



THE NETWORK



March 2022

Honoring Yesterday—Protecting Tomorrow

Vol. 53 No. 3

UPCOMING RESDC EVENTS AND MEETINGS

We are pleased to announce a few different events & meetings we are planning for March. While we will host our first in-person event in early March, due to ongoing concerns surrounding the pandemic and prioritizing the health and safety of our members, we will continue our offerings of virtual presentations for the immediate future.

The Return of the Popular RESDC Roundup!

We hope to see you (in person!) on **Wednesday, March 2, 2022 at 3:30 p.m.** at **Hooleys in La Mesa at Grossmont Center**. The Roundup provides an opportunity to catch up over libations and appetizers with RESDC leadership and fellow members. No reservation required (no host bar). Meet with old friends and make some new ones!



Virtual RESDC Presentation – Elder Abuse in the Time of COVID Tuesday, March 8, 2022 at 10:00 a.m.

We are pleased to have former Deputy District Attorney (and RESDC member!) **Paul Greenwood** as our presenter. His presentation, **Elder Abuse In The Time Of COVID-19**, is sure to provide up-to-date information and resources on how to avoid scams and fraud.

RSVP: To learn more about this presentation, including registration, visit: www.resdc.net/events or you can call our office at 619-688-9229

Virtual RESDC Presentation - Nationwide: County of San Diego Deferred Compensation Program Tuesday, March 15, 2022 at 10:00 a.m.

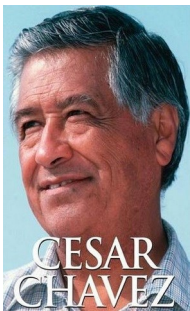
Our presenter, **Cathie Purdon**, a Personal Retirement Consultant with Nationwide will provide information related to the County of San Diego Deferred Compensation Program and as a retiree how to ensure you are on track in managing your plan.



Here's a message from our presenter: "Live your ideal retirement. Find out strategies, tools, and resources to help you stay on track. What's your investment strategy in retirement and how is your investment style impacting your investment? How do you plan to offset inflation, higher medical costs, and possible lower Social Security? What is your withdrawal strategy? Is it tax efficient? When do you have to withdraw from your Deferred Compensation to avoid a 50% tax penalty? How is it calculated and how can I withdraw? Do you have Medicare or just preparing for it? What do you need to look out for?"

RSVP: To register for this event visit: www.resdc.net/events or call our office at (619) 688-9229. □

CESAR CHAVEZ DAY THURSDAY, MARCH 31, 2022



Cesar Chavez Day is a state holiday in California and several other states. The day is commemorated to promote service to the community in honor of Cesar Chavez's life and work. The holiday celebrates the March 31 birthday and the legacy of the civil rights and labor movement activist Cesar Chavez each year. RESDC and SDCERA will be closed on Tuesday, March 31 in honor of Cesar Chavez Day. □

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March Calendar of Events

- 2—(Wed.) RESDC Roundup—East County, 3:30 p.m.
Hooley's Irish Pub, Grossmont Center, La Mesa
- 8—(Tues.) Virtual RESDC—Elder Abuse in the Time of COVID, 10:00 a.m., Via Zoom Web Conferencing, See Page 1
- 10—(Thurs.) RESDC Board of Directors Meeting, 9:30 a.m., Via Zoom Web Conferencing
- 15—(Tues.) Virtual RESDC—Nationwide, County of San Diego Deferred Compensation Program, 10:00 a.m., See Page 1
- 17—(Thurs.) SDCERA Board of Retirement Meeting, 9:00 a.m.
- 31—(Thurs.) Cesar Chavez Day
RESDC and SDCERA Holiday.

PRESIDENT'S MESSAGE

By Chris Heiserman



We are saddened by the recent passing of a longtime friend and colleague who embodied the best qualities of unselfish volunteer service in his retirement years, and they were many. Elsewhere in this newsletter you will see a special tribute to this wonderful man – George Shoemaker. He has been a leader and mentor on the RESDC Board of Directors

for more than 20 years. We will miss him greatly and remember him fondly for his special contributions to the growth of our organization.

As we approach the deadline for another *NETWORK*, the state of our COVID-19 pandemic is still unsettled. Unbelievably, predictions are that the United States will reach one million deaths from the virus by April, despite the cautiously optimistic observations from health officials that the worst incidences of new cases are behind us. It's shocking to me that our country has the highest reported death toll in the world. This has been far from our finest hour. Hopefully we have learned some valuable lessons during this more than two year long pandemic disaster that will leave us better prepared for possible future global health emergencies.

City Pension Reform Failure Costly

It took 12 years and court battles all the way to the California Supreme Court, but the cost to the City of San Diego of undoing the damage to workers affected by the City's pension reform ballot measure in 2012 is coming into focus. Proposition B was approved by city voters and eliminated traditional pensions for all new hires except police officers. Instead of pensions new employees were given a 401(k)-style retirement account.

Four years ago, the State Supreme Court agreed with a lower court ruling that the proposition was illegally placed on the ballot; the City needed to "make whole" employees

denied participation in the regular retirement plan. It has taken months of negotiations with labor unions to reach settlement agreements with two of the largest unions. According to the *San Diego Union Tribune*, the City will be on the hook for at least \$80 million, probably more.

The issue is complicated to say the least. A City report indicates it may have to create retroactive pensions for 3,950 workers hired after the reform was put in place. These first settlements will allow employees to keep their 401(k) accounts instead of getting a pension if they want to. Negotiations are still ongoing with more than 400 firefighters and nearly 100 deputy city attorneys affected by Proposition B. Also still outstanding is the yet to be estimated expense of the City's liability to another 1,586 former employees impacted by the reform but who left their city jobs.

It is useful to remember that Proposition B was promoted as a major cost-saving initiative when most California cities and counties were experiencing budget challenges in the aftermath of the Great Recession. Proponents claimed that it would be a model reform that others would follow to rein in the escalating expense of public-sector defined benefit retirement programs. It turns out that one other city, San Jose, tried a similar approach. It also ended in failure after the city's police force began losing personnel to other jurisdictions with better benefits.

Opponents of Proposition B forewarned city officials that erasing pensions for new employees would lead to problems in attracting good candidates for the municipal work force, as well as retaining workers in a competitive public service job market. In addition, hindsight shows us that the most significant savings resulting from the pension reform was a five-year city salary freeze, which only exacerbated recruitment and retention problems.

More than a decade after the people voted in this major controversial change in the City's retirement benefits, City Councilmembers who played no role in its origin became responsible for reversing it and absorbing its huge price tag. There's a lesson in there somewhere.

Roundup Pilot

We have scheduled an experiment for March 2nd at Hooley's in Grossmont Center in La Mesa. We are testing the comfort level of retirees for a return to "in-person" events. Join RESDC leaders and members on the patio after 3:30 p.m. Test results to follow. Stay tuned. □



IN MEMORIAM AND TRIBUTE – GEORGE SHOEMAKER



We regret to inform you that sadly, one of our most veteran Board Members and friend, George Shoemaker passed away recently. Even though it was expected as he was under hospice care, there is always a sense of personal loss when an individual of such enormous stature and formidable accomplishments leaves us.

An active member of RESDC for over 30 years, George retired from the County in 1982 after 27 years of service in the Records Office, Auditors Office, and as Assistant to the Director of Electronic Data Processing. He joined the RESDC Board of Directors in January 1998 and served on the RESDC Benefits, Technology, Bylaws and Policy Committees. He also served as RESDC President.

George served as Alternate Retiree Member on the SDCERA Board of Retirement. He also served as President of the California Retired County Employees Association; on the State Intergovernmental Board of Electronic Data Processing; as a representative of all County governments on the Federal Domestic Council in Washington D.C.; and as a member of the RAND think tank that researched the effects of privacy legislation on society. He was also Treasurer of San Diego Safe Harbor, Inc., a transactional housing program for the homeless, and has been an active member of the Pacific Beach Presbyterian Church for over 65 years.

George joined the Navy in 1948, attended the Navy School of Music in Washington D.C. where he earned his degree in Music, and was a member of President Truman's Inaugural Band. In addition to his BA in Music, George has a BA from San Diego State University in Public Administration, and Associate degrees in Political Science, Accounting, Data Processing, and Information Systems.

He was married for 67 years to his wife Dolores. They had three children of their own, adopted two boys, and have five grandchildren and two great-grandchildren. They loved to travel in their motorhome and made 62 trips across the country as well as many cruises and trips to many foreign countries.

George will be truly missed by the many family members, friends, and colleagues whose lives were touched by his incredible spirit, faith, and love for life. □



George and Dolores Shoemaker. Photo by Mila Thurber.



RESDC SCHOLARSHIP DEADLINE REMINDER

*By Carlos Gonzalez,
Scholarship Committee Chair*



We want to remind our members that the deadline for students to submit scholarship applications is Friday, March 4, 2022; applications postmarked after this date will not be considered. Final results will be communicated directly to individual participants at the beginning of June. Be sure to remind your graduating high school scholarship applicants to have their applications into the RESDC office by March 4!

The San Diego Foundation has changed the deadline to apply for the Theo and Evelyn Yakel Scholarship. The deadline is Thursday, March 10 at 2:00 p.m.

For more information about the RESDC Scholarship programs please visit: www.resdc.net/scholarship-program. □

SDCERA

MAXIMUM COLA APPROVED FOR RETIREES

SDCERA retired members will get the maximum cost-of-living adjustment (COLA) in their April 29 pension payments:

- Tier I, II and A members: 3% increase
- Tier B, C and D members: 2% increase

For more information, please visit sdcera.org or call SDCERA at (619) 515-6800.

INTRODUCING SDCERA'S MEMBER PORTAL

Retirees can register now for SDCERA's online member portal. You can access your 1099-R forms anytime, anywhere. Get started at: memberportal.sdcera.org.

This is the first phase of many new features SDCERA has planned for the portal, so stay tuned!

Visit www.sdcera.org for more information, or call the SDCERA Member Service Center at: (619) 515-6800 or email msc@sdcera.org. □

RECENT EVENTS

- ◆ **2022-23 Retirement Fund Contribution Rates Approved by County.** The Board of Supervisors has approved the employee and employer contribution rates for the next fiscal year to the \$16.2 billion San Diego County Employees' Retirement Fund. Supervisors okayed the rates recommended in November by the San Diego County Employees' Retirement Association (SDCERA) Board.

The rates are expressed as a percentage of payroll and the employer rates cover both the normal cost to fully fund retirement benefits for the current county workforce, as well as the amortization of any unfunded actuarial accrued liability (UAAL) for the retirement fund. According to SDCERA's 2021 Annual Comprehensive Financial Report (CAFR), the unfunded liability of the fund to be amortized over 20 years is \$3.668 billion.

The average member rate as a percentage of payroll decreased slightly this year from 11.84% to 11.58%. The employer rates are set to pay for regular (General) workers and employees eligible for Safety retirement benefits. The normal cost rate for General employees is 12.29% of payroll; the normal cost rate for the Safety category is 20.69%. The added rate for the unfunded liability will be 27.57% for General workers and 40.67% for Safety.

The Board agenda letter reported the cumulative rates as 39.86% for the General category and 61.36% for Safety. It said the aggregate rate overall is 44.81% of payroll.

- ◆ **New Report: A Better Bang for the Buck - Post-Retirement Experience Drives Pension Cost Advantage.** A new report from the National Institute on Retirement Security finds that defined benefit (DB) plans provide substantial advantages over 401(k) style plans.

From their website located at, www.nirsonline.org, "This analysis finds that (DB) pension plans offer substantial cost advantages over 401(k)-style defined contribution (DC) accounts. A typical pension has a 49% cost advantage as compared to a typical DC account, with the cost advantages stemming from longevity risk pooling, higher investment returns, and optimally balanced investment portfolios.

This report follows two previous analyses conducted in 2008 and 2014 comparing DB plans and DC accounts, and it includes two new elements not included in the previous studies:

1) the impact of the current low interest rate environment; and 2) how saving mid-career rather than early career reduces total retirement savings."

To access the report, visit:

www.nirsonline.org/reports/betterbang3/ .

- ◆ **New Research: The Great American Retirement Fraud.** Recent research by Michael Doran, a professor at the University of Virginia School of Law who also worked for the Office of Tax Policy at the U.S. Treasury Department under two different administrations makes the following case for why our current retirement system doesn't work. Doran argues in 'The Great Retirement Fraud' that legislative reforms alleged to help rank and file American workers save for retirement mostly enhance opportunities for individuals with high incomes. From the research:

"Over the past 25 years, Congress has enacted several major reforms for employer-sponsored retirement plans and individual retirement accounts ("IRAs"), always with large bipartisan, bicameral majorities.

In each case, legislators have claimed that the reforms would improve retirement security for millions of Americans, especially rank-and-file workers. But the supposed interest in helping lower-income and middle-income earners has been a stalking horse for the real objective of expanding the tax subsidies available to higher-income earners.

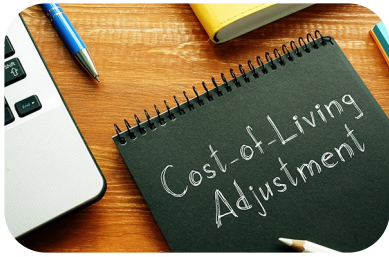
The legislation has repeatedly raised the statutory limits on contributions and benefits for retirement plans and IRAs, delayed the start of required distributions, and weakened statutory nondiscrimination rules -- all to the benefit of affluent workers and the financial-services companies that collect asset-based fees from retirement savings.

The result has been spectacular growth in the retirement accounts of higher-income earners but modest or even negative growth in the accounts of middle-income and lower-income earners.

Despite the benign but misleading rhetoric about enhancing retirement security for everyone, the real beneficiaries of the retirement-reform legislation have been higher-income earners, who would save for retirement even without tax subsidies, and the financial services industry, whose lobbyists have driven the retirement-reform legislative agenda."

To learn more, visit: www.papers.ssrn.com/sol3/papers.cfm?abstract_id=3997927 . □





BOARD OF RETIREMENT APPROVES MAXIMUM ALLOWED COLA EFFECTIVE APRIL 1, 2022

The San Diego County Board of Retirement approved an annual cost of living increase, or COLA, for County retirees during their meeting on February 3rd. Most retirees will receive a 3% COLA.

The COLA increases are based on state law, county retirement rules, and changes in the Bureau of Labor Statistics Consumer Price Index for San Diego. County pensions can be increased a maximum of 3% for longer term workers in Tiers I, II and A. Employees in Tiers B, C and D will receive the maximum 2%. The increases will be effective on April 1, 2022.

To affect this COLA adjustment in accordance with state retirement law, the independent actuarial consultant to the Board of Retirement determined that the San Diego Consumer Price Index (CPI) increased by 5.21% in 2021. This amount is rounded to the nearest one-half percent, 5.0%.

County retirement COLAs are also affected by value accumulated in retirees' COLA Banks. In years when the Consumer Price Index increases more than the 2% or 3% maximums allowed, excess beyond the 2% or 3% is assigned to retirees' COLA banks. These funds are used to increase the COLA up to the maximum allowed in years when the CPI changes less than the 2% or 3% maximums.

Because the actual CPI exceeds the recommended COLA, Tier I, Tier II and Tier A members will have 2.21% added to their COLA bank and Tier B, Tier C and Tier D members will have 3.21% added to their COLA bank. □



**March 20th
is the first day of Spring!**



USEFUL CONTACTS FOR COUNTY RETIREES

SDCERA Administration

- Retirement checks
 - Withholding forms
 - IRS tax forms
 - Beneficiary change
 - Address change
 - Retirement Board meetings
- Phone: (619) 515-6800 or (888) 473-2372
Website: www.sdcera.org
Email: msc@sdcera.org
Address: 2275 Rio Bonito Way #100,
San Diego, CA 92108

SDCERA Health Plan Services

Phone: (866) 751-0256

Board of Retirement Members Elected by SDCERA Retired Members

- Skip Murphy smurphy@sdcera.org
- Alternate—Susan Mallett
smallett@sdcera.org

RESDC Administration

- Membership
 - Address/email change
 - *THE NETWORK* Editor
 - Board of Directors
 - Events
 - Scholarship programs
 - Discounts
- Phone: (619) 688-9229 or (866) 688-9229
Website: www.resdc.net
Email: resdc@resdc.net
Address: 8825 Aero Dr., #205, San Diego,
92123

RESDC Endorsed Insurance and Other Supplemental Benefits

- Pacific Group Agencies, Inc.
Phone: (800) 511-9065
- My Senior Health Plan
Phone: (800) 401-2796

San Diego County District Attorney's Office

- Elder Abuse
Phone: (800) 510-2020 or call 9-1-1

San Diego County Aging & Independence Services

Phone: (800) 339-4661 □



PURCHASE SEE'S CANDIES GIFT CARDS ONLINE

You can now purchase See's Candies gift cards in our new Online Store using your RESDC discount!

RESDC members are offered \$25 gift cards for \$22, a savings of \$3. Gift cards are redeemable at any See's Candies location or online.

To purchase gift cards online, go to: resdc.wildapricot.org/online-store. We can only accept credit cards to purchase gift cards online. You may not purchase more than ten gift cards in one transaction.

Note: You need a RESDC member self-service login in order to access the online store. If you need one, please email resdc@resdc.net.

RESDC members are entitled to a 10% group discount on selected items at the two See's Discount Stores: 3751 Rosecrans Street, San Diego, 92110; and 1830 Marron Road, Carlsbad, 92008. You must ask the See's sales team which items are selected. You need to show them your RESDC membership card for the discount. Be sure to mention that you are a member of Retired Employees of San Diego County. Occasionally a RESDC member is denied the discount by a clerk at these See's stores. When this happens, be sure to clarify that you are not an active County employee, but you're a member of RESDC. The county no longer participates in the See's group discount program. If you're still refused a discount, ask to speak to a store manager.

The gift cards are redeemable at any of the See's retail stores and for online purchases.

If you would like to purchase gift cards through the mail from RESDC, please address an envelope to RESDC, 8825 Aero Drive, Suite 205, San Diego, CA 92123. Enclose a check made out to RESDC for the number of gift cards you would like at \$22 for each gift card. Be sure to include postage stamps so we can mail the gift cards to you. Enclose one postage stamp if purchasing less than five gift cards. If purchasing over five gift cards enclose 78 cents of postage. If purchasing over nine gift cards enclose 98 cents of postage. See the postage chart at:

www.resdc.net/sees-candies-discount. We will supply the return envelope to put the gift cards into. □



INTRODUCE YOUR FELLOW RETIREES TO RESDC

Contact a fellow retiree or an active employee to tell them about the perks of membership and to encourage them to join the RESDC family. Give this RESDC membership enrollment form to your County retiree friends. □

Join Retired Employees Today!

Retired Employee Membership
I, the undersigned, receive a retirement and/or survivors allowance from the San Diego County Employees Retirement Association. I hereby authorize SDCERA to deduct from my monthly retirement benefit \$5 per month for my membership in the Retired Employees of San Diego County, Inc. and to pay such deductions monthly to RESDC. This authorization shall continue until revoked by me.

Associate Membership
I am an active or deferred San Diego County or Superior Court employee, or a non-County-affiliated spouse of a current RESDC member, and I have enclosed a check made out to RESDC for \$60 annual Associate Membership.

Name*: _____
First MI

Last

Last Four of Soc. Sec. #**: □ □ □ □

Email: _____

Phone*: (____) _____
□ Cell □ Home □ Work □ Other

Address*: _____

Department: _____

Retirement Date: _____

Signature*: _____
SDCERA-3350

*Required
**Required for deduction of dues

Mail completed form to:
RESDC
8825 Aero Drive, Suite 205
San Diego, CA 92123

In Memoriam



Gail Arciniega*	Sheriff
Kathleen Armogida	HHSA
George Arndt	Sheriff
Gloria Austin	
Ann Banks	Probation
Mildred Bennett	HHSA
Susan Boccaccio	
Gracia Dones	HHSA
Janet Dunne	Superior Court
Paul Eckert	
Derithe Edwards	District Attorney
Oscar Eusebio	Superior Court
Gary Evans	Registrar of Voters
Gloria Fort	
Virginia Gengor	
Zenaida Guevarra	Child Support
Ella Herbert	
Gerald Hermanson	Facilities Management
Joyce Hexum	County Counsel
Mary Hlawatsch	Probation
Karen Holgate	Public Safety Group
Beverly Horne-Price	Sheriff
Robert Hutchinson	HHSA
Khen Huynh	HHSA
Ihsan Jabbar*	Facilities Management
Junette Johnson	HHSA
Paula Juarez*	Child Support
Lynne Juleson	HHSA
Kathleen Kilday	District Attorney
Nanci Lewis	HHSA
Jorge Lopez*	Fleet Maintenance
Courtland Lowerison	
James Magee	Public Works
James McCain	Marshal
Barry Nally	HHSA
Teresa Navarro	Social Services
William Niles	Library
Carolyn Price	Public Defender
Jayne Richards	Probation
James Rogers	Registrar of Voters
Frank Salis	Public Defender
Jose Sevillano	Environmental Health
George Shoemaker	Electronic Data Process
George Sieckman	HHSA
Cynthia Stacy	
Catherine Tabacco	Probation
Robert Torbett	Sheriff
Edher Torres*	HHSA
Gilbert Valero	HHSA
John Vigliotti	
Mary Walters	Assessor/Recorder/Co Clerk
Martha Wright	Probation
Rosemary Wright	
Kent Ziegler	HHSA

*Active Employee

ASSOCIATION OFFICERS

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 2nd Vice Pres....Janel Pehau
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 Treasurer.....Frank Bittner

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 Francine Howell, John McTighe,
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Stan Coombs

EXECUTIVE DIRECTOR

Mark Nanzer

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....Karen Hazel
Andrew Steele

NETWORK EDITOR....Karen Hazel

RESDC Office Email Address:

resdc@resdc.net

Daylight Savings Time Begins March 13th!



MEMBER PRIVACY

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

The Surviving Spouse of a RESDC member is eligible for RESDC membership. For enrollment assistance, please call (619) 688-9229. □





Office Hours: 9 a.m. to 2 p.m. Monday through Friday.

Telephone: (866) 688-9229 Toll Free

Fax: (619) 688-0766

Email: resdc@resdc.net

Website: www.resdc.net

 @RetiredEmployeesofSanDiegoCounty
 @RESDC

THE 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.

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San Diego, CA 92123

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FACTS AT A GLANCE

Huge Gender Gap For Jobs

According to Axios, more than one million men returned to the labor force (or job search) in January, but only 39,000 women. Most likely culprits – lack of child-care or unstable school schedules.



QUOTE OF THE MONTH

The best way to guarantee a loss is to quit.

▪ Morgan Freeman



WELCOME NEW MEMBERS

Scott Amos	Sheriff
Barbara Bleichwehl	Superior Court
Samuel Dennis	Children's
Barbara Flowers	
Douglas Frederick	Public Works
Jasmine Gilham*	Health & Human Services
Patti Groulx*	
Marilyn Hamilton*	Registrar of Voters
Zulim Obispo*	Child Support
Brenna Ring*	
Ian St. John	Probation
Robin Sunkees*	Superior Court
Jannet Wise*	Assessor/Recorder/County Clk

*Associate Members

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