



THE BULLETIN

Retired Employees of the City & County of San Francisco, Inc.

President's Message

By Sue Blomberg, President

“Behind Every Cloud Is A Silver Lining.” “It’s Always Darkest Just Before Dawn.” “There Is A Light At The End Of The Tunnel.” “April Showers Bring May Flowers.” *

There are many ways to interpret these sayings, but the point is that one must endure the not-so-good in order to appreciate the good when it comes—perhaps not in the way or appearance expected, but it will come.

So, what to do when faced with the not-so-good? The first step (for me) is to exactly identify the problem/situation/experience. The second step is to understand whether or not you can correct/amend/change it. The third step is to take action on whatever is the result of the first two steps. If you decide you can’t correct the wrong, what then? Is there another solution to the problem? Is there a way to simply bypass the situation? Can you at least learn from the experience?

All this, of course, is the basis of the Serenity Prayer, the common name for an originally untitled prayer by the theologian Reinhold Niebuhr: “God grant me the serenity to accept the things I cannot change; courage to change the things I



can; and wisdom to know the difference.” How does this tie into those wonderful adages? They all embrace the idea that there can be a positive end to any problem/situation/experience. We just need to take the time and energy to discover it and handle it to the best of our ability.

Another saying I find helpful in my life: Joy shared is joy doubled; sorrow shared is sorrow halved. I am mentally much better when I share my life experiences with friends. They cry with me, laugh with me, help me to see that it’s not the end of the world and that I am not alone in dealing with life’s ups

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April 2012 Calendar

Regular Meeting
Wednesday, April 11
 Socializing and refreshments:
 11:10 – 11:50 a.m.
 Program: 11:30 a.m.
 Business meeting: noon
 Bingo: 12:45 p.m.
 Irish Cultural Center,
 45th Ave. & Sloat Blvd.

The Bulletin
Editorial Committee Meeting
Tuesday, April 17, 9 a.m.
 Taraval Police Station
 All interested parties welcome.

Executive Board Meeting
Tuesday, April 17, 10 a.m.
 Taraval Police Station
 All interested parties welcome.

Public Meetings:
Retired Firemen & Widows Association
Sunday, May 20, 2 p.m.
 St. Gabriel Caf., 40th Ave. & Ulloa

Veteran Police Officers
Tuesday, April 10, 11 a.m.
 Pacific Rod & Gun Club,
 520 John Muir Dr., at Lake Merced

Retirement System
Wednesday, April 11, 10 a.m.
 30 Van Ness, Suite 3000

Health Service System
Thursday, April 12, 1 p.m.
 City Hall, Room 416

UESF Retired Division
 For time/location, contact
 Gerry Meister at (415) 956-8373 or
gerrymeister1@earthlink.net

Useful Phone Numbers

S.F. Retirement System
 Website: www.sfgov.org/sfers
Phone Numbers:
 (415) 487-7000 • (888) 849-0777

Health Service System
 Website: www.myhss.org
Phone Numbers:
 (415) 554-1750 • (800) 541-2266
Phone Hours for both:
 8:00 a.m. to 5 p.m.

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New Members

Merlin Cayabyab	DBI
Olivia S. Enriquez	HSA
James "Jim" Horan	DPW
Stanley J. Kresicki	DPW
Allyn T. Luenow	POL
William A. McConnell	DPH
Reynaldo A. Pascual	CRT

President's Message

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and downs. I encourage each of you to try it.

**In case you think that I'm being too "pollyannish" about all this, there are other versions of these sayings: Behind every cloud is rain; It's always darkest before it goes completely black; The light at the end of the tunnel is the train coming toward you; and, April showers bring May mud!*

Volunteer Opportunity: Coaching Web & Email Basics at May 15 Aging & Disability Technology Summit

On Tuesday, May 15, The Aging and Disability Technology Summit will be held in the North and South Light Courts of City Hall; the day-long event will include one-on-one hands-on coaching for attendees unfamiliar with computer basics.

Substantial numbers of coaching volunteers are needed; extensive computer knowledge isn't necessary, just familiarity with email and Google basics. Shifts run two hours each; however, scheduling is flexible.

A fun, informative orientation for event volunteers will be held about three weeks prior to the Summit. Info: www.sfhealthyaging.org. Volunteer opportunity inquiries: summit@sfcommunityliving.org or (415) 355-6775.

The Summit is sponsored by the San Francisco Mayor's Office, in collaboration with the Department of Aging and Adult Services, the Department of Technology, and the Community Living Campaign.

If you are able to volunteer your talents, we thank you in advance!

Membership and Subscriptions

Retired City Employees: annual membership is \$36 per year or \$400 for a lifetime (may be payable over four months or over four years in increments of \$100 per year).

- Subscription only is \$36 per year.
- Please download membership application form from our website, www.reccsf.org.

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

Subscriptions to *The Bulletin* are available for \$36. Submission of articles to *The Bulletin* are solicited and encouraged. **Articles only** should be submitted to:

Editor c/o RECCSF Office
3915 Irving Street, S.F., Ca. 94122-1294
Telephone: (415) 681-5949 Fax: (415) 681-5398
alfrmsf@aol.com, sheilamullen@mac.com
and reccsf@yahoo.com

Information regarding *The Bulletin's* preferred style for typewritten and/or word-processed copy is available at the RECCSF office.

Al Casciato, Editor
RECCSF OFFICERS:
Sue Blomberg, President
Mary Anne McGuire-Hickey, 1st Vice President
Claire Dunn, 2nd Vice President
Claire Zvanski, Secretary
Richard Young, Treasurer
Leo Martinez, Sergeant-at-Arms

Rest In Peace

The following members have recently passed away.

Molly C. Adams	DAT	Thomas A. Magnani	POL
Thomas J. Cordoni	BOE	Mary T. Maughan	DPT
Warren De Merritt	DPT	Arthur Mazzuchi	FIR
Richard D. Ferrari	DPT	Raymond J. Milton	BOE
Charles J. Guerrero, Jr.	TIS	Nancy T. Musser	LIB
Rebecca P. Ibay	MTA	George D. Ott	DPT
Norma Jones	FIR	Henry Pera	FIR
Velma E. Jones	CCD	Martin Romero	PUC

Health Service Committee Report

By Gerry Meister

HSS Prepared For April Open Enrollment

Preparations for the April open enrollment period should be complete by now. Since the City finally agreed that the HSS 2012 open enrollment mailing could be handled by the same mailing house that did the 2011 mailing, the process went much more smoothly than expected, in addition to costing less. Retiree handbooks were the first to be mailed and should have arrived before the first of the month. If your open enrollment materials didn't arrive, contact HSS at (415) 554-1750 or 1 (800) 849-0777.

At the March HSS Board meeting there was more discussion of all the extra staff work required to prepare for and conduct two open enrollments within one year. Of course, we know the HSS has been understaffed for many years. But when we look at the staffing ratio of SFERS, the other department that provides important services to retirees, the SFERS ratio is one staff person to every 700 members, compared to the HSS ratio of one to 2700. Clearly, that ratio should be substantially reduced.

Continuing Assessment Of HSS Programs

A mid-year report by Director Catherine Dodd on the status of the HSS strategic plan outlined the challenges involved in attempting to implement each of the four HSS goals: departmental operational excellence; affordable, quality healthcare; informed, transparent and effective governance; and an educated and empowered HSS membership. Although many

efforts have been remarkably successful, largely because of excellent staff work, overall results—especially from efforts to increase members' wellness and reduce healthcare costs—are difficult to measure; in part, Dodd said, because "the City's support for a culture of wellness is highly fragmented" and "the City lacks a uniform absence management system."

The second report in a series by actuaries Aon-Hewitt reviewing inpatient (in-hospital) and outpatient use of healthcare services and cost trends was presented at the March meeting. This review covered 35,000 Blue Shield active and early retiree members and dependents. It showed Blue Shield healthcare

costs have risen 47% during the past three years, with a 76% increase in outpatient costs and a 54% increase in pharmacy costs.

October Open Enrollment - Next Steps

At its April 12 meeting the HSS Board will review City Plan, but also focus on possible changes in Delta Dental plan renewals. The May 10 meeting will deal with Kaiser and Blue Shield renewals. Final approval of rates and benefits is set for June 14.

Questions? Comments? Please contact Health Service Committee Chair Ray Mason at (650) 344-1506.

Travel Committee Report

By Beverly Pardini and Marylou Allen

Tue., May 1

Scenic drive to Monterey, where we board a small coach equipped with video screens, individual headphones and tour guide, and visit movie location areas. Lunch included in the Tap Room at the Del Monte Lodge on the 17-Mile Drive. After lunch, back to downtown Monterey to board motorcoach to return to San Francisco.

Wed.-Fri., May 16-18

Two-night stay at the Chukchansi Gold Resort in Coarsegold, one hour from Yosemite's southern gate; includes lunch at the historic Ahwahnee Hotel and a narrated Yosemite Valley Floor Tour.

Wed. Fri., June 20-22

Two-night stay at John Ascuaga's Nugget in Sparks, Nevada, features indoor pool and spa area; also includes other casino visit gaming packages.

Wed.-Fri., July 18-20

Two-night stay at Blue Lake includes visits to two Native American villages near Eureka; the Hoopa Reservation and the ancient village "Sumeg" of the Yurok. Learn about legendary "Big Foot" sightings at the China Flat Museum at Willow Creek; also includes lunch at the BenBow Inn, motorcoach ride along the Avenue of the Giants, and services of a local college professor.

Info: Marylou at
1 (800) 334-3465 or
mrylallen@yahoo.com.

March Membership Meeting



Speaker and member Paul Rosenberg gave a fascinating presentation on historic "political wit."



Refreshment volunteer Gladys Shannon was all ready for St. Patrick's Day!



Angeline Friedman, spouse of late retiree Dan Friedman, attended her first meeting in some time.



Claire Hackett and Eugene Barron managing the nametag table.



POB Chair Larry Barsetti and Vice-chair Gerry Meister.



Although the weather was wet and rainy, a good crowd attended Paul Rosenberg's presentation.

For your calendars:

RECCSF Annual Luncheon to be Held on Wednesday, June 6

Because of scheduling conflicts, the luncheon will be held on the first Wednesday in June.

The price is the same as last year—\$30 per person. If you reserve a table for ten, please include with your payment a complete list of names and entrée choices of those at your table.

No payment will be accepted without a properly completed reservation form, and no form will be accepted without payment. Checks are made payable to "RECCSF" and may be mailed, along with the reservation form, to the RECCSF office at 3915 Irving Street, San Francisco, CA 94122-

1294. **Reservations and payments must be received by Friday, May 25—no exceptions! No tickets will be sold at the door, and no seating will be rearranged at the door.**

On the day of the luncheon, each attendee (except reserved tables) will be given an envelope that has the table number on the outside; inside will be a "ticket" for your entrée, to be placed on the table so that the waitresses know which entrée to serve you. All seating will have been previously arranged by the Hospitality Committee.

Raffle tickets will be sold at the luncheon for \$1 each, or six for \$5. The number of cash prizes of \$25

each to be awarded depends on how many tickets sold. 50% of the money received goes to prizes and 50% goes to the RECCSF operating fund.

If you have any questions, please feel free to contact RECCSF Office Manager Reyna Kuk at reccsf@att.net or (415) 681-5949; include your name and phone number in the message. Reyna will contact you as soon as possible.

We look forward to an enjoyable June 6 luncheon, and celebrating the installation of our new president, officers and board members.

Hope to see you there!

Retired Employees of the City and County of San Francisco Annual Luncheon and Installation of Officers Wednesday, June 6, 2012

United Irish Cultural Center, 45th Avenue and Sloat Boulevard

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

Tickets: \$30.00

Make your reservation at the **April 11** or **May 9** general membership meetings OR mail this form with your check (payable to RECCSF) to the RECCSF Office, 3915 Irving St., San Francisco, CA 94122-1294.

All below information must be filled out or your reservation form will be returned to you.

Table number assignments and meal tickets will be distributed at the luncheon.

Reservations and payments must be received by Friday, May 25 – no exceptions!

Questions? Contact reccsf@att.net or (415) 681-5949.

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:

Chicken breast w/lemon butter and caper sauce Fillet of Sole Vegetarian Pasta

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

I CANNOT ATTEND THE LUNCHEON BUT WOULD LIKE TO MAKE A DONATION TO RECCSF.

Name: _____ Amount enclosed: \$ _____

Detach and mail to: RECCSF Office, 3915 Irving St., San Francisco, CA 94122-1294. Thank you for your support!

Protect Our Benefits Report

By Gerry Meister,
Communications Chair

Protect Our Benefits is an independent political action committee which falls under the provisions of the San Francisco Ethics Commission and is not part of RECCSF. The opinions presented are those of the author.

POB Supplemental COLA Lawsuit

During last November's election, Protect Our Benefits focused most of its attention on trying to defeat Proposition C, primarily because of what it will do to the HSS in 2013. And that's certainly a matter of continuing concern. But, at this point POB is moving ahead with a lawsuit aimed at overturning just the one section of Prop C that will effectively eliminate a supplemental cost of living increase that was originally passed by the voters in 1996, made a permanent part of each retiree's pension in 2002, and increased from 3% to 3.5% (minus the 2% regular COLA) in

2008. Since 1996, it has been paid to retirees only in years when SFERS' earnings in the previous year exceeded SFERS' projected earnings (which happened this year).

Although the amount generated by the supplemental COLA for the average city retiree isn't large, it certainly has been welcome to all retirees in those years when they have received it. But it has been more than welcome. In fact, it has been essential to the wellbeing of the many city retirees whose low-paying jobs have generated inadequate pensions.

Pension Takeaways: A Dangerous Precedent

A matter of even greater concern to all of us who are, or will be, retired under SFERS is the precedent this section of Prop C will set. If this section is not struck down in court, it could become perfectly acceptable for the City to take away any and all vested benefits promised to retirees and future retirees and use those funds for whatever

the City decides it wants to do. Also, this provision violates the legal requirement that, if any public employer makes changes in existing pension or other retiree benefits, that employer must provide comparable new benefits. Prop C is typical of the attacks on public employee defined benefit pensions, such as we have in San Francisco, as well as on health-care benefits—attacks that we have seen taking place in many other parts of the country.

To help Protect Our Benefits cover the costs of the supplemental COLA lawsuit, and what may be coming later that's related to the Health Service System, please make your check payable to Protect Our Benefits, **and mail it to: Protect Our Benefits (POB), P.O. Box 320057, San Francisco, CA 94132.** Your donation is not tax deductible under federal or state law.

Questions? Comments? Contact Gerry at gerrymeister1@earthlink.net, or POB, P.O. Box 320057, San Francisco CA 94132.

LETTERS TO THE EDITOR

Dear Editor:

I was pleased to read in *The Bulletin* that the Protect Our Benefits Committee is pursuing a lawsuit to safeguard the pension benefits we have earned.

Retired public employees have become scapegoats for City Hall, and the SF Board of Supervisors has either remained silent or joined in the assault.

Proposition C should be challenged in court. Let a judge rule on the constitutionality of essentially eliminating the supplemental COLA.

And, later on, the court should take a look at what was done to the Health Service System Board.

Robert Fesler

Dear Editor,

2011 saw an election that misled voters and eliminated our vested supplemental cost of living increases and targeted our Health Service

Board membership and governance structure. Proposition C won with a multimillion-dollar campaign by City Hall, downtown interests and union leaders.

I support a legal action being filed to invalidate the provision of 2011 Proposition C that eliminates our supplemental cost of living benefits for retirees and actives.

The work of protecting our benefits isn't for the meek or timid, and I commend POB for challenging Proposition C in the courtroom, not just the ballot box.

Sincerely,
Rudi Faltus

To The Editor:

I am writing because of my concern that legal action against Proposition C is *not* in our best interests. I have always supported POB's actions in the past, but in these economic times I feel that the concessions the City and unions have taken

to create this compromise results in the best solution we can hope for.

It is my understanding that we will still get the 3.5% Supplemental COLA if the plan is 100% funded. That is reasonable to me. I cannot see why we should bleed the system for present benefits to the detriment of the entire system's future. I think we will appear greedy and uncaring toward future retirees!

We will still get the 2% COLA, which was all we expected when I retired in 2000. I'm grateful for that, and was, of course, delighted when it was increased. However, times are tough and I have friends with no pensions who would kill for our system; well, maybe not kill, but be extremely happy as we all are.

I sincerely hope that POB reconsiders these actions, and directs their efforts toward something less unseemly.

Sincerely,
King A. Strong

Retirement Committee Report

By Jean S. Thomas,
Herb Meiberger, CFA,
and Stephen Herold

SFERS Board Approves Basic COLA (Cost of Living Adjustment) on March 14, 2012

All miscellaneous and new safety CCSF retirees (new safety are police and fire retirees who were hired on or after Nov. 2, 1976) will receive a basic COLA increase, effective 7/1/2012 through 6/30/2013. *The monthly dollar amount increase to our checks will be 2% of the gross monthly benefit shown on our 6/30/2012 remittance advice, and the increase to our individual reserve accounts, or "COLA banks," expressed as a whole percentage, will be 1%.*

Charter Section A8.526 mandates that the basic COLA reflects the inflation increase (or decrease) determined by the San Francisco/Oakland/San Jose Consumer Price Index (CPI) for the previous December to December. This percentage is then rounded to the nearest whole percent. *The CPI for December 2010/11 was 2.93%, or 3% rounded.* The charter sets a maximum 2% limit dollar amount increase to retiree benefit checks. It also states that if the inflation rate is over 2%, the excess—expressed to the nearest whole percent—is added to our individual COLA banks, which we can "draw down" in later years when inflation is low.

One look at SFERS' schedule of COLA Bank, *Excess Accumulated CPI Increases as of July 1, 2012* shows that longtime retirees have much higher COLA banks than newer retirees, which one naturally would expect because annual inflation has, until recently, been well over 2%. But since July 2008, annual inflation increases have been zero or 1%, so that newer retirees have minimal banks to

draw on if inflation stays flat or declines.

Please note that last November's Proposition C (Prop C) affects our Supplemental COLA—not our Basic COLA.

Plan Performance

Preliminary results for the fiscal year to date (FYTD) eight months ended 2/29/2012 are: Plan market value of assets, \$15.5B; earnings, plus 2.44%. *Angeles*, SFERS' outside general investment consultants, presented a standard, in-depth Plan quarterly review as of 12/31/2011, which shows FYTD six months ended 12/31/2011 results as: Plan market value of assets, \$14.6B; earnings, minus 4.53%. Clearly, Plan performance is on the upswing—in the last two months especially. In a comparison of SFERS with its peers (other public plans over \$1B), *Angeles* reports that SFERS calendar year earnings are in the median territory for one past year (0.9%); somewhat below median for the last five years (1.4%), but well above median in the last ten years (6.1%).

Effects of Prop C on the City's Contribution Rate

Recall that the City's contribution rate, or the City's percentage share of the estimated amount payable for future pension commitments for all beneficiaries of the Plan—AKA pension liability—is actuarially set each year. The City's contribution rate is applied to the City's \$2.5B annual gross payroll. This rate has been growing over the last few years, is expected to grow even more, and is the main reason for voter discontent; which, in turn, is being ramped up by those who dislike public employees.

Last month we reported that SFERS' consulting actuaries set the City's FY 2012/13 total contribution rate at 20.71%.

But 20.71% is more than the City will actually have to pay; it does not include the active employees' *additional* pension obligations—per Prop C, effective 7/1/2012—that offset the City's contribution rate. The SFERS Board, at its 3/14/2012 meeting, accepted the 20.71% gross contribution rate, which, after employees' Prop C contributions, will be 18.26%—still more than this fiscal year's 18.1%, but not quite so dramatic a change.

Other Points of Interest

- At its 3/14/2012 meeting, the Board *majority* approved two real estate opportunities: an up-to-\$50M investment in Almanac Realty Investments, VI, L.P.; and an up-to-\$25M investment in Fortress Japan Opportunity Fund II. The Board also discussed—but deferred decision to next month—terminating a large cap underperforming money manager. Space limitations prevent an in-depth review here, but it is increasingly evident that this Board analyzes in exceptional depth all investment opportunities brought before it!
- March 14, 2012 was the first Board meeting where former SFERS Deputy Director of Administration Jay Huish presided as acting executive director. SFERS Managing Director of Public Markets Robert Shaw, CFA, has been acting deputy director of investments (DDI) since the former DDI resigned last September. Replacement efforts for top-level investment staff are in process; other vacant professional and staff positions are being filled. We'll keep you informed.

Questions? Comments? Contact Herb at herb.sf@gmail.com; Jean at jeansthomas@yahoo.com or (415) 665-4149; Stephen at stephenhome@att.net or (415) 664-1201.

The Bulletin

April 2012

Volume 113, Number 4

Al Casciato, Editor

Sheila Mullen, Managing Editor

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Regular Meeting

Wednesday, April 11

United Irish Cultural Center,
45th Ave. & Sloat

Executive Board Meeting

Tuesday, April 17

Taraval Police Station

➔ **LOOK NOW AT YOUR MAILING LABEL.**
The month posted on the label
is the date your dues expire.



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Note to members

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

*Letters to the Editor Welcome at
alfrmsf@aol.com*

The Bulletin May Deadline:

➔ Friday, April 13
5:30 p.m.

Please email your articles to:
alfrmsf@aol.com,
sheilamullen@mac.com, and
reccsf@yahoo.com.

Visit our Website:

www.reccsf.org

**RECCSF's office
email address:
reccsf@att.net**

Welcome, New Retirees

Upcoming General Membership Meeting Programs

Wednesday, April 11

*Open Enrollment Health
Fair for the period July 1
through Dec. 31, 2012.*

*(Another open enrollment
fair will be held at the Sept.
12 meeting, covering the
period Jan. 1–Dec. 31, 2013.)*

Wednesday, May 9

*The meeting will feature
candidates running in
primary elections on the June
5 ballot, as well as ballot
measure representatives.*

Wednesday, June 6

*Annual June Installation
Luncheon*

*The luncheon this year is held
on the first Wednesday, June
6, due to the US Open golf
tournament the following week
(no parking anywhere!).*

Regular Meetings

Second Wednesday of each month

Refreshments available: 11:10 – 11:50 a.m. • Program: 11:30 a.m. • Business meeting: noon • Bingo: 12:45 p.m.
United Irish Cultural Center, 45th Ave. & Sloat Blvd.