



THE NETWORK

January 2023

Honoring Yesterday—Protecting Tomorrow

Vol. 54, No. 1

PRESIDENT'S MESSAGE

By Chris Heiserman



Entering 2023 with hope and some trepidation. RESDC plans a full-scale return to our popular in-person social events and educational programs. We will monitor community health conditions and would appreciate hearing from our members if they have any concerns.

Our Pension Fund

Like everything else over the past two-plus years public pension funds have been volatile. The seemingly unusual market run up during the early part of the Covid era produced a 25% investment return rate with \$16.5 billion in managed assets; however, for the fiscal year ending June 30, 2022, the fund was hit with a negative 9.5% (-9.5) return level on assets of \$14.56 billion. So, on paper we significantly gained the previous year, then experienced a big dip last year. Luckily for us retirement funds are administered for the long term, and we know benefits are planned for and assured. Still, it never hurts to keep an eye on SDCERA's progress to fully fund its liabilities.

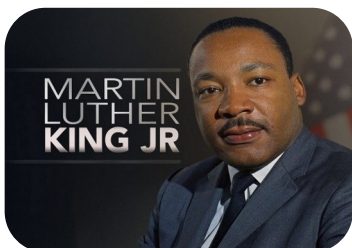
Turns out the end of the calendar year (the midpoint of a Fiscal Year like 2021-22) is generally the time frame for the release of financial reports for pension funds like ours administered by the San Diego County Employees Retirement Association (SDCERA). Two key financial reports related to our retirement system came out recently: the Annual

Actuarial Valuation Report as of June 30, 2022 from SDCERA's fiscal consultant, Segal; and the Annual Comprehensive Financial Report on the pension fund, also covering Fiscal Year 2021-22.

These fiscal reports relay a great deal of statistical data about the retirement fund and its members – active, deferred, retired and beneficiaries. One of the general goals of the Actuarial Valuation is to establish the necessary contribution levels for employees and the County to fund the Association's long-term liabilities. The Annual Comprehensive Financial Report (ACFR) is a detailed overview of SDCERA's finances and investment returns for Fiscal Year 2021-22.

Both documents are full of interesting information and many charts and tables portraying demographic characteristics of pension fund members, as well as comparisons of contribution rates, average salaries and other measurements for FY 2020-21 and FY 2021-22. For example, the Actuarial Valuation Report has a summary table showing the average age (43.5 years) and service years (10.2) of the system's 18,138 active members; and the average age (70.2 years) and average monthly benefit (\$3,645) of the 21,491 retirees and beneficiaries.

Both reports share the unfortunate impacts of last year's economic doldrums, resulting in a -9.5% return on investments and a slide in the funded ratio from 80% to 76.7%. Also, the retirement system's Unfunded Actuarial Accrued Liability (UAAL) increased significantly from \$3.7 billion in FY2020-21 to \$4.8 billion in FY2021-22. This sounds alarming and the financial analysis points out the increase is primarily attributable to changes in actuarial assumptions adopted by the Retirement Board in 2022. Basic assumptions built into the fiscal reports include things like expected inflation levels and payroll growth, demographic changes liked how long members are expected to live, and most importantly the projected rate of investment return on the fund. This past year SDCERA reduced the assumed investment return rate from 7% to 6.5%, which automatically meant the pension fund would have to generate additional money to cover its long-term obligations. It also trig-



January 16, 2023 Martin Luther King Jr. Day

RESDC and SDCERA will be closed in observance of the holiday.

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gered the need for higher incremental contributions from active employees and the County. Of course, retirees do not contribute to the fund, but we get to share in the ultimate financing of pension benefits as County taxpayers.

Assumed interest rates on investment returns have been trending down for most public retirement systems in recent years to align more realistically with less optimistic economic forecasts. Both of these reports are available on the SDCERA website at www.sdcera.org under the "Finance" drop-down menu. □

<p align="center">January Calendar of Events</p> <p>2—(Mon.) RESDC Office Closed</p> <p>12—(Thurs.) RESDC Board of Directors Meeting Via Zoom Web Conferencing, 9:30 a.m.</p> <p>16—(Mon.) Martin Luther King Jr. Day RESDC & SDCERA Closed</p>

COMING SOON – RESDC EVENTS AND MEETINGS IN 2023

Happy New Year RESDC Members! We are pleased to announce a few different events & meetings we are planning to kick off in 2023. The exciting news is that while we plan on continuing to hold virtual events and meetings, we will also be returning to offer in-person events for the first time since the pandemic began! Of course, we will continue to monitor the situation with the pandemic to ensure any in-person events we schedule will prioritize the health & safety of our members.

Here is a sample of some the great events and meetings we are working on:

Age Well San Diego

RESDC will host an in-person General Membership meeting in the first quarter of 2023 featuring Age Well San Diego, which is a regional initiative led by the County of San Diego to make our communities better places for people of all ages to live healthy, safe and thriving lives. Through Age Well, the County joins forces with The San Diego Foundation, AARP®, the World Health Organization and numerous community partners and residents to work toward making our communities more age-friendly.



Attendees will learn more about the Age Well Action Plan, which includes goals in the areas of Health & Community Support, Housing, Social Participation, Transportation and Dementia-Friendly Environments. Age Well aligns with the broader goals of Live Well San Diego, a regional vision for healthy, safe and thriving communities.

More details, including date and location, to come in the February NETWORK.

February 2023 – The return of the popular RESDC Roundup

We hope to see you (in person!) on **Wednesday, February 15th, 2023 at 3:00 pm at the Brigantine Seafood & Oyster Bar in Escondido**. The Roundup provides an opportunity to catch up over libations and appetizers with RESDC leadership and fellow members. No reservation required (no host bar). Come meet with old friends and make some new ones.



And last, but not least, we are in initial planning stages for some other great events:

- RESDC Day at the Padres
- Flag Day/Fourth of July Luncheon
- RESDC Health Fair Picnic
- Holiday Luncheon/Annual Membership Meeting □





CALIFORNIA SENIOR LEGISLATURE
By Susan Mallet



Greetings to all my RESDC friends and fellow retirees. The California Senior Legislature (CSL) was established by the State Assembly in 1979 and is the only grassroots organization advocating on behalf of older Californians. I am proud to represent San Diego County as a CSL Assembly member. At full strength CSL consists of 120 members from

all over the state of California. Members develop legislative proposals that are reviewed and prioritized at the annual session in October. Since the beginning of CSL, over 210 proposals authored by CSL members have been picked up by California Legislators and enacted into law.

This year's annual session, typically held at the Capitol building in Sacramento, was again held virtually. The official business of the annual session is modelled after the state legislative process with policy committee discussions of proposals culminating with floor votes in the senate and assembly of CSL. The final vote by all members results in a Top Ten list of proposals for the new legislative year. The report on the 2022 proposals was impressive as eight of the ten proposals were picked up by state legislators. These bills worked their way through the legislative process and three bills were signed into law by Governor Newsom in September. These bills are AB 2145: Oral Healthcare in Skilled Nursing Facilities, AB 2338: Default Hierarchy Surrogate Consent Laws, and AB 2511: Skilled Nursing Facilities: Back-up Electrical Supply.

Members attending the annual session, held October 25-27, reviewed 19 legislative proposals submitted by CSL members. The final vote resulted in a Top Eleven for 2023 due to a tie vote. The following is a summary of those proposals from Assembly and Senate members.

AP1, a study of problems faced by grandparents raising grandchildren

AP3, requires hospitals prepare a standardized patient discharge summary to better assist those caring for the

senior at home or in another facility

AP4, accessible public transportation for seniors and disabled persons

AP6, age-related training for homeless service workers to better serve the growing number of seniors becoming homeless

AP8, when a senior uses an ambulance, emergency room medical professional will note the medical need for the ambulance transport

SP1, hazardous substances, ban the sale and use of pesticide Paraquat Dichloride in California

SP2, a card for caregivers and first responders on how to communicate with a person suffering from dementia

SP3, age discrimination: ageism awareness week

SP5, priority access to veteran housing for senior and disabled veterans

SP6, wildfire tax credit for seniors to make fire-resistant improvements to their properties

SP7, annual earning statement for those providing in-home services and supports (IHSS), typically family members, who are not eligible for a form W-2

A virtual introduction of these proposals was held for legislators and their staff on November 17th and five proposals have tentatively been picked up by state legislators. New bills will be introduced in January through the end of February, so CSL is looking forward to another successful year. As the legislative year progresses, I will keep RESDC informed as CSL proposals acquire legislative sponsors and official bill numbers. As always, I look forward to seeing you all at RESDC events and wish everyone a healthy and safe New Year. □



WELCOME NEW MEMBERS

- | | |
|--------------------|-------------------|
| Christine Bennett | Assessor/Recorder |
| Bernard Cruz | |
| Judith Hays-Zavala | HHSA |
| Martin Martins | District Attorney |
| Terrill Peterson | |
| Janie Sargent | Animal Services |

***Associate Member**

The surviving spouse of a member is eligible for RESDC membership. For enrollment assistance, call: (619) 688-9229. □

SCHOLARSHIPS

By Carlos Gonzalez, Scholarship Committee Chair



RESDC Merit Scholarships:

Welcome to the 2023 RESDC Merit Scholarship Program. This year Our Board of directors, has authorized enhancements to our program: (1) the **La Rue Pierce Community Service Award** has been increased from \$750 to \$1,000; (2) an additional \$2,000 scholarship; increasing from 5 to 6 the individual merit awards: **“The George S. Shoemaker (1930-2022) Memorial Scholarship Award.”** George Shoemaker, retired from San Diego County

employ in 1982, after 27 years of “distinguished public service.” His tenure on the RESDC Board of directors spanned over 30 years, during which his “spirit of volunteer service” was manifest in every endeavor undertaken. This award is dedicated to George’s “spirit of service.” George passed away January 16, 2022.

Going forward, six \$2,000 merit scholarship and one \$1,000 community service awards will be offered by RESDC every year, to eligible graduating high school seniors.

To be eligible, applicant must be a child (adopted child), grandchild, stepchild, or step-grandchild of a RESDC member in good standing (as defined in our bylaws).

The scholarship application will be available online on January 2, 2023 at: www.resdc.net/scholarship-program. You can stop by the RESDC office (8825 Aero Dr, Suite 205, San Diego, CA 92123) to pick up the application. We are happy to email the application to each applicant. Contact us at resdc@resdc.net to ask for the scholarship application form.

The deadline to submit applications is **Friday, March 3, 2023**; applications postmarked after this date will not be considered. Final results will be communicated directly to individual participants at the beginning of June 2023.

We suggest that applicants start this process immediately and coordinate all references for a complete and timely submittal. Incomplete application packages will not be considered.

Theo and Evelyn Yakel Scholarships:

All RESDC Scholarship applicants are also eligible to apply for the **Theo and Evelyn Yakel Scholarship**, which is available through **The San Diego Foundation**. In 2021, over \$3.4 million in scholarships, making The Foundation the largest private non-university scholarship provider in San Diego County. To apply for The Yakel Scholarship, students should go to www.sdfoundation.org and fill out the Common Scholarship Application.

A document verifying that the student’s sponsor is a RESDC member must be uploaded when applying for the Yakel Scholarship through the Common Scholarship Application. Please email the RESDC office at resdc@resdc.net or call the RESDC office at: (866) 688-9229 to obtain this signed document. Please state the name of the student applying for the scholarship. The foundation will not accept applications without a signed RESDC verification form. □

QUOTE OF THE MONTH

“Don’t worry about failures, worry about the chances you miss when you don’t even try.”

▪Jack Canfield

SDCERA

ACCESS YOUR SDCERA 1099 TAX FORM ONLINE STARTING JANUARY 17

You can download and print your 1099 form for 2022 online through the SDCERA Member Portal before you get it in the mail. Your new 1099 will be available by January 17. You should receive your mailed 1099 by the end of January.

Register for an account or login at memberportal.sdcera.org. □

ASSOCIATION OFFICERS

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1st Vice Pres.....Dolores Diaz
2nd Vice Pres....Janel Pehau
Secretary.....Leila Attar
Treasurer.....Carlos Gonzalez

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John McTighe, Merrill Roach,
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Bob Summers

IMMEDIATE PAST PRESIDENT

Stan Coombs

EXECUTIVE DIRECTOR

Mark Nanzer

OFFICE STAFF....Marge Elmendorf
....Andrew Steele

NETWORK EDITOR....Andrew Steele

RESDC Office Email Address:

resdc@resdc.net

In Memoriam



Emma Acosta	Probation
Earl Arnold	Probation
Helen Baca	
David Bavencoff	Sheriff
Brenda Butler	HHSA
John Carnett	
Saralou Chovan	Human Resources
Geraldine Connolly	HHSA
Patricia Cullmer	
Lance DeClue	Environ Health
Gerald Durkin	HHSA
Aretta Foster	
Annie Gallardo	HHSA
Elizabeth Gittins	Superior Court
Ricardo Gutierrez	HHSA
Rosemary Hagemann	
Robert Halstead	
Thomas Hayes	Probation
Carl Hickman	Public Works
Kun Hillman	
Patricia Hott	
Rwanda Jackson	HHSA
Marjorie Jaramillo	Probation
Waneta Jones	
Richard Kopenski	Dept of Info Services
Marie Logan	
Joanne McLean	Superior Court
Frederick Meyer	HHSA
Cindy Miller	Purchasing & Contracting
Curtis Munro	Sheriff
Philip Navariz	Sheriff
Paula Orlando	HHSA
Hila Page	HHSA
Andrew Richardson	Public Works
Erika Riolo	
Alejandro Saucedo	Public Works
Mack Smith	Sheriff
Charles Thomson	
Frances Thon	
Roy Wallace	
Royetta Wallace	
Clayton White	Air Pollution Control
Nancy Wills	
William Winterton	Public Works
Dorothy Woodson	
Julie Wright	Sheriff

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. □

RECENT EVENTS

Biggest Pension Rescue Plan in US History. President Biden recently announced the largest rescue package for a pension plan in U.S. history. The nearly \$36 billion infusion for the Central States Pension Fund will mostly benefit members of the International Brotherhood of Teamsters.

"Thanks to today's announcement, tens of thousands of union retirees and workers in states like Ohio, Michigan, Texas, Minnesota, Wisconsin, Missouri, can go to bed tonight knowing their pension they worked so damn hard for is going to be there for them when they need it," Biden said at an event attended by Teamsters President Sean O'Brien and Labor Secretary Marty Walsh.

Biden said the cash infusion would "prevent drastic cuts to workers' hard-earned pension benefits, cuts that have been scheduled to occur within the next few years." Analysts have projected benefit cuts as high as 60% for some participants.

Funding for the rescue plan, which the White House said will ultimately help 350,000 union workers and retirees, will come from the Special Financial Assistance Program, which was created by the \$1.9 trillion American Rescue Plan Act signed into law in 2021. The program targets financially struggling multiemployer pension plans that have applied to the Pension Benefit Guaranty Corporation for assistance. Prior to the passage of the America Rescue Plan, the PBGC, a federally chartered corporation that ensures pension plans, was facing insolvency as soon as 2026.

New Research: The Real Deal for the Public Sector: Retirement Income Adequacy Study. Retirement is growing more challenging for public sector workers, according to a new report by the National Institute on Retirement Security (NIRS) and Aon, *The Real Deal for the Public Sector: Retirement Income Adequacy Among U.S. Public Sector Employees*.

This research finds that state and local employees in a typical public defined benefit (DB) pension plan need to save about four to six percent of their salary on their own to ensure adequate retirement income. The report also finds that defined contribution (DC) plans provide less retirement income than DB plans in a typical cost-equivalent conversion for career employees.

The report's key findings regarding retirement income adequacy are as follows:

- A "retirement number" is elusive because key factors are individual-based.
- Retirement is growing more challenging for younger generations serving in state and local government.
- Employees in the average public sector pension plan need to save about four to six percent of their salary on their own for an adequate retirement.
- Rising medical costs have younger public employees less prepared for retirement than prior generations.
- Female public employees are less ready than their male counterparts because of longer life expectancies.

To access the research, visit: www.nirsonline.org/reports/realdeal/





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

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 @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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SDCERA DATES FOR 2023 ELECTRONIC PENSION DEPOSITS

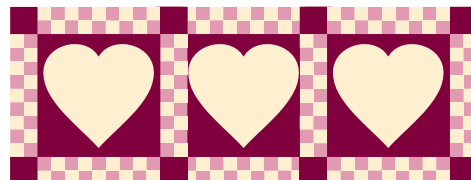
<u>Month</u>	<u>Deposit Date</u>
January	31
February	28
March	31
April	28
May	31
June	30
July	31
August	31
September	29
October	31
November	30
December	29

Retain this calendar for quick reference for the dates you will receive your electronic deposits. □

FACTS AT A GLANCE

\$78,206

Average annual pay for 15,019 active County workers (non-safety), according to the SDCERA Actuarial Valuation report as of June 30, 2022.



BITS AND PIECES

Editor's Note: We would like to continue printing some Bits and Pieces items in this newsletter about our members.

If you have taken an interesting trip or have had an intriguing event happen recently, please let us know so that we can share your story with our members.

If you have reached an exciting birthday, or wedding anniversary, please call RESDC at (866) 688-9229. You can also write to RESDC, 8825 Aero Drive, Suite 205, San Diego, CA 92123. You can also send your information to us by email at: resdc@resdc.net □

WINTER IS HERE!

