



# THE BULLETIN

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

## President's Message

By Sue Blomberg, President

December! How did it get here so fast? It seems as though it's been only about three or four months since I packed away all my holiday decorations, and now it's time to get them out again!

I love the holiday season. I have 20 storage boxes full of items that get displayed or put on my tree. It takes about three days to do everything except the tree, and that takes another three days. I do, however, keep everything up until Jan. 6, when I take everything down, repack, and store the boxes until next year. Someone once asked me why I bother with all of that. I believe that only someone who doesn't do anything except put up their fake tree with the built-in lights could ask that question! And anyone who wants to come see what my house looks like, call me between Christmas and New Year's and I'll give you the tour!

Unfortunately, not everyone gets to enjoy the holiday season, be it Christmas, Hanukkah, Kwanzaa, winter solstice, or another day. We still have soldiers in countries around the world. We have many people in this



country who must depend on the kindness of others for toys, clothing, and food. Fortunately, there are organizations which are willing to take your generous donations to help those who lack the means of obtaining even the basics of life. I urge each person to donate what they can to whichever organization(s) they choose to support. It doesn't have to be a large amount – each dollar is one more than the charity had before your donation

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## December 2012 Calendar

**Annual Holiday Party, 11:15 a.m. Wednesday, Dec. 12**  
United Irish Cultural Center, 45th Ave. & Sloat Blvd.

**The Bulletin Editorial Committee Meeting**  
No meeting scheduled for December.

**Executive Board Meeting**  
No meeting scheduled for December.

**Public Meetings:**  
**Retired Firemen & Widows Association**  
Sunday, Jan. 13, 2 p.m.  
St. Gabriel Caf., 40<sup>th</sup> Ave. & Ulloa  
**Veteran Police Officers**  
Tuesday, Dec. 11, 11 a.m.  
Pacific Rod & Gun Club, 520 John Muir Dr., at Lake Merced

**Retirement System**  
Wednesday, Dec. 12, 3 p.m.  
30 Van Ness, Suite 3000

**Health Service System**  
Tuesday, Dec. 11, 5–7:30 p.m.  
City Hall, Room 416

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

## Useful Phone Numbers

**S.F. Retirement System**  
Web site: [www.sfgov.org/sfers](http://www.sfgov.org/sfers)  
Phone Numbers:  
(415) 487-7000 • (888) 849-0777

**Health Service System**  
Web site: [www.myhss.org](http://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

Jeff Chinn  
Kim Dickie  
Robert Rufo

HSA  
AIR  
REC

## President's Message

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arrived.

Sometimes it's easy to donate – put a dollar in the Salvation Army bucket in front of the supermarket, buy a bag of foodstuffs at the supermarket, drop off clothing and/or food to places like the Food Bank, or St. Anthony's, or another of your choice. Sometimes it means writing a check and mailing it. And sometimes you can do it online (make sure the site is secure before giving your credit card information). How you choose to donate isn't important. Making that donation is what's important!

Giving presents at holiday time is an honored tradition. Think about spending a little less on your family and friends so that you can give a present to someone you don't know but who desperately needs that present. You can make a difference!

## The Solar System

A question by David Erickson of Veneta, Oregon to *Ask Marilyn* (Marilyn vos Savant) in Parade Magazine, Sunday Chronicle, May 29, 2011, asked:

You once described our solar system with fruits and vegetables. Could you give us the "recipe" again?

Her response was "Gladly.

If the sun were a pumpkin about a foot wide, Mercury would be a tomato seed 50 feet away; Venus a pea 75 feet away; Earth a pea 100 feet away; Mars, a little raisin 175 feet away; Jupiter an apple 550 feet away; Saturn a peach 1025 feet away; Uranus a plum 2050 feet away, and Neptune a plum 3,225 feet away. Pluto stays in the fridge."

## 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 Web site, [www.sfretirees.org](http://www.sfretirees.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. Submissions to *The Bulletin* are solicited and encouraged and should be submitted to:

**RECCSF Office, Attn: Sheila Mullen**  
**3915 Irving Street, S.F., Ca. 94122-1294**  
**Telephone: (415) 681-5949 Fax: (415) 681-5398**  
**[alfrmsf@aol.com](mailto:alfrmsf@aol.com) and [sheilamullen@mac.com](mailto:sheilamullen@mac.com)**

**Al Casciato, Editor**

**RECCSF OFFICERS:**

**Sue Blomberg, President**

**Al Casciato, 1st Vice President**

**John Madden, 2nd Vice President**

**Claire Zvanski, Secretary**

**George Lau, Treasurer**

**Leo Martinez, Sergeant-at-Arms**

## Rest In Peace

The following members have recently passed away.

Hannah M. Ahlquist	CRT	Joyce E. O'Brien	POL
Glenn B. Brakefield	FAM	Beth Ralston	CON
John E. Conner	REC	Walter C. Scott	POL
Joseph A. Daly	GEN	Nicholas Sindicich	PUC
Dolores E. Dupignac	JUV	Mary B. Smyth	CCD
Stephen Erickson	POL	Daylene Wood	POL
Mattie L. Garret-Coats	DSS		

# Health Service Committee Report

By Gerry Meister

## 2013 Open Enrollment Ends, Changes Being Made

During October open enrollment, 5,237 applications for changes were received, half of them during the last two days. There were 5,714 changes processed in April, so the number of changes requested dropped by nearly 500. Despite all the glitches resulting from use of the new eMerge data system, and because of an exceptional effort by HSS staff, 45% of the changes had already been made before open enrollment ended. All but a very few complex changes should be completed before the Jan. 1 opening of the new health plan year.

## Accountable Care Organizations – The HSS Model

At the November HSS Board meeting, a capacity crowd heard the first annual report on two new organizations approved by

the board a year ago under the provisions of the federal Affordable Care Act. The law encourages employers—in this case HSS—to try an option for bringing down the cost of health care for those in Medicare Advantage programs by setting up accountable care organizations (ACOs). An ACO uses integrated health care (such as electronic records, primary care coordination and greater attention to individual patient needs) to try to bring down the cost of health care, while at the same time increasing its effectiveness.

The larger HSS organization includes Blue Shield, the Brown & Toland Physicians group and California Pacific Medical Center (Sutter Health) and serves 19,251 HSS members. The smaller group also includes Blue Shield, plus Hill Physicians group, Dignity Health and UCSF, and serves 4,724 HSS members.

As many speakers from both of the HSS ACOs—and HSS actuary AonHewitt—reported, the

two ACOs have initially been very successful and are rapidly becoming models for the 300 ACOs throughout the country. For details, see the documents accompanying the Nov. 8 Board meeting on [www.myhss.org](http://www.myhss.org).

## Other HSS News

- The HSS again passed its audit with an excellent score.
- The average age in City Plan went up again last year, and the number of actives in the plan continues to drop steeply.
- Estimates indicate that health care costs will increase nationally by 6.3%, throughout the Bay Area by 6.7% and for HSS members by 2.4%.
- The HSS Board will meet on Tuesday, Dec. 11, from 5 to 7:30 p.m. This should make it easier for HSS members who work during the day to attend. Questions? Comments? Please contact Health Service Committee Chair Ray Mason at (650) 344-1506.

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## Thieves Don't Take a Holiday

By Casey Mysliwy, San Francisco  
Federal Credit Union

The holiday season is underway and, more than ever, consumers will shop by mail, phone and the Internet. Protect yourself from fraud for a happy holiday season:

- Check out the seller. Be sure that anyone selling through the Internet, mail and phone has a physical address, phone number and clearly posted policies relating to payment, refunds, delivery schedules, and the privacy of your information. When in doubt, contact the Better Business Bureau for a reference.
- Be wary of unsolicited phone calls. Shop by phone only when *you* make the call to a trusted merchant.
- Check out the product. Be certain of the product description in the

ads and examine items carefully when they arrive.

- Don't e-mail financial information. Enter personal and financial information only when there is a "lock" icon on the browser's status bar and look for the URL to read "https" versus "http."
- Don't open suspicious attachments. By opening the attachment you may download a program that searches your computer for your personal information, and transmits that data to the thief.
- Keep your virus protection software and personal firewall up to date. Use hard-to-guess passwords to further protect sensitive data.
- Be careful using unfamiliar ATMs, especially those in high traffic areas where there are opportunities for thieves to observe your PIN entry and use small cameras to

film your transactions.

- Know your rights. All retailers (including those using the Internet) must ship your order within the time limit they promised in their offer. If they didn't state a time limit, they must ship within 30 days of receiving payment. If the retailer cannot ship within the promised date, they must allow you to cancel the order and receive a timely refund.
- Keep records. Save all documentation related to your purchases and always ask for a confirmation number.

Want more important consumer and personal finance guidance? Contact the financial professionals at BALANCE. As a benefit of being an account holder at San Francisco Federal Credit Union, counselors are ready, at no charge to you, to answer questions and help you develop a personal finance strategy. Visit [www.balancepro.net](http://www.balancepro.net) or call toll-free: (888) 456-2227.

# November Membership Meeting



*First Vice President Al Casciato conducted the RECCSF business meeting portion.*



*Speakers Dolores Gould and Alina Trowbridge, St. Anthony's Foundation.*



*Past President Stephanie Lyons introduced the speakers.*



*Ms. Gould gave a presentation on St. Anthony volunteer opportunities.*



*Ms. Trowbridge gave a presentation on ways RECCSF donations assist St. Anthony guests, veterans, seniors and families.*

## **Annual Firefighter Toy Program**

*If you can, please bring unwrapped toys to the Dec. 12 meeting, to help disadvantaged kids have a happy holiday. (Checks payable to SFFFD Toy Program are also gratefully accepted.)*



*Member Carlos Luna, Controller, attended his first meeting.*

# Travel Committee Report

By Beverly Pardini and Marylou Allen

## Thur, Dec. 20

The Highlands Dell Lodge, located on the Russian River in Monte Rio, is serving a delicious early dinner while William Florian (formally with the New Christy Minstrels) entertains with songs from the '70s. Before return, a Santa Rosa-Rohnert Park-Petaluma area motorcoach holiday light tour.

## Sat, Jan. 19

Crab Feed in Petaluma! Lion's Club International of Petaluma

annual all you-can eat crab feed features fresh Dungeness crab from Bodega Bay; feast also includes salad, pasta, French bread & ice cream.

## Wed-Fri, Feb. 20-22

Trip though The Sierra Nevada on Amtrak's California Zephyr. Motorcoach to Sacramento to board train. (Coach continues on to Reno with luggage). Bring your own lunch or eat in the dining car. Pick up coach in Reno for two-night stay at Silver Legacy; casino visits & refund packages included. **Reservation deadline: Dec. 20.**

## Mon-Fri, April 15-19

Travel south to spend one night in Santa Barbara, two nights in Lakeside near San Diego and one night in San Luis Obispo. Enjoy a tour of the beautiful Flower Fields at Carlsbad with an included lunch. Seaworld in San Diego is included, as well as a visit to Old Town San Diego, and a farewell dinner at the Madonna Inn.

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

## S.O.S. from the Membership Committee!

**Our RECCSF Membership System is in crisis!** In order to ensure that *all* members continue to receive *The Bulletin* we're asking for your help in updating our files.

We also would like to encourage many members as possible to sign up for *The Bulletin* by E-mail, in order to help curb rising printing/ mailing costs.

As soon as possible, please E-mail the following member update information to [reccsf@att.net](mailto:reccsf@att.net), or mail to the RECCSF office at 3915 Irving Street, San Francisco, CA 94122.

Name: \_\_\_\_\_ Retired from: \_\_\_\_\_  
                    First                      Middle Initial                      Last    Department - Date

Address: \_\_\_\_\_  
                    Street                                      City                                      State                                      Zip Code

Telephone # (      ) \_\_\_\_\_ E-mail address: \_\_\_\_\_

Birthdate: \_\_\_\_\_ Name of spouse or significant other: \_\_\_\_\_

Membership type: Annual \_\_\_\_ Life Member \_\_\_\_ Emeritus \_\_\_\_ Date joined RECCSF \_\_\_\_\_

What I would like to see at our monthly meetings: \_\_\_\_\_  
\_\_\_\_\_

Thanks for your input. RECCSF Membership Committee

# 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 Election Recommendations

A majority of the more than 10 million people who voted statewide agreed with POB's three election recommendations:

**No On Proposition 32**—Despite the millions of dollars that poured into California from Super PACs, secretive out-of-state organizations and extremely

wealthy individuals, Proposition 32 was defeated by more than 56%. It was clear to voters that its purpose was to destroy the political strength of public and private sector unions and other politically active membership organizations, while allowing Prop 32 backers inside and outside of California to expand their power.

**Yes On Proposition 30**—The same groups that supported Prop 32 spent nearly as much trying to defeat Proposition 30, the progressive tax plan that will raise \$6 to \$9 billion a year in new revenue for schools and funding essential local services for the next seven years. It will increase the annual income tax rate for those making more than \$250,000 a year and will raise the

sales tax ¼ cent for four years. This new revenue will allow general fund money to be used for reducing the state budget deficit, which is already dropping as the economy improves. The passage of Prop 30 also means there'll be no cuts to public school funding this year, in San Francisco or elsewhere.

**No On Proposition 38**—The 72.3% vote against this ill-conceived school finance bill showed that most voters understood that Prop 30 was a much broader, more comprehensive plan.

## POB Lawsuit Update

As I reported in the October *Bulletin*, POB lawyers are expecting a decision from the attorney general's office, probably in early  
*continued on next page*

## Report from the Retiree Health Care Trust Fund Board

By Commissioner Ed Walsh

### Politics and our retiree medical care?

Two years ago, a group called California Common Sense published a study of California public pensions claiming that they reduced the ability of state and local governments to fund vital programs and services. Their data were invaluable to those who advocate reducing or eliminating defined benefit pensions in favor of 401k pensions or hybrids. Last August, they released a study of retiree medical benefits. Again, they claimed benefits are unsustainable in the long run and criticized the state and any local government that did not pre-fund retiree medical care. They also noted, erroneously, that San Francisco does not have a Retiree Health Care Trust Fund (RHCTF). Such misstatements invite renewed efforts to extract more from employees and retirees for their promised health care.

It is not enough to correct the misstatement by California Com-

mon Sense. To protect actives and retirees from more assaults on our benefits, I believe we must show that our RHCTF is viable, and will eventually be a major contributor toward the cost of retiree medical care. My concern caused me to ask that the controller's office or our actuary be commissioned to develop a more robust methodology for revenue forecasting—one that would reflect the 3% of payroll contribution to the RHCTF by the city and new hires. At our Oct. 24 meeting the controller's office did just that, and they revised their 2013/14 forecast upward by 13% to \$50 million. See below:

In other news, City College of San Francisco has asked to participate in the RHCTF, and the board accepted their petition. Also, the board will soon issue a request for proposal (RFP) for investment consulting services. This will allow us to invest our funds a bit more aggressively to achieve earnings better than the ~0.8% we are currently realizing.

If you have any questions, or wish to bring matters to my, or the board's, attention, please feel free to e-mail me at [walsh.retiree.health@gmail.com](mailto:walsh.retiree.health@gmail.com).

	FY 09/10 ACTUALS	FY 10/11 ACTUALS	FY 11/12 ACTUALS	FY 12/13 PROJECTED	FY 13/14 PROJECTED
Beginning Bal.	323,483	3,194,672	8,541,521	17,851,561	31,769,316
2% Empl. Cont.	1,903,374	3,518,030	6,140,559	9,298,323	12,087,820
1% City Cont.	951,919	1,773,184	3,070,242	4,649,162	6,043,910
Interest	15,896	55,635	144,127	192,770	293,455
Expenditures	0	0	-44,888	-222,500	-155,000
Total Rev	3,194,672	8,541,521	17,851,561	31,769,316	50,039,501

# Retirement Committee Report

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

## Deferred Compensation Plan—Changes Afoot

SFERS' San Francisco Deferred Compensation Plan (SFDCP) Manager Carol Cypert will retire in mid-December, 2012, and SFERS' Administrative Executive Assistant Norman ("Norm") Nickens will become acting deferred compensation manager until a permanent replacement is found—a process expected to take a few months. Norm and his staff will fulfill all of the job requirements, including answering members' questions.

Under Carol's tenure, SFDCP has flourished. As of 10/31/2012, total assets are \$2.2B+. Especially noteworthy, 43% of members' assets are invested in the Stable Value Fund. Retirees, in particular, should appreciate the high returns (2.32% currently). *What other investment vehicle—*

## Protect Our Benefits

*continued from previous page*

December, about which legal avenue we will be able to use to go forward with our supplementary COLA case. If the attorney general's ruling is not favorable, our lawyers will immediately move the case to Superior Court. Check the POB Web site, [www.ProtectOurBenefits.org](http://www.ProtectOurBenefits.org), for the latest information. Your continuing generous contributions toward paying for the lawsuit are much appreciated. 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](mailto:gerrymeister1@earthlink.net), or POB, P.O. Box 320057, San Francisco CA 94132.

*like banks or credit unions—offer 2.32% returns now?*

At its 11/14 meeting, the SFERS Board applauded Carol for her achievements and wished her well.

*Other possible changes on SFDCP:* SFERS is required to issue requests for proposals (RFPs) every five years to qualifying outside administrators of the Stable Value Fund and Fixed Account Alternatives. It's that time again: SFERS will issue these RFPs about 11/17; review and selection will ensue, and the winner will take over in January 2014. *Great-West Retirement Services is the current administrator of both programs.* Stay tuned!

## SFERS Plan Developments – Novel Investment Technique

10/31/2012 performance figures are: Plan value, \$15.8B; fiscal year to date earnings, 4.4%—not much change from last month.

However, at its 11/14/2012 meeting, the SFERS Board approved a new and exciting program, enabling SFERS to unearth profitable investments that traditionally have been closed to public funds like SFERS. Public funds have disclosure and transparency rules that, some entrepreneurs fear, can jeopardize their competitive advantage in the marketplace. To overcome these fears, to access quality investment opportunities, and to establish trust without endangering transparency, **Knightsbridge Venture Capital**, an experienced venture capital money manager with which SFERS has extensive investment experience, and SFERS investment staff have developed the following no-fee, *Knightsbridge VIII-A* program. Knightsbridge's and SFERS' staffs will collaborate closely in choosing and monitoring selected venture opportunities. SFERS will commit "up to \$50M" total—

not to be invested all at once and to be spread among several investments. If the program works, SFERS will make money, as above, and Knightsbridge will enhance its reputation—and its business—as a "go-to" private equity investor.

Also at the 11/14/2012 meeting, the SFERS Board approved an additional \$30M investment in **Abry Senior Equity IV, LP**, the second in a longstanding profitable private equity, media and communications money manager firm, and a \$15M standard investment opportunity with Knightsbridge. Conclusion: new private equity investment opportunities, while not like the pre-2008 days, still keep coming!

## Other Points of Interest

- **Malia Cohen**, District 10, replaces termed-out **Sean Elsbernd**, District 7, as Board of Supervisor representative on the SFERS Board.
- On 11/19/2012—after press time—the Board of Supervisors' Audit and Oversight Committee will hear the SF Civil Grand Jury's recent *Investment Policies and Practices of the SFERS* report. See the September 2012 column for details on this report. And stay tuned!
- The most current figures available show that FY 2011/12 earnings are about 1%. Clearly, no supplemental COLA is possible next year, as has been clear for a while.
- Watch your mail for SFERS' newsletter, *Milestones*, especially regarding the new, user-friendly computerized system and confidential accessibility to your own records.
- **And happy holidays from Jean, Herb, and Stephen!**

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

**The Bulletin**  
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**Annual Holiday Party**  
**Wednesday, Dec. 12**

United Irish Cultural Center,  
45th Ave. & Sloat

**Executive Board Meeting**

*No meeting scheduled for December*

➔ **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 e-mail.**

*Letters to the Editor Welcome at*  
[alfrmsf@aol.com](mailto:alfrmsf@aol.com) & [sheilamullen@mac.com](mailto:sheilamullen@mac.com)

**The Bulletin**  
**January Deadline:**

➔ Friday, Dec. 14  
5:30 p.m.

Please e-mail your articles to:  
[alfrmsf@aol.com](mailto:alfrmsf@aol.com) &  
[sheilamullen@mac.com](mailto:sheilamullen@mac.com)

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**[sfretirees.org](http://sfretirees.org)**

**RECCSF office  
e-mail address:**

**[reccsf@att.net](mailto:reccsf@att.net)**

# Welcome, New Retirees

## RECCSF Annual Holiday Party

*Our Annual Holiday Party will be held on Wednesday, Dec. 12, at the United Irish Cultural Center, 45th Ave. and Sloat Blvd., starting at 11:15 a.m. Party features festive decorations, special refreshments, and our very popular annual raffle! Plan on arriving early to greet all your friends, some of whom you may not often meet at our regular meetings.*

**Dec. 12 – Annual Holiday Party**

**11:15 a.m.**

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