



Good Neighbors

San Diego
Housing Commission

- 1625 Newton Avenue
- San Diego, California 92113-1038
- 619/231 9400
- FAX: 619/544 9193

REPORT

DATE ISSUED: October 22, 2004

ITEM 103

REPORT NO: HCR04-88
For the Agenda of October 29, 2004

SUBJECT: Workshop on the San Diego Housing Retirement Benefits

Background

In 1979, the Housing Commission established a Defined Contribution Pension Plan (Money Purchase Pension Plan), to provide tax-deferred retirement benefits to covered employees. All permanent Housing Commission employees are covered by the Defined Contribution Pension Plan. The Housing Commission makes an annual contribution to the Defined Contribution Pension Plan on behalf of covered employees. Over the years the amount of the Housing Commission's annual contribution to the Defined Contribution Pension Plan has varied. However, since June 1997, the Housing Commission has made an annual contribution to the Defined Contribution Pension Plan on behalf of each covered employee in an amount equal to 14% of each covered employee's annual salary.

The Ad Hoc Retirement Benefit Committee of the San Diego Housing Commission Board was established by the San Diego Housing Commission Board on October 8, 2004, to independently study and evaluate the adequacy of the Defined Contribution Pension Plan, to study whether there are other pension plan options which would better serve the Housing Commission and to make recommendations to the Housing Commission Board with respect to retirement benefits.

The Ad Hoc Retirement Benefit Committee met on October 15, 2004 and recommends that the Housing Commission Board present a workshop discussion on the current Housing Commission pension plan and various retirement plan options. Various representatives will make general presentations regarding the current Housing Commission Defined Contribution Pension Plan, the California Public Employees Retirement System (CalPERS), and the San Diego City Employees Retirement System (SDCERS). In addition, any interested members of the public will have the opportunity to provide input with respect to retirement plan issues at the workshop. In the event that all interested parties cannot testify on October 29, 2004, the Board intends on continuing the workshop to the meeting of November 19, 2004, if necessary.

After the workshop, the Ad Hoc Retirement Benefit Committee will consider the presentations and public comments made at the workshop, will obtain and consider input from the Housing Commission's pension advisors, actuaries, pension and labor attorneys, as necessary, and will study and evaluate the various retirement plan options. Thereafter, the Ad Hoc Retirement Benefit Committee will present its recommendation(s) to the Board regarding the retirement plan. It is anticipated that on December 10, 2004, the Ad Hoc Retirement Committee's recommendations may be heard by the full Board of the Commission. Thereafter, the Housing Authority will ultimately make the decision concerning amendments, if any, to the retirement program for the Housing Commission.

Respectfully submitted,

Tony Yip

Jennifer Adams-Brooks

Alice Tumminia

On behalf of the
Ad Hoc Retirement Benefit Committee
of the San Diego Housing Commission Board