



NETWORK

Newsletter of The Retired Employees of San Diego County Since 1961

Vol. 45, No. 2

Honoring Yesterday—Protecting Tomorrow

February 2014

RESDC NORTH COUNTY GENERAL MEMBERSHIP MEETING



When: Tuesday, February 25, 2014

Time: Coffee, tea, and light refreshments will be served at 9:30 am
Speaker will begin at 10:00 a.m.

Place: Joslyn Senior Center, 210 Park Ave., Escondido

Program: David Weil of the Health Insurance Counseling & Advocacy Program (HICAP) will talk about planning for Long-term care (LTC) insurance, the differences between policies, and the various ways to pay for this type of insurance.

Directions: From San Diego: I-15 North to SR 78 East, then right on North Broadway to Park Ave. Turn left to 210 Park Ave. Parking will be available in the parking lot or on the street.

PRESIDENT'S MESSAGE

By Susan Mallett



Prior to beginning this month's article, I want to acknowledge the passing of a dear member of the RESDC family. Long time RESDC Board member LaRue Pierce died on January 7, 2014. Please read the In Memoriam article on page 5 as we show appreciation for all of La Rue's contributions to our association and to the County of San Diego.

The holidays are now behind us and traditionally many of us start the year with a few resolutions. I receive a daily e-mail with bargain e-books and the January 1st message was full of resolution aids to organize, energize, exercise, and improve one's life and environment. In our household, we resolved to eat healthier and to support local farmers whenever possible. To that goal we have received our first home delivery of organically grown fruits and vegetables through the Farm Fresh to You program. Everything

looked beautiful and was delicious. In December, I wrote about similar programs and mentioned the website, www.localharvest.org, as a resource in locating farmers markets and sources of locally grown food in your area. I hope you can take advantage of some of these healthy offerings in your area.

New Year's resolutions have been made for centuries and have been both secular and religious. These resolutions are generally made with the best of intentions but often fail due to the lack of a realistic plan to follow. Internet statistics suggest that about a third of us make resolutions to better ourselves each year. One last statistic of note, a quarter of those making these promises give up after the first week and less than half of resolution makers are still working on their goals after six months. Still, there is merit in setting realistic goals.

Organizations do not necessarily make annual resolutions but most set goals and objectives for the year. Last August, your RESDC Board reviewed our progress and success in meeting our goals. The outcome of this review demonstrated the primary goals set the previous year were met through the coordinated efforts of a dynamic Executive Director and Board member participation.

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February Calendar of Events

- 6—(Thurs.) SDCERA Board of Retirement Meeting**
2275 Rio Bonito Way, Suite 200, 8:30 a.m.
- 13—(Thurs.) RESDC Board of Directors Meeting**
7860 Mission Center Ct., Suite 209, 9:30 a.m.
- 20—(Thurs.) SDCERA Board of Retirement Meeting**
2275 Rio Bonito Way, Suite 200, 8:30 a.m.
- 25—(Tues.) RESDC General Membership Meeting**
North County, Escondido
Joslyn Senior Center, 210 Park Ave., 9:30 a.m.

HERE COMES THE NEXT VOLLEY

By Stan Coombs, Benefits Committee Chair

There's another proposal in the wings to amend the California Constitution, aimed directly at public retirees.

Euphemistically entitled, "Public Employees. Pension and Retiree Healthcare Benefits Initiative Constitutional Amendment," the proposal is sponsored by Chuck Reed, Mayor of San Jose, plus the mayors of San Bernardino, Santa Ana, Pacific Grove, and Anaheim.

A draft and a request for an official title and summary were filed with the California Attorney General on November 8, 2013, and subsequently ok'd to circulate for signatures.

If ultimately approved by the voters, the provisions would apply to defined benefit and defined contribution retirement plans of the State of California, all California counties, cities, school districts, special districts, boards, commissions, the University of California, the California State University and "all agencies thereof."

Granted, ballot initiatives are difficult and expensive. Thousands of signatures, at least 5% of the votes cast in the last state gubernatorial election, are required before a California constitutional initiative can qualify for the ballot, and such proposals are usually vigorously debated. But, ballot proposals are unpredictable and should always be taken seriously. They're often misrepresented to petition signers, and once approved they're inflexible. They can't be amended without another public vote, or a court order, regardless of problems they may create.

This one's particularly unsettling because the target is one of two final defenses of retirement, so to speak, for California public employees and retirees. The California constitutional contract clause states, "A bill of attainder, ex post facto law or law impairing the obligation of contracts may not be passed." Over the last 70 years, the courts have interpreted that to mean that retirement benefits in effect when a public employee is hired may not thereafter be reduced, because the employee and employer have established an employment contract, which may not be impaired. Our U.S. Constitution has its own protective contract clause.

Mr. Reed and the others want that legal doctrine changed to mean that public pensions and health care rights are only vested (locked in) incrementally as the recipient em-

ployee actually performs the work, and in proportion to the work performed. It would mean California governments could reduce pensions and retiree health care benefits earned as compensation for work performed after some effective date, regardless of a much earlier hire date, but not pension and health benefits earned before the change.

The initiative specifically proposes, "The terms of a pension or retiree health care benefit plan for work not yet performed may be amended through a labor agreement, an action by a legislative body (board of supervisors, city council, etc.), or an initiative referendum or other ballot measure . . ." (Parenthesis added).

Government employers could determine that their pensions or retiree health plans are underfunded, or that they're at risk of not having funds to pay benefits, or they could declare a fiscal emergency, and then: (1) reduce future retirement accruals; (2) reduce future health care accruals; (3) reduce future cost of living adjustments for employees; (4) raise retirement age for future retirements or health care benefits; (5) require employees to pay more of the costs of pensions or health care; or, (6) effectuate other reductions or modifications.

Mr. Reed also wants all retirement systems with assets less than 80% of their liabilities to prepare a "Stabilization Report," describing how they will achieve 100% funding within 15 years, and reproduce that plan annually until 100% funding is achieved. Funded levels nationally average about 70%. The California Legislative Analysts Office estimates costs of over 8,000 such reports could range to hundreds of millions of dollars statewide.

Almost all defined benefit retirement plans have deficits resulting from occasional low investment earning years. They are typically amortized over 30 years and paid off. Our SDCERA retirement system beats that with shorter, 20-year amortization periods. The California Legislative Analyst estimates increased taxpayer payments, ranging to " . . . hundreds of millions or billions annually over the next few decades . . ." would be required to comply with the shortened, 15-year target, but possible savings thereafter.

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Start saving today. You can make your balance transfer request by using the SDCCU Easy Balance Transfer mobile app, calling us at (877) 732-2848 or by visiting one of our more than 30 convenient branch locations.

FROM THE EXECUTIVE DIRECTOR'S DESK

Dear Members:

Although the holidays are over, the generosity of County of San Diego retirees will be remembered throughout the year by many at Veteran's Village.

That's because over the holidays representatives of the Retired Deputy Sheriff's Association and RESDC delivered sleeping bags and warm clothes to the Village for homeless vets. The County News Service covered our visit, and I have included their account below.

Again, thanks to all that contributed time and money. Your donation to the Sleeping Bag Project made a difference!

Sincerely,

Denise Price
Executive Director

RETIRED EMPLOYEES DONATE SLEEPING BAGS, WARM CLOTHES TO HOMELESS VETS

By Michele Clock, County News Center

Six years ago, retired Sheriff's Sgt. Rusty Burkett was mulling over what he could do to help others around the holidays.

His wife suggested doing something for the homeless.

Burkett, who is president of the 1,100 member Retired Deputy Sheriffs' Association, suggested the idea at a member meeting. Burkett happens to be a Vietnam veteran, and many of the association's members are vets too, he said.

Much of San Diego's homeless population is also composed of veterans—an estimated 25 to 35 percent. Members of Burkett's group agreed to chip in and buy sleeping bags for homeless veterans through the non-profit Veteran's Village of San Diego.

On Monday, Burkett, along with his friend and former Vietnam vet Joe Hulst, and Denise Price, Executive Director of the Retired Employees of San Diego County, delivered this year's bounty: 118 sleeping bags, boxes of underwear, socks, sweatshirts and other warm clothes, and toiletries. The items were valued at \$1,500.

"Like the old saying, they're the reason we've got the freedoms we have," Burkett said of service members. "Any little thing we can do, that's great."

The 7,000-member Retired Employees of San Diego County, Inc. played an active role in the project this year, too, donating money and time, said Price. "As public employees, we're civic minded," Price said. "We still want to help. We want to find ways to give back."

The organizations planned to make another delivery in the coming days, after receiving a commitment for a \$1,000 donation from Enterprise International, the parent company of Enterprise Rent-A-Car, Price said.

Veterans Village Development Manager Rick Ochocki said the items are much needed by the nonprofit, which serves more than 2,000 military veterans throughout the county each year.

When you're living on the street, sleeping bags are "your friend," said a Veterans Village employee who said his name was "Twogood." He said he used to be homeless and addicted to meth before finding his way to Veterans Village and getting clean and sober almost 10 years ago.

"They're a lifesaver," Twogood said of the sleeping bags and other items. "They're a godsend."

For more information about the Retired Employees of San Diego County, visit resdc.net. For more information about the Retired Deputy Sheriffs' Association, e-mail county_line@cox.net.



SEE'S CANDY CERTIFICATES INCREASE IN PRICE FOR 2014

See's Candy has increased the retail price of their candy commencing January 3, 2014 to **\$18.00** per pound if you buy it at one of their stores.

If you really want to save, you can purchase candy at See's Discount Store, 3751 Rosecrans Street in San Diego, but you must show your RESDC Membership Card. Their price for a pre-packed 1-lb box is now **\$14.00** and **\$15.20** for certificates.

Our office will mail See's Candy Certificates to you for the price of \$15.00 for each one pound certificate.

Please send a check payable to RESDC for the number of certificates you want to purchase with a business-sized (#10) stamped self-addressed envelope (the certificates won't fit in a small envelope) to RESDC, 7860 Mission Center Court, Suite 209, San Diego, CA 92108-1329. For more than five certificates please affix .70 cents postage on the return envelope.

PENSION FACTS

By Chris Heirserman, RESDC Director

Consider these headlines from the local newspaper in early January:

“PUBLIC WORKERS PITCH IN FOR PENSIONS”

“MUNICIPALITIES SAVE MILLIONS CURTAILING PENSION PERK”

The first article was posted online January 8th; the second was a front page “watchdog” piece the next morning. The printed version was a bit longer and included a chart, but they were essentially the same article by the same reporter.

Just for fun, let’s imagine how the story could have been written if the newspaper wasn’t on a crusade against public pensions.

While the debate over the rising cost of pension benefits for public employees has taken center stage in recent years, cities and counties in California have saved taxpayers nearly \$500 million a year by returning to more evenly shared funding of employer and employee contributions to retirement plans.

Most pension plans were designed so the burden of funding would be shared equally by the workers and the employer; however, over the years, elected officials in many jurisdictions have agreed in labor negotiations to “pick-up” some or all of the employee contribution. When this benefit is spread across California’s 58 counties, hundreds of cities and myriad other local agencies it becomes a hugely expensive budget issue. Local elected leaders have moved to curtail this practice in tough economic times, according to financial data reported to the State Controller.

Taxpayers in California’s 58 counties paid more than \$660 million in employee contribution “pick-up” costs in 2009, but that dropped to \$452 million in 2012. Cities reportedly paid \$683 million for this benefit in 2009, but only \$423 million last year.

The pension contribution “pick-up” issue is controversial. Taxpayer advocacy groups argue public employees should always be required to pay their full share of retirement costs, while labor representatives point out that in many cases employee bargaining units accepted the “pick-up” in lieu of a salary increase.

A state pension reform law went into effect in January, 2013 requiring employees to share equally with their employers in the cost of their retirement plans. The salary and benefits data from the State Controller indicate that most jurisdictions across California have been moving in that direction through changes in negotiated labor agreements for at least three years.

U-T SUCCESSFUL LIVING EXPO

February 1, 2014

Enjoy seminars and exhibitors with expert tips on health, fitness, travel, financial services, home and garden ideas, and more.

Fifth annual expo for the 55+ crowd.

Saturday, February 1, 2014, 9 am-4 pm

Town and Country Hotel, 500 Hotel Circle N.,
San Diego, 92108

For more information please call (619) 293-2282.



2014 SCHOLARSHIPS

RESDC will again this year award five \$2,000 scholarships to graduating high school seniors who are immediate family members of a RESDC member. An immediate family member is defined as a child, grandchild, or great-grandchild; step-children, step-grandchildren, and step-great-grandchildren are also included.

All eligible high school seniors are encouraged to apply.

Applications may be obtained at our office, 7860 Mission Center Court, Suite 209, San Diego, CA 92108 or by calling the office at (866) 688-9229. Also you may use our e-mail address to request an application: resdc@resdc.net.

The deadline this year is **Friday, March 7, 2014**. We are not able to accept applications postmarked after that date.

We suggest you start this process early and check with your references to be sure they have met the deadline. In the past, we have had to disqualify applications because reference letters were missing.

Reminder: The Theo Yakel Scholarship applications are due on **Feb. 5th**. Please call the San Diego Foundation for more information about the Theo Yakel Scholarship also offered by RESDC. Their phone number is (619) 814-1343. Applicants are eligible to apply for both scholarships.



February 2nd
is
Groundhog Day!

WELCOME NEW MEMBERS

Celia Brown

Maureen A. Cruise

Lidia Alvarez Garcia

Marie M. Rinder

Cindy Vogel

Health & Human Services

Health & Human Services

ASSOCIATION OFFICERS

President.....Susan Mallett
 1st Vice Pres.....Stan Coombs
 2nd Vice Pres.....Merrilyn Carpenter
 Secretary.....Joan Wright
 Treasurer....Frank Bittner

ASSOCIATION DIRECTORS

Carlos Gonzalez, Chris Heiserman
 Chris Hinshaw, Joe McGuire
 John McTighe, Janel Pehau
 George Shoemaker, Mila Thurber

EXECUTIVE DIRECTOR

Denise Price

IN MEMORIAM

By Susan Mallett, RESDC President

Long time RESDC Board member, **LaRue Pierce**, passed away on January 7, 2014. She joined the RESDC Board in 1994 and served continually for 18 years. As a Director, she served as both membership and scholarship committee chairs. Her message for membership was "Remember RESDC needs you. You need RESDC." In more recent years, LaRue chaired a slogan selection committee and ran a successful slogan contest for members. As you may recall there were over 80 suggestions and the winning slogan, "Honoring Yesterday-Protecting Tomorrow", has become an integral part of all RESDC communications. RESDC Vice President Stan Coombs notes, "She was a joy to work with when she was a supervisor in the Office of the Clerk of Board of Supervisors. She served on the RESDC Board for decades, always busy as a board member, as Chair of the RESDC Scholarship Program and for years produced a long list of donated gifts for the annual Holiday Luncheons."

Retirees and former co-workers of LaRue's, Kitty Nelson and Arline Hultsch shared fond memories as well. "The mention of LaRue's name brings to mind a warm, friendly, caring person you enjoyed being with and one who was available whenever needed. For the last 24 years, LaRue and the retired supervisory staff (started out with 10 people) of the Clerk of the Board of Supervisors' department met monthly for lunch which we all looked forward to. She will be greatly missed." For 19 years LaRue was Assistant Clerk of the Clerk of the Board of Supervisors for the County of San Diego. Ms. Nelson added, "Her direction in managing staff, assignment of work load and providing outstanding service to the Board of Supervisors, the general public, County departments, the news media, and other Counties, was in large measure responsible for the Clerk's department having the reputation for providing the best service in the County."

IN MEMORIAM

Rosa Maria Abreu	Air Pollution Control
Xoa X. Baker	Assessor
Vernita Barton	Sheriff
David Casteel	Probation
Grant Cole	Probation
Irene B. Conner	Health & Human Services
Angela Deluca	Superior Court
Donald R. Dicus	Sheriff
Pamela Finkel	Health & Human Services
Dwight Griswold	Social Services
Lois N. Hale	Surviving Spouse
Jack A. Hochmann	Public Defender
Elizabeth Ives*	Animal Services
Paula Lucas	Superior Court
Thomas McWilliams	Health & Human Services
Sandra G. Parsons	Health & Human Services
Iris R. Petrachek	Health & Human Services
Margaret Ratcliff	Sheriff
Myrna Richardson	Revenue & Recovery
Raymond W. Rinder	Agriculture
Marie A. Roberts	Superior Court
Herman Rosenthal	Planning & Land Use
Arthur T. Salzer	Assessor
David E. Satterfield	Sheriff
Ruth L. Schumann	Health & Human Services
Evelyn H. Sigler	Surviving Spouse
George W. Stewart	Public Works
Melvalene Swanson	Surviving Spouse
Kathi Therien	Health & Human Services
Vivian Thomas	Parks & Recreation
Irene Towle	Surviving Spouse
Mary L. Unterwegner*	Health & Human Services
Barbara Welden	Health & Human Services
Ann F. Wright	Social Services

*Active

**Gone from our sight, but never our memories.
 Gone from our touch, but never our hearts.**

The surviving spouse of a member is eligible for RESDC membership. For enrollment assistance, call (866) 688-9229.

MEMBER PRIVACY

Any retiree or surviving spouse who does not want his/her death notice published in the "In Memoriam" section of this newsletter may notify the RESDC office and your privacy will be maintained.





Office Hours: 9 a.m. to 2 p.m., Monday through Friday.
TELEPHONE: (866) 688-9229 Toll Free
FAX: (619) 688-0766
E-MAIL: resdc@resdc.net
WEB-SITE: www.resdc.net
NETWORK is the official monthly newsletter of the Retired Employees of San Diego County, Inc. (RESDC), a private non-profit organization.

Business and Inquiries: Business matters and address changes may be recorded on the office voice mail at any time, call (866) 688-9229. Please spell your last name so the correct member record can be located.

The information printed in the NETWORK is believed to be from reliable sources. However, no responsibility is assumed by the NETWORK for inaccuracies contained herein.

Retired Employees of San Diego County, Inc.
7860 Mission Center Court, Suite 209
San Diego, CA 92108-1329

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President's Message (Continued from Page 1)

The following is a summary of those goals and the related activities:

RESDC will stay informed on legislative proposals and maintain strong advocacy on behalf of retirees to protect existing benefits.

Executive Director and Board members attended all SDCERA Board of Retirement (BOR) meetings, addressing the BOR on behalf of retirees' interests when necessary, participated in statewide CRCEA conferences, and developed partnerships in San Diego County through stakeholder meetings.

RESDC will provide timely communications and ensure data on the website/newsletter is accurate.

A number of Board members wrote articles on retirement interests and issues for the monthly newsletter, email blasts were used to distribute timely information between publication dates, and our computer committee has made great strides to move forward with a re-design of our website.

RESDC will increase membership participation and review programs and member services.

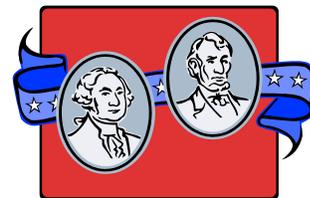
A group of volunteers made over 500 phone calls and completed over 150 surveys revealing 93% of members surveyed were satisfied or very satisfied with their membership and services received. A wealth of information regarding our programs, events and membership benefits was collected and will be used to guide RESDC in the coming year.

RESDC will award merit scholarships

Awarded five \$2000 merit scholarships to deserving high school graduates of RESDC members. Recognized these families with press releases to community newspaper/media and a special presentation at a County Board of Supervisors Meeting.

At the annual membership meeting, held during the Holiday Luncheon December 12th, Executive Director Denise Price highlighted our accomplishments for 2013 and out-

lined our plans for 2014. In the coming months, you will read about our progress to carry out those plans. Ultimately, we are dedicated to keep your interests in the forefront of all that we do on behalf of the retired employees of San Diego County.



**Presidents Day—February 17th
The RESDC office will be closed
in observance of the holiday.**

Here Comes the Next Volley (Cont'd from page 2)

Reed wants the courts to have exclusive jurisdiction to adjudicate all disputes about pensions and retiree health care ballot measures. This would circumvent the role of the California Public Employment Relations Board (PERB), which investigates alleged violations of labor law by public agencies, and is often viewed as being too labor-friendly by retirement reformists.

Reed wants the "proponents of this act" – the five mayors – authorized to defend this package, as agents of the people and the State, if it's approved and the State either doesn't defend it or doesn't appeal an adverse judgment against it.

Guess the upside, if there is one, is that there seems to be no effort thus far to reduce retirement benefits already earned, under this incremental vesting scheme!

Be very careful what you sign in front of your local supermarket!

San Diego County retirement net assets decreased \$13.6 million during November, decreasing fiscal-year-to-date gains to \$476 million and total net assets to \$9.5 billion.