

Official Publication of the Retired Employees of the City and County of San Francisco

NEWS & VIEWS

A MEMBERSHIP ORGANIZATION WORKING FOR ALL CITY RETIREES

Health Service Committee Report

By Claire Zvanski

The current **audit of dependents** has been received with mixed responses. HSS performs this audit about every five years. It was noted that nearly 100 dependents were cancelled during the first week, proving the audit to be effective. (The best proof of current dependency is a copy of your tax return with confidential information redacted.)

- **Best Doctors** was renewed. There was much board discussion about this benefit, and it is very clear that Commissioner Breslin believes it is redundant and unnecessary. All the plans are being asked to provide information about their second opinion processes. Commissioner Stephen Follansbee, M.D., conducted extensive research on this benefit and explained how the medical consultation processes work. He notes that members have a choice to establish a relationship with any of the experts; members can request that their treating physicians work with the consulting physicians, or can choose to ignore the advice. Commissioner Breslin commented that the consulting physicians won't sign their opinions for fear of lawsuits. Dr. Follansbee indicated that this is standard practice, but, if the member establishes a medical relationship with the consultant, then the situation changes. He strongly supports this program. There has been testimony from members who have had very positive outcomes from using this benefit, including former HSS Director Catherine Dodd.

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Retirement Committee Report

By Claire Zvanski

The fund continues to recover from the downturn in February. The value as of April 30, 2018 is \$24.1 billion, with a return value of 9.64%. The best investment returns come from global equities averaging 12.90%, private debt at 11%, private equity at 10.9% and real assets at 11%. These figures are gross of fees. The minimum rate of return, net of fees, required for a supplemental cola is 7.5%.

- According to CIO Bill Coaker, the Absolute Return program has returned 6.76% annualized (net of all fees) outperforming the Hedge Fund Research Fund of Funds Composite Index which was up 5.80% and the 90-Day US T-Bills plus 5% index which was up 6.05%.
- Andrew Collins has been hired as the Director of Environmental, Social and Governance (ESG) investing. He has an impressive and extensive background in ESG investment experience and a BS degree from Yale University in Environmental Engineering.
- Bo Williamson, CFA, has been hired as Senior Portfolio Manager for Private Equity. He, too, brings an extensive background in investment experience. He has a BA degree in Economics from the University of Virginia, as well as being a Chartered Financial Analyst (CFA) charterholder (sic).
- The next Investment Committee meeting scheduled for June 20 will be rescheduled because of staff travel. The May 16 meeting began the overview of the SFERS Strategic

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June Calendar

Annual Luncheon and Installation

Wednesday, June 13

No-host refreshments 11 a.m.

Luncheon 12:15 p.m.

United Irish Cultural Center
45th Ave. & Sloat Blvd.

News & Views

Editorial Committee Meeting

Tuesday, June 19, 9 a.m.

Taraval Police Station

All interested parties welcome.

Executive Board Meeting

Tuesday, June 19, 10 a.m.

Taraval Police Station

All interested parties welcome.

Public Meetings:

Retired Firefighters &

Spouses Association

Thursday, Sept. 20, 1 p.m.

Irish Cultural Center,
45th Ave. & Sloat Blvd.

Veteran Police Officers

Tuesday, June 12, 11 a.m.

San Francisco Scottish Rite
Masonic Center,
2850-19th Ave. & Sloat Blvd.

Retirement System

Wednesday, June 13, 1 p.m.

1145 Market St., 6th Floor

Health Service System

Thursday, June 14, 1 p.m.

City Hall, Room 416

UESF Retired Division

For time/location, contact

Diane Doe at 1 (415) 822-2099 or
Ddoe@mac.com.

SEIU 1021 West Bay

Retirees Chapter

Monday, June 18, 12-2 p.m.

Union Hall, 350 Rhode Island St.,
100 South Bldg.

Contact: David Williams

1 (415) 939-5149 or

iamdhw@comcast.net.

Retirement Committee Report

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- Plan, Strategic Asset Allocation (hedge funds), and asset class presentations for Public Equity, Private Debt, and Public Fixed income. Commissioners Driscoll and Stansbury began a lively discussion with Mr. Coaker about the efforts to minimize risk of investment. Mr. Coaker indicated he is happy with the quality of investments and stated that there is a reason to not proceed too quickly with Absolute Returns. Commissioner Stansbury stated that he wants to see things move more quickly, such as a five-year plan, and asked about a “side car” or separate trust with higher risk to bring in greater returns. Mr. Coaker was adamant that spreading risk over a longer period of time —such as 10 years—was a more cautious approach.
- Deferred Compensation Plan Manager Diane Chui Justen gave an extensive report. Board members took the opportunity to question and refute most of the information presented in an article in the *West Side Observer* about the Deferred Compensation plan.
 - Bartel Associates, Inc. was approved to perform an actuarial audit of the July 1, 2017 actuarial valuation report.
 - Board elections are scheduled for June, so the president’s appointments to committees will be postponed until July.
 - Deputy City Attorney Robert Bryan continued his educational presentations on fiduciary duties with a presentation on CA Government Code Section 1090 that specifically addresses conflict of interest.
 - The most surprising news of the meeting was the announcement that Board Secretary Norm Nickens is retiring as of June 29, after 32 years of city service. His last day will be June 15, so he will staff the last meeting of this fiscal year.
 - The SFERS Annual Report for fiscal year ended June 30, 2017 is now available.

Questions? Comments?
Contact Claire Zvanski at czvanski@hotmail.com or Herb Weiner at h.weiner@sbc.global.net.

Health Service Committee Report

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- **Delta Dental** proposed adding a **benefit enhancement** called “SmileWay” to its **retiree PPO plan**. It allows members with specific chronic conditions (diabetes, heart disease, HIV/AIDS, rheumatoid arthritis, or stroke) to receive an annual periodontal scaling and root planing procedure, as well as more frequent teeth cleaning/periodontal maintenance services (paid additional cleanings). The cost of this benefit would be 87 cents for employee only, \$1.73 for employee plus one, and \$2.71 for the family rate. The Board discussed this at length and took two votes; both resulted in a tie. Commissioners Breslin, Ferrigno and Sass **opposed** adding this benefit, stating that it would apply to only a few retiree members, and that most are on fixed incomes. Commissioners Scott, Lim and Follansbee **strongly supported** it, pointing out that the cost of just one additional cleaning per year greatly outweighed the premium increase, and that anyone on high blood pressure medication would qualify; so, many members would benefit.
- The **City Plan** options for **early retirees** (pre-Medicare) remain an ongoing dilemma, with an additional board vote to be held in June. Four hundred and thirty-six early retirees live in a zip code where there is no other plan choice. One proposal increases all pharmacy copayments by \$5 in all categories and a \$10 increase in all mail order categories. Maintaining a cost-effective plan for a limited number of people is the challenge. (The plan is required by the charter.) In the end, the Board voted to apply a subsidy to stabilize the rates. The rate increases are substantial for the coming year, in order to maintain the status quo. What plan changes will be adopted in order to keep the plan **affordable** for early retirees?
- **AON Consulting, Inc.** was approved to provide/continue actuarial and consulting services to the Health Service Board and Health Service System, pursuant to recommendations resulting from the selection process, and to execute a contract forthwith.
- **Board secretary Laini Scott will retire**, effective June 30. The search for a successor is beginning, and will prove to be challenging, as Laini came in with a strong skill set.

Questions? Comments? Contact Claire Zvanski at czvanski@hotmail.com.

New Members

John Ferrari	Rec and Park
Mike Hanrahan	MTA
Robert K. Balian	Superior Court
Rich (Rick) Bridygham	DPW

President's Message

By Claire Zvanski

These days, we are often reminded of the value and shortness of life. The daily news is full of tragic stories about school shootings, peaceful protests gone awry, automobile accidents, sudden and unexpected incidents, and Mother Nature going berserk! But, we blissfully go about our daily routines somehow expecting that nothing will change.

Then, tragedy strikes.

In every family or group, there is always one person who brings light and cheer, and makes life wonderful and fun! For RECCSF, that was *Beverly Pardini*. She always arrived with a smile, had boundless energy, had a solution

to almost every problem, organized all of our meetings and luncheons, and often pulled out her binder to provide the history of RECCSF's achievements since had she joined the organization.

She was a wife, mother, grandmother, and great-grandmother. She organized her family, their activities, and their futures. But, more than anything, she nurtured and supported them so that they could reach any goal to which they aspired.

She was young at heart, with infectious energy. In her spare time, she nurtured RECCSF, its members and its board.

Beverly Pardini is truly irreplaceable. Bev, we miss you!



Questions? Comments? Please feel free to contact me at 1 (415) 341-3085 or czvanski@hotmail.com.

Best Doctors is a best bet!

Many RECCSF members have remarked upon the excellent quality of the service provided by the Best Doctors service. This new free service for HSS members is provided by the Health Service System.

A hard plastic oversized card was mailed to members in the recent past. If you have questions, or did not receive this mailing, please contact the Health Service System at 1 (415) 554-1750 or myhss.org.

Bylaws Change!

Active employees within five years of retirement are eligible to join RECCSF.

In Memoriam Beverly Ann Pardini

April 21, 1932–April 21, 2018

Beverly Pardini, who passed away on her 86th birthday, served for 33 years in the San Francisco Unified School District.

“Bev” also served many years as a vital member of the RECCSF Board, excelling as board historian, general membership meeting hospitality chair, and primary coordinator of all of our Annual June Luncheons. Bev’s many—and often unrecognized—contributions provided fundamental support to the success of the organization.

Also, Bev was a member of the San Francisco Police Credit Union, and a proud member of the Daughters of the Republic.

The matriarch of the Pardini family, she is survived by her husband, Robert, (an RECCSF past-president) and several generations of the Pardini family.

Beverly will be remembered for her generosity, openness, and loyalty to her friends and family.

RECCSF extends our sincere condolences to her husband, “Bob,” and the rest of the Pardini extended family.

Memorial contributions may be made to the American Cancer Society.

Useful Phone Numbers

RECCSF Office

Email: reccsf@att.net

Web site: sfretirees.org

Phone Number:

1 (415) 681-5949

Health Service System

Web site: myhss.org

Phone Numbers:

1 (415) 554-1750

1 (800) 541-2266

S.F. Retirement System

Web site: sfgov.org/sfers

Phone Numbers:

1 (415) 487-7000

1 (888) 849-0777

HSS Dependent Audit

Did you receive a letter from the Dependent Verification Center, PO Box 1506, Lincolnshire, IL 60069-1415? This is a *legitimate* request contracted by the Health Service System, *not* a hoax!

Periodically, HSS audits our membership to make certain all dependents comply with the membership rules of the system. This helps to keep the cost of insuring dependents affordable.

Please make sure that you respond to this request.

For further information, you may contact HSS at 1 (415) 558-1750, or at *SFHSS.org* or *myhss.org*.

Bequests

RECCSF is grateful to any members who remember our organization in their estate planning.

Editor's Note:

We urge more submissions from our members—both letters to the editor and articles—that reflect the varying opinions of *all* our members on issues of interest to all city retirees. Submissions are printed on a space-available basis and subject to being edited for grammar, length, and appropriate language; but *never* rejected for opinion.

Contact information for Retirement Board Commissioner Al Casciato

Members are invited to contact Commissioner Al Casciato with any retirement questions at al.casciato.sfers@sfgov.org.

All questions will be handled in a confidential manner, and referred to staff—if necessary. Remember: When in doubt, *ask!*

Historian Gary Holloway, June Luncheon Guest Speaker

Mr. Holloway — who has previously spoken at our regular general membership meetings — will be speaking about San Francisco's history, from its earliest days to the present.

His special focus will be on mayors of the past, a subject that will hopefully include tales of scandal, corruption, leadership, and loss.

If you have not already done so, please fill out and submit your June 13 luncheon reservation form on Page 5 now!

RECCSF Officers

Claire Zvanski, President

Mary Anne McGuire-Hickey, First Vice President

Linda Tabor-Beck, Second Vice President

Bonnie Bompert, Secretary

George Lau, Treasurer

Leo Martinez, Sergeant-at-Arms

Board Members

Bonnie Bompert
Carol Cochran
Thomas Dang
Adlai "A.J." Jew
Sharon Johnson
George K. Lau
Stephanie M. Lyons
John Madden
Leo Martinez
Raymond Mason

Jerry Maxwell
Mary Anne McGuire-Hickey
Sheila Mullen
Tim O'Brien
Beverly Pardini*
Linda Tabor-Beck
John "Skee" Tostanoski
David Williams

**deceased*

Annual Luncheon and Installation of Officers

— Wednesday, June 13, 2018 —

United Irish Cultural Center, 45th Avenue and Sloat Blvd. San Francisco

11 a.m. No-host Cocktails ~ 12:15 p.m. Luncheon

Luncheon Tickets: \$35.

To make your reservation mail this form with your check (payable to RECCSF) to the RECCSF Office, 3915 Irving St., San Francisco, CA 94122-1294.

Reservations and payments must be received by **Wednesday, June 6** — no exceptions!

All information must be filled out, or your reservation form will be returned to you. No payment will be accepted without a properly completed reservation form, and no form will be accepted without payment. No tickets will be sold at the door, and no seating will be rearranged at the door.

For your information:

- Raffle tickets will be sold at the luncheon for \$1 each, or six for \$5. The number of \$20 *each* cash prizes to be awarded depends on how many tickets sold, with 50% percent of the proceeds going to prizes and 50% to the RECCSF operating fund.
- If you have any questions, contact RECCSF office at reccsf@att.net or 1 (415) 681-5949; include your name and phone number in the message.

Annual Luncheon Reservation Form ~ Please Print!

Name(s) (e.g., John and Jane Doe): _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Email address: _____ Daytime Phone (w/area code) _____

Entrée choice: If making a reservation for more than one person, please indicate how many of each entrée type:

Beef Pot Roast with Mashed Potatoes *Parmesan Crusted Sole with Rice* *Cheese Ravioli*

Entrée choice(s) _____

Please note the names of all other attendees with whom you would like to share your table.

Name/s: _____

Total amount enclosed: \$ _____

Detach and mail to: RECCSF Office, 3915 Irving St., San Francisco, CA 94122-1294.

Protect Our Benefits

By Skip McKinney

Protect Our Benefits is an organization whose goals are to enhance the dignity and quality of life of all San Francisco City and County retirees, and preserve their health and retirement benefits. The opinions are those of the writer.

SFERS V. CCSF (pre-1996)

I wish that I could present an update; but, unfortunately, no news on a court date. All the paper work is filed and now it becomes a waiting game.

Health Service System

By now, you should have received your Dependent Eligibility Verification Audit request from HSS. HSS is asking for verification of your currently enrolled spouse's or domestic partner's eligibility to receive benefits. According to HSS, there are about 5% of dependents currently covered that are ineligible. Just follow the instructions and make sure that you redact any pertinent information, such as: social security numbers, income, etc., especially if you use your 2017 tax return. If you have any questions, or need assistance, you can call the Dependent Verification Center at (1 (800) 725-5810).

If you have any complaints about your health plan services—United Health Care, Blue Shield or Kaiser—be sure to notify HSS. These programs are tied to performance qualities within their contracts—which they must honor.

SFERS Retirement Board

In keeping you, the SFERS retiree, informed about your SFERS fund, POB has made a commitment to enlighten you with articles over the next several months.

The SFERS plan is doing quite well, despite the market's recent volatility. The plan remains in a strong financial position with plan assets valued at 24 billion, and returning roughly 10% for the first 10 months of the fiscal year.

The Unfunded Actuarial Liability (UAL), which represents the difference between actuarial liability and valuation assets, has decreased from \$3.5 to \$2.5 billion. This unfunded liability *is not* an indicator of poor funding. Most, if not all retirement systems, have unfunded liabilities. Liabilities can occur each time active employee benefits contracts are negotiated, market conditions change, and demographic and economic assumptions are adjusted, etc. It is important to note that the unfunded liabilities *are amortized over a*

period, and not required to be made as a lump sum payment.

What *is* important is the ability of the fund to have money on hand, invested responsibly, so that the returns on investments, as well as the assets of the fund, will pay *all* the retirement benefits of the plan. Unlike private sector firms, SFERS, like other state and local governments, is a perpetual entity. (They do not disappear, like many private firms who also take their plans with them.) In addition, employer/employee contribution rates can be increased when warranted.

The SFERS plan is currently rated at 87% funded, which indicates a well-managed fund. SFERS has consistently outperformed its peers. As of FY 2016-17, in the past three to five years, SFERS has ranked in the top of public pensions systems, 3% to 5%, respectively.

POB believes that *our fund* is in good hands.

Once again, your donations are not yet tax deductible, but greatly appreciated. Please mail them to: Protect Our Benefits, Inc., P.O. Box 210250, San Francisco, CA 94121-0250.

Also, please stay informed at protectourbenefits.org or Facebook.

Remember: "United we stand; divided we fall."

Avoiding Identity Theft: Secure Your Belongings in Public

From your Friends at San Francisco Federal Credit Union

In the past, people were concerned about protecting cash and jewelry from theft. However, with fewer folks now carrying around large wads of cash, the concern is about theft of information. Identity theft affects close to 13 million people in the United States every year, and authorities have said that currently it is "the fastest growing crime across the country."

While the damage can be great, there are several steps you can take to keep your private information secure.

- **Don't leave belongings unattended.** One of the most important steps in preventing identity theft is perhaps also the simplest – don't leave unattended belongings containing sensitive information, such as a lap-

top, a wallet, or a smartphone.

- **Lock your laptop.** Due to its size and cost, it may not be convenient to simply leave your laptop in a drawer every time you step away. Using a laptop lock, which ties your laptop to a stationary item—like a desk—can be a good way to secure your computer.
- **Use password protection.** Typing in a password when you turn on your computer is not new; you have probably done it hundreds of times. However, you may be able to secure increased password protection. Have you password-protected everything you can?
- **Encrypt your data.** Encryption programs translate regular text or photos into code. A file can be unencrypted by entering a password (which a thief who steals your laptop

or smartphone presumably won't have).

- **Take unnecessary items out of your wallet.** Today, thieves who steal wallets often do not find much cash in them. However, they can still find some items of value, like credit, debit, ATM, and Social Security cards.
- **Keep a list.** Despite your best efforts, there is no guarantee that your belongings will never be lost or stolen. Keep a list of your credit card, checking, and savings account numbers, along with the phone numbers of your financial institutions.

This article is courtesy and provided by the credit union's financial partner, BALANCE. As a benefit of belonging to San Francisco Federal Credit Union, you have access to personal financial counseling at no charge through BALANCE. We are always here to help, please visit any of our branches or call us at 1 (415) 775-5377.

May 22 North Bay RECCSF outreach meeting at IHOP in Novato a great success!

By John "Skee" Tostanoski, Membership chair

This was an excellent meeting, with an impressive turnout. Thirty-three people attended, filling the meeting room. It was a great opportunity to reconnect with old friends, and also make new ones. Retired firefighters blended with Recreation & Parks, PUC, MTA, DPH, SFUSD, and other city retirees. **It is our commonality, and our strength!**

President Claire Zvanski gave updates on retirement board meetings and investment proposals. She also presented the latest options being considered by the health service board for the 2019 plan year, followed by a lively discussion in the question and answer period.

The few non-members present were encouraged to join RECCSF, and some members took applications for retiree friends who are yet to join.

Also available was the registration form for our annual luncheon and installation of officers and board members, to be held on Wednesday, June 13, at the Irish Cultural Center in San Francisco. Historian Gary Holloway, featured speaker at the event, will be sharing the colorful history of some of our San Francisco mayors.

The group expressed a desire to continue to hold North Bay meetings, and the RECCSF board has offered to assist local organizers in this effort.



Annual Luncheon and Installation of RECCSF Officers and Board Members

Wednesday, June 13, 2018

No-host refreshments 11 a.m. Luncheon 12:15 p.m.

By reservation only – Deadline: Wednesday, June 6. See reservation form on Page 5.

Speaker: Gary Holloway

Mr. Holloway—who has previously addressed the membership at regular general membership meetings—will be speaking about historic mayors of San Francisco, past and present.

United Irish Cultural Center, 45th Ave. & Sloat Blvd., San Francisco

News & Views

June 2018

Volume 119, Number 6

Sheila Mullen, Editor

Office: 1 (415) 681-5949

Office email: reccsf@att.net

Executive Board Meeting

Tuesday, June 18,

10 a.m.

Taraval Police Station, 2345-24th Ave.

All interested parties welcome.

Note to members:

Please keep RECCSF updated with changes in address, phone number and email.

News & Views

July/August Deadline:

☛ Friday, June 15, 5:30 p.m.

Please email your submissions to:

sheilamullen@mac.com.

Letters to the editor and opinion pieces are welcome.

All submissions subject to further editing.

Visit our website:

sfretirees.org

RECCSF office
email:

reccsf@att.net

3915 Irving St.,
San Francisco, CA 94122

Membership and Subscriptions

for retired city employees as of July 31, 2015

Membership application: www.sfretirees.org; email: reccsf@att.net.

Active city employees within five years of retirement are eligible to join RECCSF.

- \$48, annual
- \$600, lifetime (payable over four months in four payments of \$150 per month, or annually over four years in increments of \$150 per year)
- Members without computer access should contact the RECCSF office at 1 (415) 681-5949.

News & Views is the publication of the Retired Employees of the City & County of San Francisco, Inc., a nonprofit organization. *News & Views* is published to express the policies, ideals and accomplishments of the organization. Nothing shall be published herein that is racist, sexist or ageist, or that is derogatory toward religious beliefs and other personal issues; nor shall be published anything in violation of Article VII, Section 1 of the RECCSF constitution. Editorial contributions from individuals, organizations and groups other than RECCSF and its members may be included in *News & Views* only upon the approval of the Editorial Committee.

Submissions to *News & Views* are solicited and encouraged.

Submit in Word document to: sheilamullen@mac.com, or

Sheila Mullen, editor, RECCSF office, 3915 Irving St., San Francisco, CA 94122-1294

Telephone: 1 (415) 681-5949, Fax: 1 (415) 681-5398



I want to know!

Join

RECCSF

Retired Employees of the City and County of San Francisco

