SAN DIEGO RETIRED EMPLOYEES' ASSOCIATION

BOARD MEETING MINUTES, January 13, 2009, War Memorial Building, Balboa Park

Board Members Present: President, Nancy Acevedo, Vice President Patti Karnes, Alyse Ford, Burnie Gipson, Ruth Ann Hageman, Dave Hall, Maggie Smith, Jean Struiksma, Sylvia Tatum, and Bob West; also guests, June Sanford and Dick Wilken. Absent: Joe Flynn, Terry Flynn, Bob Korch, Ty Rogers, Lynn Swanson and John Tsiknas. Welcome to June Sanford, as observer.

**Communications:** Nancy included the letter of welcome she had sent on behalf of CSDREA to the Councilmember-elects. She received one response; it was from Todd Gloria. He offered to come to the February meeting and would like to talk for 10 minutes about his vision for the City.

**Treasurer's Report:** Sylvia raised the question of the authority for rolling over the CD's to a higher interest rate by having 6-month CD's. Bob West consulted with the By-Laws, and found that the Treasurer, Sylvia, has the authority to move the funds for a higher interest rate on her own.

### **Minutes for November, 2008 meeting:**

Approval of the minutes was moved by Burnie, and seconded by Dave.

### **Retreat Agenda:**

Nancy included a draft of the retreat agenda; board members should contact Nancy if there are any suggestions.

### **Welcome new members:**

Burnie will contact John Torres. Nancy, Sylvia & Ruth Ann will contact the rest.

**SDCERS Post-Retirement Health Benefit Information paper:** Bob West presented updates that he has made to this paper.. City funds payments but CERS makes payments. Medicare: includes payment married but filing separately: See page 2 of 5. Higher premium for Medicare Part B. Who to contact in Social Security. In June there will probably be new rates for City provided health care. Jeanne will also work on it. Moved by Nancy, seconded by Sylvia to approve

**Appointment of the Audit Committee:** Burnie and & Maggie. Ruth Ann will consult.

Jean stated that she had been advised that Janet Chelberg and Mary Lynn Hyde will be the greeters.

Nancy distributed a revised roster. Bob West is now a voting member of the board in his position as Parliamentarian.

Dick Wilken will do installation of officers: Burnie Gipson, Ruth Ann Hageman, Terry Flynn (in absentia), Maggie Smith and Bob West.

**Retiree Issues Task Force:** Nancy thought she might ask for an updated estimate on how long the supplemental COLA will last. Complaints about HealthNet. Numbers and types of problems that people are having should be requested by CERS staff from CareCounsel and those should be presented in the negotiations.

Updates of the 13<sup>th</sup> check information paper and Corbett information paper are needed to reflect removal of the waterfall. Nancy will ask Virginia to do this.

Dave Hall: Retirement Board Issues: Keep the pressure up. Update on where we are with those funds. Ty attended the last board meeting: he wanted to honor Doug McCalla. Represented us very well. Dave attended a fiduciary seminar at Stanford. The material generates a lot of questions. DROP was addressed: lowered the rate of return: has to do with the health of the plan, maximizing returns. It was stressed that it is important not to devise long term solutions for short term problems. Asset allocation is an example. Management of a huge portfolio is very sophisticated, and have to look at the long term.

Good feedback on CareCounsel. Negative feedback on HealthNet. Care Counsel is an advocate for retirees.

Patti: Kroll recommendation that the Board approved: 3 people appointed by Mayor and approved by Council. Actuaries need to come out with some rules. Follow issue of 1090: active government employee: is there a conflict of interest on the part of one member and does that affect the quorum?

COLA: 2% in July of every year. Supplemental: prior to 1980 retirees. Bob West: in May of 1992 people who retired: changed the way the COLA was handled. Get both retirement and COLA: an upgrade.

Dave: fiduciary counsel has reviewed this and does not see a problem

Jeanne will go to the Retirement Board meeting on January 22 or 23.

**Programs:** George Murray will be coming in March. May contact William Kennedy (Joe). Alan Gin may come. Service panel: health and home services. Senior abuse financial issues. Board members made suggestions about possible speakers. Alzheimers. C3. Suggestions. Volunteer involvement. "Volunteer San Diego" Elder Abuse. Global climate change. Volunteer opportunities. UCSD has volunteer opportunities. San Diego Historical Society. SOHA: Save Our Heritage Association.

**CERS fund balance.** Aguirre got hold of these figures and raised a fuss.

Bob West: How big is the unallocated reserve: basis for the 13<sup>th</sup> check. So reporting this amount is more relevant to the retirees. Patti will start bringing relevant information to the board meeting.

Report from Dick's group: pension lawsuit. CERS had not yet resolved the issue at the Trial Court: premature. Aguirre appealed the appeal: not premature. Awaiting some resolution. New City Attorney: implied that the appeal was groundless: intention to review the case.

Husbanding resources in case there is future conflict. CERS: when they do change rates, they go into effect immediately.

Meeting adjourned at 10:46 a.m.

***Ruth Ann Hageman, Secretary***