

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

President Nancy Acevedo called the meeting to order at 11:05a.m.
Flag Salute. Minutes considered approved with no corrections.

TREASURER'S REPORT: Sylvia Tatum

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

RETIREMENT BOARD: Joe Flynn

SDCERS funding ratio has gone up from 68.2% to 79.9%, and the unfunded liability down from \$1.39 billion to \$1 billion.

- 2007 SDCERS Actuarial changes: The biggest change is from book value (paid at purchase) to market value (current worth), 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.
- SDCERS has figured that the City's next annual required contribution ("ARC") is \$137 million. Mayor Sanders is planning to pay millions of dollars more.
- Corbett and the 13th Check are now included in liabilities.

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

February 27, March 5, and March 22 at 1:00p.m.

Joe encouraged retirees to make the effort to attend as this committee will make voting recommendations to the full SDCERS Board.

Status of Retirement Funds: Nancy Acevedo

\$4.77 billion (up \$103 million).

Adjourned for Andrea Tevlin's talk on independence and "service levels".

Revised and submitted by P. Karnes March 7, 2007.