



Strength. Service. Commitment.

May 18, 2017

To: Board of Retirement

From: David B. Wescoe
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'David', with a long horizontal stroke extending to the right.

Re: **CHIEF EXECUTIVE OFFICER'S REPORT**

Board Election Results. Samantha Begovich was reelected to the General Member Second Board seat. Skip Murphy ran unopposed for the Retired Member Eighth seat and Susan Mallet ran unopposed for the Alternate Retired Member seat. Samantha, Skip and Susan will begin their new Board terms effective July 1.

Talent, Talent and More Talent. *Human Resources.* Melissa Martinez joined the Human Resources Division, replacing Teresa Wiatrowski who retired after 35 years of County service (the last 10 1/2 years at SDCERA). Melissa comes to SDCERA from the Sheriff's Department where she was a Departmental Human Resource Officer. She has excellent HR experience, with both bachelor's and master's degrees in the discipline and is very familiar with the County's HR processes and systems. Melissa is a great addition to SDCERA.

Member Benefits. More talent will be joining SDCERA when Neal Bunyi begins work as a Member Benefits Division Associate in the Beneficiary Unit. Neal comes to SDCERA from the County's Health and Human Services Agency, and he has the skill set to make an immediate positive impact in the Division.

Finance. Angela Carrillo joined the Finance group as an Accountant. Angela comes to SDCERA from the County's Health and Human Services Agency where she worked in the Fiscal Services unit. She has a bachelor's degree in Accounting and a decade of accounting experience. In her spare time, Angela is pursuing a CPA designation.

Speaking of Talent... Spring 2017 was a productive time for Chief Investment Officer Steve Sexauer. Steve and co-author Laurence Siegel had articles published in two prestigious investment Journals: "Floods and Deserts: Why the Dream of a Secure Pension for Everyone Is Still Unattained" in *The Journal of Retirement* and "Five Mysteries Surrounding Low and Negative Interest Rates" in *The Journal of Portfolio Management*. As we all know, Steve is a talented, intelligent, thoughtful and prudent investor. The more he can share his thoughts with the investing world, the better it will be.

San Diego County Law Enforcement Memorial Ceremony. Board Member Skip Murphy continues his unparalleled devotion to public service by serving as President of the San Diego County Law Enforcement Memorial Foundation. The Foundation conducts an Annual Law Enforcement Memorial Ceremony to honor all San Diego County law enforcement officers who have given their lives in the line of duty. This year's ceremony, which Skip helped organize and lead, was particularly poignant because it honored SDPD Officer Jonathan De Guzman who lost his life in the line of duty in July 2016.

Process Improvements: Scanning. Member documents are scanned into our PROMiS system. Zach Sickels and Diwata Brown, two of our Member Benefits Division managers, took it upon themselves to eliminate unnecessary scanning. Because they asked, "Why do we sometimes print out documents from PROMiS only to scan them back into the system after a process is completed?" we have reduced significantly the number of pages staff needs to scan. As Zach noted in comments to his team:

Our current process for scanning termination packets includes sending the whole packet to scanning after I sign the letter. Moving forward, please only copy the first three pages of the packet for scanning, which will include the cover letter and personalized estimate. The rest of the packet consists of blank forms and standard legal notifications which are not unique to individual members; those pages do not need to be scanned. This process improvement reduces duplicate copying and scanning for each termination packet from 15 pages to 3 pages, saving 12 extra pages from being printed and scanned.

As a result of Zach and Diwata's efforts, we will eliminate scanning an estimated 70,000 unnecessary pages into PROMiS each year. This is a great example of asking "why" and, when the answer is unsatisfactory, improving upon what we do.

Communications and Outreach. Jerry Fafaul, our Member Communications Manager, and his colleague Dawn Noble have scheduled an ambitious slate of outreach events, including a sold-out Retirement Seminar on May 23, a North County "Meet & Greet" on July 19, a Retirement Seminar on August 22, a (new) North County Retirement Seminar on September 14, a Member "Meet & Greet" on October 3, and another Retirement Seminar on November 28. They are looking to add a Member "Meet & Greet" at the County Administration Center this summer.

Feedback continues to be very positive for these events. As one participant put it, "I just wanted to say thanks again for the great presentation. Rave reviews all the way around for the job you did and how well and graciously you answered all the questions for the paralegals and victim advocates here at the DA's office. Many Thanks!"

This is Member Service. Last week, Jerry Fafaul drove to the Birch Patrick Convalescent Center at the Sharp Chula Vista Medical Center to assist a Member, who recently underwent major surgery and couldn't visit our office, to establish direct deposit for their retirement benefit. The Member needed to sign a new authorization form because their bank accounts were recently compromised. Jerry's "above and beyond" actions typify SDCERA staff's focus on Member service.

Member Feedback from the MSC. It is always nice to hear from Members who visit the Member Service Center. Here is one recent comment:

This confirms that I have visited the Member Service Center on the date noted. I have received excellent assistance and was able to obtain the referenced document within minutes. The new SDCERA customer service is rated by this member at 10 – scale of 1 through 10. “BRAVO-ZULU” to Member Services.

And another:

THANK YOU SO VERY MUCH, STEPHANIE [REED]! You are a true asset to the County of San Diego! Best, Pam Slater Price, SD County Supervisor 1992-2013.

Cinco de Mayo Staff Luncheon. Greg Bych and the Finance and IT teams hosted all SDCERA staff to a luncheon in celebration of Cinco de Mayo (and to raise money for our December Holiday luncheon). They served a “Fiesta Lunch” that was enjoyed by all. Fortune Cheng again won the tamale eating contest, just edging out Lupe Ibarria. (Lupe can eat more now that she recently became engaged to be married!)

Book Club. The next Book Club selection is *The Quartet* by Joseph Ellis. The book tells the story of the creation of our system of government and the important leadership roles that Hamilton, Madison, Jay and Washington had in creating the Constitution. Almost 60 staff has signed up to participate in the discussion, the highest turnout yet.

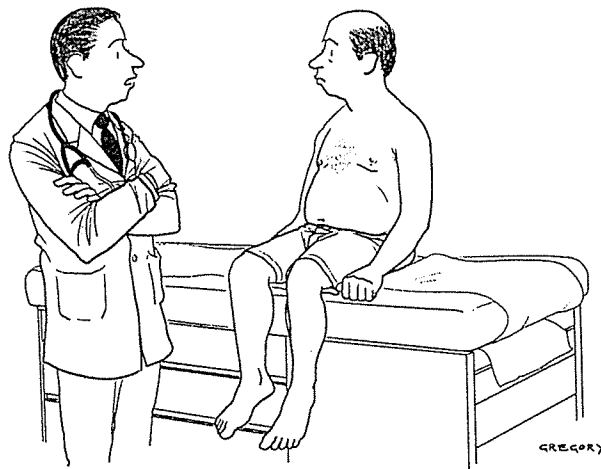
Employees of the Month. Jim Lery, Chief Benefits Officer. As Jim himself said at our last All-Staff meeting, he has the right people, in the right places, doing the right thing. Jim has a team on the field that is improving our operations every day. Jim’s style brings out the best in people: he preaches (in a very nice and un-preachy way) teamwork, communication and continuous process improvement. Jim is a great partner with his SDCERA colleagues who support the Member Benefits Division. Jim has led the charge to improve SDCERA processes, and he has eliminated valueless double work, improved data management, upgraded to our document imaging processes, and challenges staff to ask great questions that result in process improvements.

The Retired Benefits Unit: Mike Boney, Diwata Brown, Chantal Bsaibes, Lei Castillo, Chuong Doan, Roxy Fulgham, Kahei Inglis and Manuel Velasco. In March, the Retired Benefits Unit received 192 retirement applications, nearly three times the monthly average. Each of the 192 Members counted on SDCERA to deliver their benefit to them in April, and all 192 received it. Not only did the Unit accurately process these applications, they completed the necessary work two days ahead of schedule. According to Jim Lery, it was the most efficient benefit processing cycle he’s experienced in his five years at SDCERA.

The Disability Benefit Unit: Mario Correa, Jan Garner, Ja’Mar Montgomery and Jackie Williams. About a year ago, we experienced a spike in disability applications that are now getting to the Board for consideration. This significant increase in work has brought out the best in the Disability Unit. Their preparation and written work has never been better, and their Member service is outstanding.

Employee Anniversaries. Only three employees are celebrating anniversaries in May: Tom Williams (1 year), Steve Sexauer (2 years – but it sure seems longer!) and Ling Chu Hung (2 years).

Conclusion. As for me, the following cartoon sums it up pretty well.



*“Stress is killing you—you need an easier job,
a smaller house, and a different family.”*