

CITY OF SAN DIEGO RETIRED EMPLOYEE ASSOCIATION
GENERAL MEETING MINUTES April 10, 2007

Nancy Acevedo called the meeting to order at 11:00a.m.
Minutes considered approved with no corrections.

TREASURER'S REPORT: Terry Flynn reported for Sylvia Tatum.
Grand Total Reserve-Operating Balance on 3/01/07 \$28,881.88
Receipts \$2,081.32
Expenditures/Transfers \$2,851.66 Insurance renewal noted.
Operating Fund Ending Balance 3/31/07 \$3,609.98
Grand Total Reserve-Operating fund 3/31/07 \$29,052.16
Legal Fund Money Market ending balance \$20,383.06
Money Market/Operating Fund \$3,041.43

SDCERS REPORT- David Wescoe for Rebecca Wilson

***Elimination of the "Waterfall"/"Excess earnings" from the Municipal Code, per the IRS-
David Wescoe, SDCERS' Administrator, said there were concerns about the information in the
City Attorney's work regarding replacing instructions to pay Corbett, 13th check, and
Supplemental COLA.

**Group Trust being established for Port, Airport and City of San Diego-
The Port surveyed their members to see if they would prefer to join CalPERS, have a separate
trust or remain with SDCERS. They voted to stay with SDCERS because of the service and the
high investment returns.

*SDCERS ranks in the top 10% of the pension funds in the nation for investment returns. The
return for the first 9 months this year is 11 ½%.

*New Appointees for SDCERS Board Trustees termed out? "No news", reported David.

"WATERFALL/SURPLUS EARNINGS" -Virginia Silverman
Virginia noted concerns about the lack of language authorizing payments of the 13th check,
Corbett and the Supplemental COLA in the City Attorney's strike out of references to the waterfall
and surplus earnings in the Municipal Code, that the IRS requested. She noted that Pete Wilson
had started the use of "surplus earnings" (anything over the assumed rate of return, usually 8%
for SDCERS). She shared Chris Waddell's strong letter from SDCERS warning the City that
SDCERS will not be able to pay these benefits if there are no instructions in the Municipal Code.
Virginia announced Patricia Karnes would represent CSDREA's concerns at the City Council
hearing on the issue today, April 10th.

INTERESTED IN FOOTBALL, BASEBALL, MUSIC, THEATER, and/or OPERA WITH OTHER
RETIREES?

We would to add opportunities for sharing social/cultural events. There is the possibility of group
sale prices. But we need short-term volunteer coordinators. If you are interested in attending
group events or would enjoy helping retirees get together, contact Nancy Acevedo at 619-579-
5930 or email nacevedo@cox.net

AUE (Association of Unrepresented Employees) - Dick Wilken

Dick Wilken reported on the Judge Barton pension benefits lawsuits in Department 69 at
1:30p.m.on April 12, 2007.

Phase 1 Resulted in the special defenses of Gleason and Corbett, so it is only affecting people
who retired after July (?) 2004.

Phase 2 There are two questions-

Did Aguirre run out of the statue of limitations?

And how can Aguirre bring 20,000 people into a reverse class action?
Phase 3 Everything else, plus 1090 violations.

SDCERS Fund Balance as of April 9, 2007 was \$4.823 Billion (+\$53 million since February).

Meeting adjourned for Joe Flynn to introduce our speaker, SDCERS' Board President for the last two years, Peter Preovolos. He spoke on the challenge from a variety of adversities, the tenacity of the Board in sticking together, leaving behind "bias" to serve on the Board, and political topics. He underlined the obligation of the SDCERS' Board to support the Plan as it is written in the Municipal Code. Preovolos told retirees that they must be vigilant and not sit back: "Show up at the SDCERS Board meetings", "Ask Questions" and "Pay Attention!"

Minutes submitted by P. Karnes April 20, 2007.