



THE NETWORK

September 2022

Honoring Yesterday—Protecting Tomorrow

Vol. 53, No.9

RESDC HEALTH FAIR PICNIC WEDNESDAY, OCTOBER 26, 2022

RESDC is excited to announce the return of our Health Fair Picnic! Since this is our first picnic since 2019, we will taking some additional precautions to ensure the health and safety of our members.

When: Wednesday, October 26, 2022, 10:00 am—1:00 pm

Lunch Served: 11:30 am—12:30 pm

Where: Admiral Baker Field, 2400 Admiral Baker Rd, San Diego, 92124.
Driving directions will appear in the October *NETWORK*.

What: Resource booths, picnic lunch, and opportunity drawing. This is an outdoor event. Information available about: Ameritas Dental, Pacific Group Agencies, Inc., Cigna Dental, San Diego County Credit Union, My Senior Health Plan, and Nationwide.

Menu: Barbecued beef, baked beans, green beans, fruit, coleslaw, rolls, beverages, and dessert.

THIS EVENT IS FREE TO RESDC MEMBERS AND THEIR GUESTS. REGISTRATION IS LIMITED TO 150 ATTENDEES AND AVAILABLE ON A FIRST COME FIRST SERVE BASIS. Due to Admiral Baker Field restrictions, we will be limited to ten vendor booths and seating will be limited to a large covered patio where we have held the event in the past.

Registration: EVERYONE MUST BE REGISTERED IN ADVANCE FOR THIS EVENT TO ATTEND! This ensures we order enough food for everyone. Thank you for your Cooperation.

RESDC Members: \$0 Non-Members: \$0

Registration forms must be received in the RESDC office by Friday, October 14. Name badges and opportunity drawing tickets should be picked up at the Check-In table. They will not be mailed. **No pets are allowed except Service Animals. No smoking or vaping.**

Choose Registration Method:

Register by Phone: Call the RESDC Office at (619) 688-9229 during our hours of 9 am – 2 pm Mon-Fri.

Register by Mail: Fill out the Registration Form. Mail form to RESDC, 8825 Aero Dr., Suite 205, San Diego, CA 92123.

Register Online: Go to www.resdc.net/events and click the green "Register" button. To add another RESDC member, please call RESDC at (619) 688-9229. □



Health Fair Picnic Registration Form

RESDC Member Name(s): _____

Department: _____ Date Retired: _____

Phone: _____ Email: _____

Non-Member Name(s): _____

of RESDC Members: ____ (FREE) # of Non-Members: ____ (FREE)

September Calendar of Events

5—(Mon.) Labor Day

RESDC and SDCERA offices closed for holiday

8—(Thurs.) RESDC Board of Directors

Via Zoom Web Conferencing, 9:30 a.m.

14—(Wed.) RESDC Roundup South County

Galley At The Marina, 550 Marina Parkway,
Chula Vista, 91910, 3:00– 5:00 p.m.

15—(Thurs.) SDCERA Board of Retirement Meeting

9:00 a.m.

22—(Thurs.) RESDC Day At The Padres, Petco Park,

1:10 p.m.

PRESIDENT'S MESSAGE National Group Continues Assault on Public Pensions

By Chris Heiserman



The American Legislative Exchange Council (ALEC) describes itself as a nonprofit organization of conservative state legislators and private sector representatives who draft and share model legislation for distribution among state governments in the United States. It is dedicated to the principles of limited government, free markets, and federal-

ism. In other words, it's conservative but also decidedly anti-public pensions.

ALEC's latest salvo making the rounds of media news releases and op-eds is the sixth edition of its serial criticism of traditional public retirement plans, "Unaccountable and Unaffordable." In this report ALEC analysts suggest that unfunded state pension liabilities in the U.S. are a "whopping" \$8.28 trillion. They contend that this level of debt represents a major threat to state budgets and their ability to pay for public services. They say it will also make it hard "to keep the pension promises made to state employees."

Obviously, ALEC is not a fan of traditional public retirement plans, which it feels should be closed and replaced with 401(k)-style savings accounts for new hires. The organization uses tailored rhetoric in its reports that makes it seem like it is genuinely concerned about retirement benefits for government workers and the taxpayer's ability to fund them, when in fact ALEC believes public employee pensions are too lucrative and should be curtailed. In promoting 401(k) accounts (the common practice of retirement savings in the private sector) as the needed "reform" of public pensions, ALEC would eliminate for future retirees the guaranteed lifetime retirement income current public employee retirees enjoy.

The centerpiece of ALEC's technical methodology supporting its claim that unfunded state pension debt is "unaffordable" and much larger than retirement plan administrators report is adoption of a "risk free" discount rate to calculate the value of future liabilities. This requires

some explanation. The theory is retirement funds should be conservative in investing to make sure they can cover the promised pension benefits for retirees. The "risk-free" discount concept for ALEC is based upon the yields of the 10-year and 20-year U.S. Treasury bonds. However, with historic low interest rates in the past two years, the so-called "risk free" rate went down from 2.34% to 1.13% in 2021. This unusually meager interest rate is what ALEC used to estimate unfunded pension liabilities at more than \$8 trillion, and to deceptively note that the number represented nearly \$25,000 for every man, woman and child in the nation.

Admitting that the current version of the "risk free" rate was extremely low, ALEC decided to use a more "realistic" but still conservative fixed discount rate of 4.5% in its unfunded liability calculations. This trimmed the \$8 trillion figure to closer to \$2 trillion in unfunded pension debt. This total is still a stark contrast to the lower long-term unfunded debt levels cited by public retirement plans in their official financial reports.

ALEC's methodology significantly increases (I would say exaggerates) the long-term cost of satisfying pension obligations to retirees compared to actuarial forecasts by public pension plans across the United States. Of course, this is what ALEC intended, to demonstrate with charts, graphs and state by state comparisons that most public retirement plans were far too optimistic in their long-term funding projections, and thus "unaffordable."

While ALEC says there is a difference between discount rates and assumed rates of investment returns, it admits many retirement plans rely on their long-term rate of return as a discount rate. For general comparison purposes, they are close enough. The corresponding pension plan figures to ALEC's 4.5% discount rate would be assumed return rates of 6-8% used by most pension plans.

The calculated funded ratio for California public pensions with the 4.5% discount rate is reported as 31.61% by ALEC. In order to find statistics to compare to that, I went to the Public Plans Database maintained by the Center of Retirement Research at Boston College. It includes data for 15 major retirement plans in California as of 2020. The reported funding ratios of those systems ranged from 64.4% to 93.9%. Specific examples were two of largest in the country, the California Public Employees Retirement System (CalPERS) at 70.6% and the California State Teachers Retirement System (CalSTRS) at 67%. SDCERA was also included at 77.3%.

(Continued on Page 8)



SDCERA

SDCERA 2023 HEALTH PLANS

At the July 21, 2022 SDCERA meeting, the Board of Retirement approved changes to its health plan programs for 2023. RESDC representatives attended the session and applauded the fact that none of the changes would affect current health coverage for any retirees. More details on the modifications to health insurance programs will be made available by SDCERA in the October *NETWORK*. Here is a brief list of the changes:

- All current health plan enrollees grandfathered in.
- A normal Open Enrollment for health plans will be held this fall.
- New enrollments in health plans will end Nov. 18.
- Adopted a new lower health administrative fee for 2023.
- Approved a contract for more efficient administration of the Health Insurance Allowance (HIA) reimbursement program.

For more details now, the July 21 SDCERA Board of Retirement meeting agenda containing these items and a video recording of the proceedings can be found online at this link:

www.sdcera.orgboard_retirement_meeting_agenda.htm . □



RESDC DAY AT THE PADRES

**St. Louis Cardinals
Vs.
San Diego Padres**

**Thursday, September 22, 2022,
1:10 p.m.**

We will be located in general seating at the game and a limited number of tickets (25) are available for purchase on a FIRST COME, FIRST SERVE basis.

Ticket price is \$31.50 per person.

To purchase tickets:

Option 1 – Pay with a credit card. Please go online to: <https://www.resdc.net/events>. Click the green “Register” button and follow the steps to register and pay. You will need to use the email address associated with your member account. Need assistance? Contact us at (619) 688-9229 or resdc@resdc.net.

Option 2 – Pay with a check made payable to RESDC and mail to 8825 Aero Dr., Suite 205, San Diego, CA 92123. □





RESDC ROUNDUP SOUTH COUNTY

Date: Wednesday, September 14, 2022

Time: 3:00—5:00 pm

Location: Galley At The Marina,
550 Marina Parkway,
Chula Vista, 91910.

We are pleased to announce we will be heading to the South Bay area this month, visiting The Galley At The Marina in Chula Vista. The Roundup provides an opportunity to catch up over libations and appetizers with RESDC leadership and fellow members. No reservation required (no host bar, no host food). Come meet with old friends and makes some new ones! Hope to see you there. □

SDCERA

**EARNINGS STATEMENTS
EXCLUSIVELY IN
SDCERA MEMBER PORTAL**

Effective on September 1, 2022, SDCERA members will now access their earnings statements exclusively on the SDCERA Member Portal. You can view all your earnings statements (going back to 2021) in the member portal.

Join the thousands of retirees who have already created their accounts and are accessing their statements and other information online. Register now at: memberportal.sdcera.org.

Although you can access your 1099-Rs on the portal as well, SDCERA will still mail 1099-Rs every year in January.

**For more information, contact SDCERA at:
619-515-6800 or msc@sdcera.org.** □



BOARD MEMBER PROFILE LEILA ATTAR

A member of the RESDC Board of Directors since February 2018, Leila retired in September 2016, after 32 years of service with the County. Born and raised in New York, Leila moved to California in 1979, where she received her Master of Public Health from San Diego State University. Leila's career at the County of San Diego began in 1984, at what was then the Health Services Department, now the Health and Human Services Agency. From 1989 to 2000, she was an Analyst with the Alcohol and Drug Services division, where she worked with the community-based organizations that provide the wide array of prevention, treatment and recovery services to the residents of San Diego County. She then worked as an Analyst at the County's Probation Department starting in the year 2000, providing administrative support to the special programs for youth, adults, and families involved or at risk of being involved in the justice system.

A member of the CRASH, Inc. Board of Directors since 2001, Leila's familiarity with the operations and requirements of the County has assisted CRASH in understanding its expectations. When a potential residential facility became available, she worked on evaluating its appropriateness and feasibility for an agency program. CRASH, Inc. is a non-profit agency providing substance abuse services in San Diego.

Leila lives in San Diego with her husband, Jim. She enjoys traveling, keeping up with current events, getting together with friends, and supporting environmental and animal causes. Her goal is to work on keeping this planet livable for the generations to come. □



*First Day
of Autumn
September 22.*

2022 WALK4ALZ SAN DIEGO

Saturday, October 15th,

8:00 am in Balboa Park

By Laurie Pennington, 2022 Team RESDC Captain



I am honored to be asked to serve as the Team Captain for Team RESDC again, for the 2022 Walk4ALZ in Balboa Park.

More than 6 Million Americans live with Alzheimer's. It's touched too many lives. It's emotionally distressing to watch those we love lose their memory and struggle with simple daily tasks and

conversations!

I'm very excited to once again have my 14-year-old grandson, Franco, join me on the Walk4ALZ, and we hope that you'll consider bringing your kids and/or grandkids to introduce them to the wonderful experience of walking for a cause to help others.

Please join "TEAM RESDC" for the upcoming **Saturday, October 15th Walk4ALZ San Diego at 8:00 am in Balboa Park**, for the biggest and best Alzheimer's walk ever. Simply visit the link provided below, and sign-up to walk with us, or donate, or both walk and raise donations.

To register, simply visit the TEAM RESDC Walk4Alz team page (link below) and join our team!

<https://alzsd.rallybound.org/walk4alz/teamresdc> .

If you're unable to physically participate, please consider making a \$35 donation to our team fundraising campaign.

Let's make this year the last year anyone experiences Alzheimer's with no hope of a cure! Help to stomp out Alzheimer's. It starts with each one of helping – either by walking and raising money, or just donating!

Thank you! □



WELCOME NEW MEMBERS

Jon Adams	Air Pollution Control
Dulce Cahue Aguilar	Health & Human Services
Marie Bauer	Health & Human Services
Brian Goonan	Sheriff
Ann Mahoney	
Paula Pospychala	
Uji Rotter	General Services
Moses Savar	Health & Human Services
Stephen Spence	Environmental Health

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

HAIKU OF THE MONTH

SENSITIVE

*The butterfly, lifted on the spring
wind's billow, Alights elsewhere upon
the swaying willow.*

▪ BASHO



HAPPY LABOR DAY!

The RESDC and SDCERA offices will be closed on Monday, September 5th, in observance of Labor Day. Emails and voice mails will be answered on Tuesday, September 6th. □

RECENT EVENTS

❖ **County Launches Experience the Outdoors Program.** County supervisors, parks officials and others recently kicked off "Experience the Outdoors," a campaign to give more San Diegans opportunities to enjoy nature and the County's regional parks.

The campaign is designed specially to attract people, children, teens, and families, who haven't been to parks, whether it's because they don't have outdoor equipment or aren't aware of the free programs the County offers. The campaign will include a RAD regional parks events series that features a different County regional park and at least three events each month; a Ride On Mountain Biking Challenge and a Parks 101: first timer series. The latter series will teach participants outdoor essentials, under the direction of County staff, including things like how to hike and mountain-bike safely, how to camp, fish, kayak, and even rock climb. It's designed specifically for those people, who for various reasons, are newcomers to outdoor experiences. Fees are waived and all equipment is provided.

For more information go to the County parks website: www.sdparks.org/

❖ **New Report on Measuring Pension Health.** Recently, the National Conference on Public Employee Retirement Systems (NCPERS) released "Measuring Public Pension Health: New Metrics and New Approaches" to provide a more comprehensive set of metrics for measuring a public pension system's fiduciary soundness. The Pension Accounting Working Group, consisting of 15 members from various research, policy, and retirement agencies, began their study in February of last year after previous NCPERS research determined that the Government Accounting Standard Board's (GASB) accounting rules for public pension systems were not providing adequate information for fund managers and lawmakers.

The report states that "ultimately, what stands behind any pension plan is the financial strength of the plan sponsor." Providing cities and states with increasingly comprehensive tools and standards will continue strengthening and supporting essential defined-benefit retirement systems. NCPERS's newest recommendations consider just how necessary it is to protect pensions for our indispensable public workforce, their communities, and the economies they support.

To access the report, visit: www.ncpers.org/files/ncpers-pension-metrics-2022.pdf.

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*: _____ MI
First 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	
Debra Arthur	Health & Human Services
Silvia Avila	SDCERA
Jonathan Best	Sheriff
Marie Boddy	
Jane Boyer	
Frances Braun	Health & Human Services
Frederick Bright Jr.	Library
Gail Cooper	Health & Human Services
Betty Crawford	Auditor & Controller
Dale Dumas	Sheriff
Michael Feeley	Agriculture, Wgths & Meas
Dale Fleishman	Health & Human Services
Jerry Gerard	Probation
David Giles	Probation
John Johnson	Probation
Janet Kahle	Health & Human Services
Dorothy King	Health & Human Services
Carlos Landeros	Health & Human Services
Darlene Magdaluyo	Social Services
Charles McAtee	Health & Human Services
Ralph McIntosh	Public Works
Ruben Medina	Health & Human Services
Maryann Melvin	
Joan Mercure	
Ralph Miller	
Robert Mills	
Ronald Moen	
Rezvan Mohragi	Health & Human Services
Eric Neese	Health & Human Services
Robert Pflimlin	
Richard Ramsey	Health & Human Services
Jack Richardson	Medical Examiner
Sandra Salisbury	Superior Court
Kenneth Sayles	
Paul Simms	Health & Human Services
Elaine Stewart	Superior Court
Mary Swett	
Cristeta Tan	Treasurer Tax Collector
Patricia Tartaglia-Jones	
Paul Thiel	Health & Human Services
Kay Thompson	Social Services
Hilario Torio	Health & Human Services
Patricial Toth	Library
Melinda Villanueva	Health & Human Services
Gary Wells	Health & Human Services
Grace Yelvington	

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. □

ASSOCIATION OFFICERS

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

ASSOCIATION DIRECTORS

Chuck Brown, Francine Howell,
 John McTighe, Merrill Roach,
 Maria Rubio-Lopez, Bruce Silva,
 Bob Summers

IMMEDIATE PAST PRESIDENT

Stan Coombs

EXECUTIVE DIRECTOR

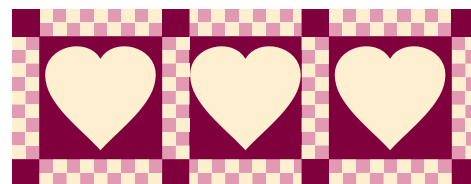
Mark Nanzer

OFFICE STAFF....Marge Elmendorf

....Karen Hazel

....Andrew Steele

NETWORK EDITOR....Karen Hazel



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 the RESDC office, at (866) 688-9229. You can also write to us at RESDC, 8825 Aero Drive, Suite 205, San Diego, CA 92123. You can also send your information to us by email at: resdc@resdc.net. □





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.

**Retired Employees of
San Diego County, Inc.**
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San Diego, CA 92123

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President's Message (Continued from Page 2)

Significant levels of unfunded accrued liabilities are common in retirement plans, as evidenced by the wide range of funded ratios in just the California sample above. These liabilities occur for a variety of reasons. According to a 2015 brief from the Center for Retirement Research, most retirement plans were well funded in 2001. However, by 2013 "virtually every plan reported significant underfunding." Causes of the underfunding included investment returns falling short of expectations during two financial crises, governments' failure to make adequate contributions regularly, benefit enhancements, and other factors affecting the several thousand local, state, and federal retirement plans in the U. S.

SDCERA's \$16.1 billion fund has an unfunded liability of \$3.668 billion. CalPERS \$447.3 billion fund had an unfunded debt level of around \$160 billion last year. These are very large numbers, but they would be so much higher if the ALEC "risk free" discount was used in the calculation instead of SDCERA's 6.5% or CalPERS' 6.8%.

Both of these systems have amortization strategies to cover the unfunded debt over time. CalPERS' situation is more complicated because it has hundreds of employer jurisdictions (cities, special districts, etc.) in a variety of financial conditions. It can seem expensive to pay for the benefits promised to government workers in retirement; however, they contributed to the pension fund from every check during their working careers and earned the guaranteed income stream they will receive.

Millions of American public employees go to work every day taking care of the people's business. It's important to honor commitments made to them when they were hired and not be distracted by organizations like ALEC attempting to undermine confidence in traditional defined benefit retirement plans by announcing alarmingly large unfunded pension debt estimates derived with their own version of a "risk free" discount rate. □

PENSION FACTS AT A GLANCE

13.8%

**Percentage of state and
local public employees in
the United States work-
force.**



PURCHASE SEE'S CANDIES GIFT CARDS ONLINE

You can now purchase See's Candies gift cards in our 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.

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