

# City of San Diego Retired Employees' Association Newsletter August 2006

Vol. 13, Issue 8

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August, 2006

## August 8<sup>th</sup> Meeting

### War Memorial Bldg -Balboa Park

Board Meeting.....	9:30 a.m.
General Meeting.....	11:00 a.m.
Program.....	11:30 a.m.
Luncheon.....	12:00 p.m.

### Program:

This month's speaker is **Steven P. Erie**, Professor of Political Science, Adjunct Professor of History Director, Urban Studies Program, Ph.D. UCLA, 1975, American Politics, Urban Politics, Public Policy and American political development. For today's meeting, he will be discussing his most recent book, *Beyond Chinatown: The Metropolitan Water District, Growth, And the Environment in Southern California*.

Professor Erie will be introduced by retiree Wilbur Smith, who worked in the City's Water Utilities Department for a number of years.

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### Today's Menu \$10

**Penne Pasta with Sausage/Chicken  
Vegetables/Salad/Bread  
Coffee, Tea, Lemonade  
Dessert**

**Reservations: call before Fri., Aug. 4th at noon**

Dora Garcia (619) 464-8595 or  
Sylvia Tatum (858) 272-0494

**GREETERS** can earn the December Holiday Luncheon meal. Volunteer now. Call Dora Garcia (619) 464-8595.

**THANK YOU August Greeters Evelyn & Joe Sediway**

### Message from President Nancy Acevedo

Our June program was presented by James Bruce Joseph Sievers, a poet with a varied background. After serving in Viet Nam as a Green Beret, he hitchhiked around the USA, then began writing. He told his story of personal discovery, and recited some of his poems: one honoring Bob Hope's 90th

birthday & later revised to recite at his funeral at the request of Mrs. Hope). Also his "signature" poem, "An American in Love With His Country" which a member said was a "nice change of pace."

In May, the CERS Board was advised by their tax counsel, Ice Miller, that Corbett benefits were erroneously being paid to disability retirees who retired after July 1, 2000 and who lacked sufficient service to be eligible for a service retirement. The Board subsequently voted to halt those payments as of July 2006, but not to seek reimbursement for payments already made. At the CERS Board's direction, the Retirement Administrator wrote the Mayor and Council explaining the situation stating, "If the City Council agrees with the Board's decision, then no further action is required. If, however, the intent of the City in the Corbett Settlement Agreement was to pay the 10%, then the City Council should amend the retirement plan by ordinance and clarify its intent."

Our own Association Board concluded that Corbett not covering these retirees was an unintentional oversight. We were told that this will result in a 10% reduction in retirement benefits for 180 retirees. So, I wrote to the Mayor and Council expressing your Board's position on the oversight and asked their support in doing whatever necessary to correct this inequity and reinstate the Corbett benefits to these disabled retirees. I'll keep you posted on any future actions on this issue.

Last October members voted to increase monthly dues by \$1.00, to be used to start a "legal fund." A committee of the Board has been working to write changes to the Bylaws and Rules of Order, in order to include a policy on future use of these funds, should it become necessary. Basically the changes will specify that the fund is to "be used for the benefit and protection of retired City employees", and must have a 2/3 vote of the Board, and 2/3 approval of members attending the meeting at which the vote is taken. Bylaws changes will be presented at our August meeting for members to review and vote on the proposed additions/revisions. Please plan to attend!

--Nancy

**SDREA WEB News!** Logon to <http://www.csdrea.com> Recently added to Press Articles Section: Current articles relating to the ongoing pension issues. Find these and more in the **members only section** of our website. For members who use **library computers** to access the web site, you may contact us to get the passwords, so you can read these interesting members-only articles.

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**Retirement Trust Fund Board Update**  
A FIRST! The July 21 Board meeting finished at 2PM. The Committees of five or six members do a lot of the detail work, report to the Board and are in a position to answer questions from other members.

**Good news** from the Investment Committee: The City deposited \$100 million (above the required amount) in SDCERS bank on June 21. The Mayor and Council used the Tobacco settlement funds to securitize Bonds for the deposit. And, on July 3, the three plan sponsors deposited \$172 million in SDCERS account. That's \$162m from the City, \$8.3m from the Port and \$2.7m from the Airport Authority. Staff had been expecting these funds, did their homework, and was able to invest them

the next day, following Board guidelines.  
**Doug McCalla**, Chief Invest. Off. of SDCERS, explains the fund this way. It's like a three-legged stool. One leg is City Contributions, and one leg is Employee contributions. The third leg is earnings from investments and this leg makes up 70% of the pension fund, a fact often overlooked..

**Pension Fund Earnings** thru May 30 totaled \$390.7m. Threshold for payment of Corbett and the 13<sup>th</sup> check is \$112.6m. It still must clear the process with the City Auditor, but the money's there. Total fund at end of May was \$4,151,293,385 **billion**.

So, contributions (and an extra payment) are coming in, as they should, and investments are up. Share this information with your friends and neighbors; I doubt they will find it in the papers.

**Joe Flynn, Retiree Rep. to the Board**

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