



NETWORK

Newsletter of The Retired Employees of San Diego County Since 1961

Vol. 43, No. 7

Honoring Yesterday—Protecting Tomorrow

July 2011

PRESIDENT'S MESSAGE

By Susan Mallett



As I prepare this month's newsletter message, my thoughts are filled with the pomp and circumstance that June graduations suggest. This week I travel to Washington State to attend and celebrate my niece's high school graduation. During the past few weeks, on behalf of RESDC, I was pleased to present two of our merit scholarships to graduating seniors at local high school awards ceremonies. It is inspiring

to hear of their accomplishments and to get a glimpse of their aspirations for the future. Granted it has been decades since my own high school graduation but when did a grade point average (GPA) soar beyond the old standard of 4.0? The GPAs of all our scholarship applicants were indeed impressive and indicative of some exceptional academic work.

As I listened to the accolades, it seemed that these graduates are prepared and eager to enter a new life phase and to meet the challenges ahead as they leave the familiar high school environment. I began to think that this phase of life is similar, in many ways, to leaving one's full-time employment for retirement. I'll attempt to tie them together more clearly in a moment.

On June 4th, I attended the Vital Aging Conference sponsored by the County's HHS Aging and Independence Services division. The event was attended by more than 1,000 people, mostly seniors, at Liberty Station in San Diego and at a North County site, the Carlsbad Senior Center. I hope that some of you were able to attend as well. In short, the conference was interactive and full of useful information on health and a variety of services for seniors, interesting workshops on fitness, community gardening, as well as great programs offered through County Parks and Recreation. Oh, a nice bag lunch was provided with the free attendance also. The keynote speaker, Dan Buettner, a bestselling author and National Geographic researcher was informative and entertaining. His books, "The Blue Zones" and "Thrive—Finding Happiness the Blue Zone's Way" elaborate on his research of specific locations around the world where groups of people are living vital lives up to age 100. His website,

www.bluezones.com, goes into detail but essentially the secrets seem to be a combination of healthy diet, staying active and involved and maintaining social connections within the community.

Now, may I return to the comparison of graduation and retirement as both can leave one excited and a little apprehensive. Most of us can look forward to 20 to 30 years of healthy living after retirement begins.

Just like the high school graduate, a new retiree, may look forward to some loafing and non-directed time in the sun. Eventually, we all need a plan A and perhaps a plan B. Purposeful activities and social involvement keep us all connected and according to the Blue Zones research, may lead to longer vital lives.

The summer months are upon us and many will be busy with family and friends. I wish you all safe adventures in whatever you do. Remember that RESDC has many activities at the end of summer and into the fall. Please join us when events are announced.

Nominations for Board elections are also coming up and I hope many of you will consider joining the Board as in strength we can accomplish more on behalf of all retirees.

A membership mailing is going out to recent retirees who are not RESDC members. Please encourage your fellow retirees to join our important organization that advocates for the protection of retiree benefits.



WELCOME NEW MEMBERS

Janet Arceo Balistreri
Parviz Behzadafshar
Sherri Coughlin
Helen Kane
Melinda Leal
Emily Montepagano
Kathleen P. Oldsen

July Calendar of Events

7—(Thurs.) SDCERA Board of Retirement Meeting
2275 Rio Bonito Way, Suite 200, 8:30 a.m.

14—(Thurs.) RESDC Board of Directors Meeting
7860 Mission Center Ct., Suite 209, 9:30 a.m.

21—(Thurs.) SDCERA Board of Retirement Meeting
2275 Rio Bonito Way, Suite 200, 8:30 a.m.

A STEP CLOSER?

By Stan Coombs, Benefits Committee Chair

We have another chapter in the saga of “Who will head SDCERA’s Investments?” Some readers will recall our September 2010 article that outlined trials and tribulations of the Board of Retirement trying to establish an effective management arrangement for SDCERA’s investment staff. The sticking point was how to get the high-powered investment manager we need when applicable County salaries aren’t competitive in that labor market.

But, because of Board action in mid-May, some folks think we may have something going, unusual though it may be.

A little background here; there’s been plenty of time to forget.

As the economic crash ripped through the markets in 2008 and the retirement fund fell precipitously, our then-SDCERA Chief Investment Officer became concerned about his job. Few active money managers had seen such a market. There seemed to be no good answers other than to stay invested and ride it out. Our retirement fund ultimately dropped nearly 40%!

Whether due to those losses or for other reasons, it was soon clear the Chief Investment Officer was right. He had lost the confidence of the Board, and eventually resigned in March 2009.

Lisa Needles, second in command of SDCERA’s investment staff and well respected and liked, for a time seemed poised to take over. But, a majority of the Board wanted a proven high flyer who could speedily make up the losses, and identified an investment officer at the Texas State Teachers Retirement System, Lee Partridge, as their top prospect. You’ve heard of him before.

Since Partridge wasn’t interested at the County’s maximum salary, about \$210,000, he established Integrity Capital Services, and in August 2009 contracted with the Board for a 39 month review of their portfolio, an overhaul of their investment strategy and asset allocation plan, and development of a proposal to implement same. It was no secret Partridge was also expected to ultimately replace the departed Chief Investment Officer as well.

Then, in April 2010 the Board’s best-laid plans went awry. They approved Partridge’s recommended investment strategy, but discovered that state law effectively prohibits agencies contracting with an employee who had any part

in developing the contract. And, Partridge’s duties with the short-term consulting contract put him too close to the prohibited relationship. There was also a problematic matter of a non-employee supervising employees. So, Partridge and Integrity continued rather successfully advising on investments until Partridge sold Integrity to Salient Partners earlier this year. Partridge went along as Salient’s Chief Investment Officer, our San Diego retirement system becoming Salient’s largest client.

Then, in April 2011, the Board of Retirement considered in-house organizational changes, seeking to somehow accommodate good management of their internal investment staff and Partridge’s investment skills. Their general consultant, Hewitt Ennisknupp, suggested that Salient and Partridge handle all publicly-traded assets, including stocks, bonds and hedge funds, and a new “Internal Investment Department” handle private market investments, including real estate, private equity, infrastructure and natural resources. Partridge’s strategic planning responsibilities were separately and specifically designated.

(Cont’d on page 6)

RESDC DUES INCREASE

By Susan Mallett, President

At the June 2nd SDCERA Board of Retirement meeting, some setbacks were reported in the Pension Administration System (PAS) testing phases so the final conversion to the new system has been pushed back toward the end of 2011. Therefore, we will not be able to implement our \$5.00 dues deduction until at least December or January.

We appreciate the difficult tasks facing SDCERA staff and will continue to keep our members apprised of developments in the PAS project timeline.



QUESTIONS?

If you have questions regarding your retirement pay, your earning statement, retirement benefits, or health insurance coverage or medical pay allowance, please contact San Diego County Employees Retirement Association Call Center (SDCERA) at (619) 515-6800 or toll free (888) 473-2372.

PROCLAMATION
Presented By Chairman Bill Horn
**HONORING RETIRED EMPLOYEES
 OF SAN DIEGO COUNTY
 50th ANNIVERSARY**

WHEREAS, on June 7, 1961, 70 retired employees gathered together to form the Retired Employees of San Diego County (RESDC); and

WHEREAS, for the past 50 years, RESDC has been dedicated to furthering the best interest of those who have retired from employment with the County of San Diego; and

WHEREAS, RESDC strives to maintain its slogan of "Honoring Yesterday, Protecting Tomorrow" by combining business, legislative and social activities to best represent its more than 7,000 members; and

WHEREAS, RESDC advocates for retired employees' interests at the local and state level on issues pertaining to pensions and benefits and RESDC has been instrumental in legislative enhancements to retirement laws in California, including the addition of a retired member on the Board of Retirement; and

WHEREAS, in order to engage its vast membership, RESDC sponsors seasonal social events as well as communicating to members through a monthly newsletter, an active website and bi-monthly meetings; and

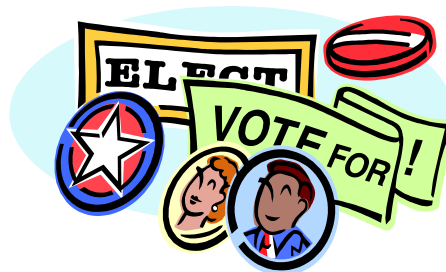
WHEREAS, RESDC offers multiple benefits to members including dental insurance and annual scholarships for descendants of members; and

WHEREAS, the County of San Diego is committed to recognizing and honoring those organizations that are dedicated to the best ideals of public service, and Retired Employees of San Diego County is one such worthy organization; **NOW THEREFORE**,

BE IT PROCLAIMED by Chairman Bill Horn and all members of the San Diego County Board of Supervisors on this 7th day of June, 2011, that they commend **RETIRED EMPLOYEES OF SAN DIEGO COUNTY** in honor of its 50th anniversary and do hereby declare this day to be "**RETIRED EMPLOYEES OF SAN DIEGO COUNTY DAY**" throughout San Diego County.

Gregory Cox, Supervisor 1st District
Dianne Jacob, Supervisor 2nd District
Pam Slater Price, Supervisor 3rd District
Ron Roberts, Supervisor 4th District
Bill Horn, Supervisor 5th District

Fifty Years



NOMINATIONS ARE OPEN
By Joan Wright
Elections Committee Chairman

An election for Officers and Directors of RESDC is nearing. The positions of President, Second Vice-President, and four directors must be elected by mid-October, 2011. **Only current and past board members will be eligible for the President and Second Vice-President position.**

The term of office is two years. Candidates for these positions must submit their names in nomination by **August 2, 2011.**

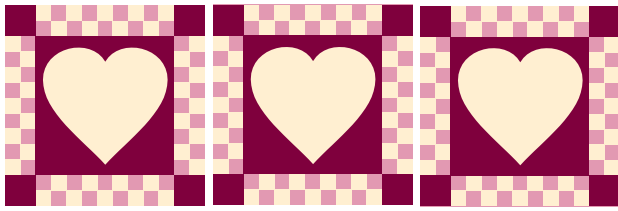
Events impacting County retirees require active participation by retirees. If you are willing to be active, join and help. We need new individuals from our membership to contribute something for the benefit of the group so that our Association can become even stronger and more productive in the years to come. Now is the time to submit your name in nomination as a candidate.

We would like prospective nominees to be able to devote their time voluntarily to the Association's business and have the time to attend monthly Board meetings, plus General Membership meetings six times a year.

If you are interested in being considered, please submit a summary (limited to 200 words) of your background and work experience to our office, RESDC, 7860 Mission Center Court, Suite 209, San Diego, CA 92108-1329. Please state your candidacy for one of the following: President, Second Vice-President, or Director.

The deadline for new candidates to submit their statements for the slate of nominees is on or before **August 2, 2011.**

If you have any questions, please contact our office by phone at (866) 688-9229 or by e-mail at resdc@resdc.net.



BITS AND PIECES

Patsy McKinney celebrated her 81st birthday in March. She worked for 20 years for Revenue and Recovery and retired in March of 1993. Patsy stays busy working in her yard, helping at her church, sewing, and visiting older people and some of the shut-ins. She still lives in El Cajon and tries to travel once or twice a year to visit family.

Allan Infeld reached his 80th birthday in May. He retired from Air Pollution Control in 1993. He and his wife Beverly have been married for 54 years, and they just returned from their 65th cruise. They took their entire family on that cruise.

Marlene Duncan has been selected to receive the National Rifle Association's most prestigious 2011 Women's Freedom Award that honors a Revolutionary War heroine. She will be flown to NRA Headquarters in Virginia in September to formally receive the Sybil Ludington Award during the NRA Board of Directors Meeting. Marlene moved to Lake Havasu City with her husband, Jack, in 1998 after she retired as a Deputy Public Administrator for the County.

N.S. "Barney" Bernard will be 87 years old this month. He retired from the Department of General Services, Facilities Maintenance Division in 1988. He worked for 18 years as a Loss Prevention Officer. Barney and his wife Trudy moved to La Quinta, CA and then to Prescott Valley, AZ. He lost his wife in 2004 and moved to Huntersville, NC to live closer to his son. Barney stays active by taking daily walks, weather permitting.

David Williams turned 80 years old in May. He spent nearly 20 years working for the County in the Welfare Department. David celebrated his birthday by visiting his six children all over the country. He traveled by train, airplane, rental car and even a ferry boat to visit his children in Northern California, Oregon, Washington, Arizona, and North Carolina. This was the culmination of several trips he had to postpone due to problems with his knees. David thanks his doctor who gave him a knee replacement two years ago. He has lived in Orange County for the past 15 years and stays busy reading and surfing.



AUGUST GENERAL MEMBERSHIP MEETING TENTATIVE DATE AUGUST 23

Some members will recall the General Meeting we held in 2010 with Michael Lincoln speaking about personal financial issues pertaining to retirees. We are awaiting confirmation from Mr. Lincoln or his representative from **The Foundation for Personal Education** to speak at our August 23 General Meeting in Chula Vista. This will include current monetary concerns, questions, and matters regarding retirees.

We will publish confirmed details in the August issue of the NETWORK with driving directions to the Chula Vista Police Department Community Meeting Room where this meeting will take place.



San Diego County Credit Union is proud to be the presenting sponsor of the 2011/2012 Broadway San Diego season. This season includes Broadway classics *Cats* and *Mary Poppins*, new hit shows *The Addams Family* and *Memphis*, and the return of *Wicked*. Throughout the year, discounted tickets to certain shows can be purchased through sdccu.com. In addition, a portion of ticket sales to those shows will be donated to local charities, including United Cerebral Palsy and Voices for Children. For more information visit us online at sdccu.com, contact us at (877) 732-2848 or visit any one of our 28 convenient branch locations.

NEW MEMBERS NEEDED

RESDC is asking help from the membership in recruiting new members in 2011. If you know a retired County employee who is not a member of RESDC or someone planning to retire soon, urge them to join our Association.

Every County retiree should belong to RESDC. RESDC is the voice for retirees before the Board of Supervisors and the County Retirement Board.

Call the office at (866) 688-9229 for membership packets, and let's get started recruiting new members. Thank you for your help.

ASSOCIATION OFFICERS

President.....Susan Mallett
 1st Vice Pres.....Skip Murphy
 Secretary.....Joan Wright
 Treasurer.....Frank Bittner

ASSOCIATION DIRECTORS

Merrilyn Carpenter, Stan Coombs,
 Christopher Glenn, Carlos Gonzalez
 Joe McGuire, La Rue Pierce
 Roma Stronach

IMMEDIATE PAST PRESIDENT

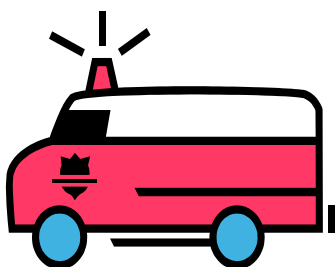
George Shoemaker

Office Staff.....Karen Hazel

...Sharon Kay

...Anne Schwartz

NETWORK Editor...Karen Hazel



**TOUR OF NEW
 PALOMAR
 MEDICAL CENTER WEST**

By Merrilyn Carpenter, Member Services

We still have space available for the special VIP tour of the new Palomar Medical Center West (located at 2195 West Citricado in Escondido). This tour will be held before the facility is even open. Here's a little more information about the tour.

The free tour scheduled on **July 13th from 3:30 pm – 4:30 pm** will be limited to 20 people. So it's even more important for you to call in your reservation to the RESDC office now. If we surpass the 20-person limit, we'll establish a waiting list and schedule an additional tour date. This tour, because the area is still an active construction site, will require walking on uneven surfaces and possibly navigating flights of stairs if the elevators are not yet operational in all areas. We will meet at the site. Detailed driving instructions and suggested dress code will be e-mailed or phoned to participants.

Please call RESDC at (866) 688-9229 to let us know if you are interested in attending the tour.

IN MEMORIAM

Lillian L. Bakewell
 Marilyn L. Baldwin
 Frank Barner
 Robert L. Barner
 Coralie A. Bentley
 James S. Buckley
 Robert A. Carpenter
 Donald P. Dempsey
 Jane Douglas
 Hortencia V. Emery
 Anne D. Ewing
 Mollie J. Fairbanks
 Penelope Hammerstead
 William Hoeben
 Sally L. Horner
 Joe Jacobo
 John F. Johnson
 Charles K. MacNeil
 Evalyn B. Morrison
 Max Murphy
 Mohamad Partow
 Karen A. Payne
 Joseph R. Ratliff
 Chester L. Roome
 Ann L. Tenney
 Carlos Vasquez Sr.*
 Marsha J. Ventitelli
 Gilbert A. Voss
 Bernice G. West
 Richard E. Wood
 Rebecca B. Woolliscroft

Health & Human Services
 Health & Human Services
 Sheriff
 General Services
 Surviving Spouse
 Public Works
 Sheriff
 Road
 Assessor
 Surviving Spouse
 Planning & Land Use
 Auditor/Controller
 Medical Examiner
 Public Works
 Sheriff
 Assessor
 Agriculture Weights & Meas.
 Dept. of Informational Serv.
 Registrar of Voters
 Medical Examiner
 Public Works
 Sheriff
 Health & Human Services
 Facilities Management
 Health & Human Services
 Sheriff
 Air Pollution Control
 Parks & Recreation
 Assessor
 Surviving Spouse
 Health & Human 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 (619) 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. Tuesday, Wednesday, Thursday and Friday.
TELEPHONE: (866) 688-9229 Toll Free
FAX: (619) 688-0766
E-MAIL: resdc@resdc.net
Website: 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. Circulation: 7100

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

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(A STEP CLOSER? CONT'D FROM PAGE 2)

The Board severely questioned their consultants and staff about the proposal, and ended with direction to Hewitt Ennisknupp to return with answers to several questions about Salient, and "corrections" to recommended organizational charts reflecting the changes.

Oh! One other thing, Lisa Needles announced her resignation because, according to rumor, of a much higher-paying job offer from within the financial industry (what else?), a real loss for our side.

Forward one month to the Board of Retirement meeting of May 2011. Hewitt Ennisknupp and Partridge arrive with the requested information and amended charts. Not a pretty picture. Needles' departure has consequences. Now there's no one to serve as a new Director of Internal Investments, they say. So, it's recommended not to fill that position, and the Portfolio Strategist (Partridge) will oversee and coordinate internal staff in their investment activities, while an existing staff member will handle management of the investment staff from a human resources perspective. The Board's attorney says that's legal.

The nine-member Board of Retirement finally approved that proposal with two members absent and two dissenting.

Two bosses, huh! What's that about loving the one and hating the other? One has to wonder how this will work.

During April 2011 San Diego County retirement system net assets increased by \$257.3 million, increasing gains for the fiscal year to date to \$1.4 billion and total net assets to \$8.3 billion.



**Happy
 4th of July!**

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 reached an 80th (or more) birthday, or 50th (or more) wedding anniversary, please call Karen Hazel at (866) 688-9229 or write to the RESDC office. If you have taken an interesting trip or have had an exciting event happen recently, please let us know so that we can share your story with our other members. You may also send your information to us by e-mail at resdc@resdc.net.

RESDC MEMBERS

If you have any questions at all about anything you read in this newsletter or even about anything you've heard through the grapevine pertaining to retirement matters, please call the Retired Employees of San Diego County office at (866) 688-9229.

The office is open on Tuesdays, Wednesdays, Thursdays, and Fridays from 9:00 a.m. to 2:00 p.m. You may leave a voice mail message with your thoughts or questions which will be forwarded to a staff person who will get back to you with answers. You may also e-mail the office with questions to resdc@resdc.net.

Our website can be reached at www.resdc.net. Please log on and keep yourself informed about the latest information regarding retiree matters. The RESDC website is constantly being updated with current and relevant information for all County retirees.

**Enjoy Your
 Summer!**

