

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

- Are our health benefits being double taxed? HSS is working to help all employers (City, SFUSD, City College, Superior Court) stay below the excise tax threshold (the 40% Cadillac tax). Through the ACA (Affordable Care Act), we already pay two taxes to the federal government which are part of our health premiums. Adding a state tax will result in double taxation and raise our premiums. There are two state tax proposals—called Managed Care Organization (MCO) tax proposals—which will result in double taxation. It's complicated, but this tax will raise the premium base closer to the excise tax level. Additionally, the unpredictable increase in pharmacy costs due to specialty drugs and chemotherapeutic treatments also impact rates.
- The Well-being Program is expanding within city departments and is improving the health of active employees. Wellness programs are open to retirees to improve our health; and health directly impacts health costs. For example, preventing diabetes is less expensive than treating diabetes. Annual wellness visits are co-pay free, but specific health issues noted during the visit are subject to a co-pay.
- The UFCW (United Food and Commercial Workers) and Employers Benefit Trust filed an anti-trust lawsuit against Sutter Health's anti-competitive practices. The Public Employees' Committee (PEC) of the S.F. Labor Council and the Management Employers' Association (MEA) presented a resolution to the HSS Board asking that it request the city

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## Retirement Committee Report

By Claire Zvanski, Herbert Weiner,  
and Herb Meiberger, CFA

### Fiscal Year 2015/14 Earnings:

- The revised FY 2014/15 gross earnings were +3.96%. Although higher than originally reported, *the earnings are below the long-term assumption of 7.5%, and do not meet the test for the Proposition C Supplemental Cost of Living Adjustment (COLA)*. As of 6/30/2015, the Plan's market value of assets was \$20.3 Billion.
- FY 2015/16 started off on a sour note. For July and August, the fund lost 2.53%, attributable to a loss of 4.79% for U.S. stocks and a loss of 7.34% for international stocks. The weakness in the Chinese economy and the devaluation of their currency increased volatility in stock markets throughout the world. The U.S. Federal Reserve has signaled that it will increase short-term interest rates soon, spooking investors.

### Lengthy Executive Sessions on Investments and Personnel Matter

- After public comment, the Retirement Board engaged in a closed-door meeting on two investment recommendations.
- Subsequently, there was an executive session on the performance evaluation of the executive director. The Board hires the executive director—who serves at its pleasure—and is responsible for his performance.
- The 3½-hour executive sessions required that several calendared items be continued to subsequent meetings.

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## October Calendar

### Regular Meeting

Wednesday, Oct. 14

Business meeting & program: 10 a.m.  
Irish Cultural Center  
45th Ave. & Sloat Blvd.

### News & Views

### Editorial Committee Meeting

Tuesday, Oct. 20, 9 a.m.

Taraval Police Station  
All interested parties welcome.

### Executive Board Meeting

Tuesday, Oct. 20, 10 a.m.

Taraval Police Station  
All interested parties welcome.

### Public Meetings:

#### Retired Firemen &

#### Widows Association

Thursday, Nov. 19, 1 p.m.

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

#### Veteran Police Officers

Tuesday, Oct. 13, 11 a.m.

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

### Retirement System

Wednesday, Oct. 14, 1 p.m.

1145 Market St., 6th Floor

### Health Service System

HSS meeting cancelled  
due to Open Enrollment.

### UESF Retired Division

For time/location, contact  
Diane Doe at 1 (415) 822-2099 or  
[Ddoe@mac.com](mailto:Ddoe@mac.com).

### SEIU 1021 West Bay

#### Retirees Chapter

Monday, Oct. 19, 12-2 p.m.

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

Contact: David Williams

1 (415) 584-8264 or [iamdhw@comcast.net](mailto:iamdhw@comcast.net).

# Retirement Committee Report

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## Cancellation of Request for Proposal (RFP) for Custody and Securities Lending

- As a policy, the Retirement Board reviews contracts for service providers every five years and reopens them for public bids. When Requests for Proposals (RFPs) are issued, there is a “blackout period,” wherein board members cannot contact service providers, do their due diligence, and independently judge the quality of potential bidders.
- A custodian holds the Fund’s assets, collects dividends and interest, enables transactions, calculates performance of investment managers, and performs other important services.
- SFERS has a securities lending program, where stocks and bonds are loaned to firms for a fee, with the expectation of earning additional income to the Fund.
- Northern Trust has provided custody and securities lending services since 1996. In 2008, the securities lending program blew up, and Northern Trust froze “cash” that they managed in a commingled fund. SFERS held approximately \$250 million in this fund, and was forced to withdraw and liquidate securities to raise cash.
- The RFP was issued in 2013, and the responses have been gathering dust for two years.
- The Board voted to cancel the RFP, and for staff to bring a revised version to the October meeting for board approval.

## Good of the Order

- Commissioner Stansbury mentioned that a number of members received poor service when they called SFERS and requested that staff answer and/or respond to members’ requests fully and expeditiously.
- In response to members’ complaints about high fees of .38% for the insurance wrapper on the Deferred Compensation (DC) Stable Value Fund, Commissioner Makras requested staff to obtain information from other public funds on claims filed using this “insurance.”
- Commissioner Meiberger requested that an item be calendared to enable publishing documents presented at board meetings to SFERS’ website, as done for the S.F. Board of Supervisors.

Questions? Comments?

Contact Herb Meiberger at [herb.sf@gmail.com](mailto:herb.sf@gmail.com), Herbert Weiner at [h.weiner@sbcglobal.net](mailto:h.weiner@sbcglobal.net), or Claire Zvanski at [czvanski@hotmail.com](mailto:czvanski@hotmail.com).

## New Members

Diane C. Carr	DPH	Gwendolyn Rothman	CBH
Ellen Ho	DPH	Peter Vaernet	DPH

# Health Service Committee Report

continued from page 1

- attorney, on behalf of its participants (city employees, retirees and taxpayers), to join, support, or assist with this suit, or take any other action necessary.
- **The October HSS Board meeting is cancelled due to Open Enrollment.**
- **In November, the HSS Board will hold a four-hour strategic update and forum instead of its regular meeting.** Topics will include environmental plans and compliance, surrogate offerings, and the strategic plan. **It will take place at the regular meeting date, time and place.** All are welcome.
- Medicare retirees will receive a full benefits booklet in Open Enrollment. Early retirees will receive a rate sheet and will be directed to download their booklet from the HSS website.
- Make certain your address is correct so that you will receive the Open Enrollment materials. It is your responsibility! Carefully review the information in the packet to make certain that all information is accurate.

Questions? Comments? Contact Claire Zvanski at 1 (415) 341-3085 or [czvanski@hotmail.com](mailto:czvanski@hotmail.com).



## Sept. 15 Board Meeting Actions

- Accepted Treasurer’s Report and proposed 2015/2016 budget.
- Accepted proposal that Holiday Party refreshment expenses would be defrayed by RECCSF board members.

## Rest In Peace

The following members have recently passed away.

Gertrude Cadigan	DPT	George E. Matelli	POL
Yvonne Diamond	JUV	Frank R. Patterson	BOA
Eulalia Fernandez	DAT	George R. Rice	WTR
Douglas G. Foss	POL	Ann M. Willis	BOE
Katherine Louie	DSS		

# President's Message

By Claire Zvanski

- Moving into the electronic age with *News and Views*, our September program showed us how to improve the performance of our computers. External drives for 1.5 TB (terra bytes) are under \$100 and will hold all the documents and pictures from your computer; copy and save. Delete same from your old computer and it will perform like a brand new one! External drives are very important. If something happens (viruses) to your computer you won't lose your pictures or music or documents if you have saved them to an external drive. Your computer will then open *News and Views* easily, so you won't

miss an issue. Upgrading to a new laptop or hard drive is quite inexpensive (under \$200) these days and worth the effort. (You already have the keyboard and modem.) Search online for the best deals; then, check the local stores—but don't forget Goodwill and refurbishing/recycling centers.

- We should also be improving our own personal performance! Good physical health means good mental health. Our future programs will include wellness exercises and information, starting with our Oct. 14 RECCSF Health Fair. ***For the first time, spouses/partners will receive free flu shots if covered by your plan. Don't forget your medical plan card!***



Questions? Comments? Contact [czvanski@hotmail.com](mailto:czvanski@hotmail.com) or 1 (415) 341-3085.

## See's Candy Gift Certificates

RECCSF is taking orders for See's Candy one-pound gift certificates at the discounted price of \$17 each. Order by mail, or at the Oct. 14 or Nov. 11 general membership meetings. Certificates will be distributed at the Dec. 9 Holiday Party.

If you wish your certificate(s) mailed to you, please check the box below, include 50¢ per certificate in your check, and make sure to write your address on the order form. Do not send an envelope—we can't use them to mail the certificates. Certificates not being mailed will be available at the Dec. 9 Holiday Party.

We do not order actual boxes of candy—only gift certificates.

***All orders must be received by Dec. 4, and accompanied by a check. No exceptions!***

Questions? Contact RECCSF Office Manager Reyna Kuuk at [reccsf@att.net](mailto:reccsf@att.net) or 1 (415) 681-5949.



### See's Candy Order Form (Please print!)

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Number of one-pound certificates: \_\_\_\_\_ @ \$17 per certificate = \$ \_\_\_\_\_

Attached is my check payable to RECCSF, in the amount of \$ \_\_\_\_\_

Mail order form and check to:  
RECCSF, 3915 Irving Street, San Francisco, CA 94122 ATTN: See's Candy

Please mail my certificates to the address below. I have included 50¢ per certificate in my check.

Street address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

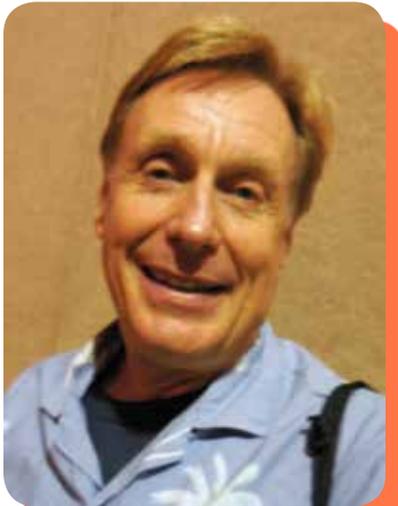
# September Membership Meeting



*Speaker Glenn Sylvester, retired SFPD, made a stimulating encore presentation on keeping our computers, cell phones, and other electronic devices safe from viruses and hackers.*



*RECCSF President Claire Zvanski updated the membership on critical retirement issues.*



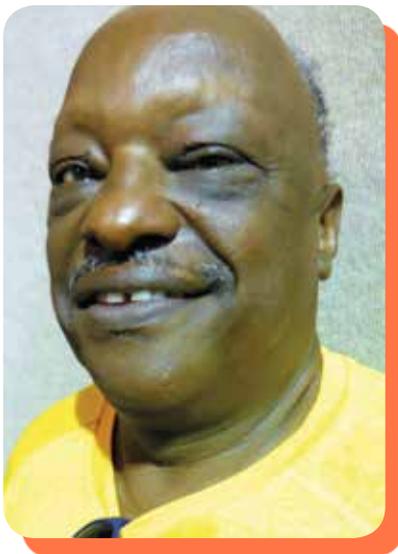
*New member Peter Vaernet, DPH.*



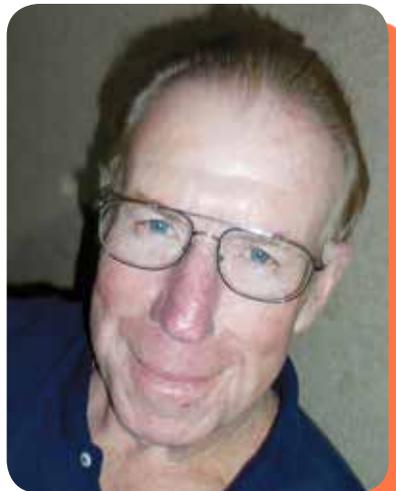
*New member George Gomez, Assessor/Recorder.*



*Joe Collins, CRC, Prudential Deferred Compensation rep., was on hand to answer any members' questions.*



*New member Donald Craig, PUC, Water Pollution.*



*New POB Vice Chair Skip McKinney.*

## **Free flu shots at RECCSF Oct. 14 General Membership meeting!**

Open to employees, retirees, and spouses/domestic partners of retirees. Employees must show employer ID and retirees must show their medical ID. Please wear short sleeves!

***Free flu shots for city retirees!***

For dates and locations, visit [myhss.org](http://myhss.org).

## Letters to the Editor

Editor:

In the September issue of *News & Views*: Regarding John Madden's article on COLAs, didn't he get it wrong about the basic COLA being calculated based on the initial pension allowance? I believe that the basic COLA is "compounded"; the 2% COLA is calculated based on the *current* pension amount, not the *initial* pension at the time of retirement. See the COLA section on the SFERS website.

Regarding the articles "Retirement Committee Report," "President's Message" and "Protect Our Benefits: I think it is a bit hypocritical and disingenuous to—on the one hand—celebrate the Proposition C Supplemental COLA lawsuit which will further deplete our pension fund and—on the other hand—warn that

employee and employer (taxpayers) contributions will have to increase in order to meet future obligations and liabilities.

*Edward M. Gazzano*  
*Retiree Class of 2006*

Editor:

Mea Culpa!

In my September *News & Views* article on the various types of cost of living allowances I had a "senior moment." I forgot that in 2008 Proposition B changed the basic COLA from simple to compounded interest. There are still two separate COLAs, but they are both based on the allowance received in the prior year (compounded).

Thanks to the folks who reminded me of the slipup.

*John Madden*

## Look Out for Identity Theft

*By Karen Introcaso,*  
*Golden Gate Branch Manager*  
*San Francisco Federal Credit Union*

It is important to always be on guard against identity theft (when someone uses your personal or financial information without your consent). Why be so vigilant? Because thieves are constantly looking for ways to steal data, and it's easiest for them when you are not paying attention to the early warning signs. To know if you've been a crime victim, be on the lookout for:

- Credit card and checking account statements that don't arrive when they should.
- Being denied credit for no reason.
- Bills for purchases you never made.
- Collection agencies trying to collect on debts that you didn't incur.
- Bills from credit accounts you did not open.
- Unauthorized charges on your telephone or checking account statements.
- Credit reports showing new, unauthorized accounts.

**If you have been a victim of identity theft, take swift action:**

- Place a fraud alert on your credit file by contacting a major credit reporting bureau (Trans Union, Experian, or Equifax). The other bureaus will be notified and will place alerts on their files. Free reports will be sent to you.
- Alert affected businesses over the phone and in writing. Close tampered-with accounts or those opened without your consent.
- File a police report. Ask for a copy of the report too—you may need it for businesses requiring proof of the crime.
- Report the crime to the Consumer Financial Protection Bureau.

At San Francisco Federal Credit Union, your privacy is our main concern. We are always available to discuss your privacy and how you can increase security. Contact us to discuss our products and services that can help you now.



# Protect Our Benefits

By Skip McKinney

*Protect Our Benefits is an independent political action committee which falls under the provisions of the San Francisco Ethics Commission. The opinions are those of the writer.*

The City has requested to change the date of the hearing from Sept. 30 to Oct. 15 to provide the Retirement System and the controller additional time to calculate and pay supplemental COLAs for 2013 and 2014, and adjust retirement allowances retroactively to account for the cost of living adjustments.

On the court case for the pre-1996ers, the City is arguing that the full funded condition of Proposition C applies to them.

POB is arguing that the court of appeal decision does not rely on the charter language in issuing this state-

ment; it does not point to charter language directing this result; and, since all pension conditions must be in the charter, such application of Proposition C rules to pre-1996 retirees will be a violation of the charter.

The motion will be heard by the San Francisco Superior Court on Thursday, Oct. 15, 2015 at 9:30 a.m., in Dept. 305, 400 McAllister St., San Francisco. It is important that the judge observes a “sea of gray/white hair” at the hearing. It is anticipated that a final judgment will come out in October or December of 2015.

That’s it, in a nutshell. Whatever the outcome will be, POB will keep you informed; be sure to visit our website, [www.protectourbenefits.org](http://www.protectourbenefits.org), or check out our Facebook page.

October is the Health Service System open enrollment; contact them if you haven’t received your copy of the materials. I understand that United Health Care is offering a Medicare item; be sure to check it out.

As the Proposition C court issue is winding down, another issue is emerging; the DeMaio and Reed ballot measure targeted for the 2016 ballot.

Per Attorney General Kamala Harris’ summary, it “eliminates constitutional protections for vested pension and retiree benefits for current public employees, including those working in K-12 schools, higher education, hospitals, and police protection, for future work performed.” If it gains this foothold, it is sure to escalate to affect retirees; more about this in coming months.

As you may know, Sharon Johnson has stepped down as POB vice-chair. All city retirees owe great gratitude to her for all her hard work, tenacity, compassion and understanding. I’ve got big shoes to fill. (Thanks again, Sharon, and know that I will be calling on you for advice and counsel!)

The Protect Our Benefits Committee is appreciative of your generous donations, but ongoing support is always needed. Please make your check payable to POB. P.O. Box 320057, San Francisco, Ca. 94132, or make a donation at our website. Your donation is not tax deductible under federal or state law.

Sharon always included quotes at the end of her articles. The one that resonates with me is: “United we stand, divided we fall.”

## Ignore Those Health Insurer Mailers!

At this time of year, a flood of health insurer flyers tend to hit our mailboxes, enticing us to change to various health plans, or to sign up for drug or Medicare-supplement plans.

*Ignore their pleas, and chuck their materials into your recycle basket.*

Respond only to the packet issued by the Health Service System during October.

Open Enrollment for coverage in calendar year 2016—*that counts.*

### RECCSF Secretary Position Vacant

A great opportunity to become more involved and meet other members.

Responsibilities: taking monthly minutes.  
If interested, please contact Claire Zvanski at 1 (415) 341-3085 or [czvanski@hotmail.com](mailto:czvanski@hotmail.com).

## Errata...and more.

My sincerest apologies for the error in the September 2015 *News and Views* Retirement Committee Report. The second bullet in the “Update on Court Decision in POB Lawsuit...” should have read, “There are 8,315 retired members and beneficiaries (retired *before* Nov. 6, 1996) who will not be eligible per the appellate court decision.”

“Thank you” to all the eagle eyes who spotted the error and called it to my attention (my error) and another “thank you” to those of you who read the POB report and our “Update” box to figure out the correct information! It is gratifying to know that *News and Views* brings you valuable information which is so carefully read. Your calls and emails were most welcome. Sadly, there is no way to share the updates with those who don’t have email, which is the reason this *errata* is printed in this issue; again, apologies for any error and confusion it may have generated.

Latest Proposition C court date: Thursday, Oct. 15, 2015, 9:30 a.m., San Francisco Superior Court, Department 305, Judge Mary E. Wiss, Polk and McAllister streets. *This date has been rescheduled at least four times, so we will release another email blast if the date changes again.* Apparently, the wheels of justice turn very slowly! Read the POB report for more details on this latest court challenge.

Sincerely yours in solidarity,  
Claire Zvanski  
President, RECCSF

# Travel Committee Report

By Beverly Pardini and Marylou Allen

## Wednesday, Oct. 14

*Mystery Tour* with Craig Smith, San Francisco's premier guide. Lunch included; entree choice of filet of sole, chicken marsala, or veal picatta to be selected when making reservation.

## Thursday, Oct. 29

Destination is High Hill Ranch in Apple Hill Country, located in the town of Camino—just above Placerville. Enjoy a delicious BBQ chicken lunch complete with a slice of hot Apple Pie ala mode; before returning home, time allowed to shop the many arts and craft booths.

## Wed.-Fri., Nov. 25-27

Enjoy Thanksgiving in the East Tower at the Nugget in Sparks for two nights; includes a bountiful Thanksgiving buffet dinner—plus visits to other casinos for machine plays and food credits.

Info: Marylou at 1 (800) 334-3465 or [mrlyallen@yahoo.com](mailto:mrlyallen@yahoo.com).

If you have any questions about *News & Views* going fully electronic as of the October 2015 issue (or have any other RECCSF-related questions), please leave a message at the RECCSF office at 1 (415) 681-5949 or email [reccsf@att.net](mailto:reccsf@att.net); we will respond to your inquiries as soon as possible.

## Useful Phone Numbers

### RECCSF Office

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

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

Phone Number: 1 (415) 681-5949

### S.F. Retirement System

Website: [www.sfgov.org/sfers](http://www.sfgov.org/sfers)

Phone Numbers:

1 (415) 487-7000 • (888) 849-0777

### Health Service System

Website: [www.myhss.org](http://www.myhss.org)

Phone Numbers:

1 (415) 554-1750 • 1 (800) 541-2266



## Save the Date!

## Wednesday, Dec. 9, 2015

## RECCSF Annual Holiday Party

Hosted Refreshments!

Raffle!

*Come celebrate with  
your fellow members!*



## Membership and Subscriptions

for retired city employees as of July 31, 2015

Membership application: [www.sfretirees.org](http://www.sfretirees.org); email: [reccsf@att.net](mailto:reccsf@att.net).

- \$48, annual
- \$600, lifetime (payable over six months in six payments of \$100 per month, or annually over six years in increments of \$100 per year)
- Subscriptions for mailed printed copies will be available for an additional \$25 a year. (Exceptions may be made for members without computer access.)

*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](mailto: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



Retired Employees of the  
City and County of San Francisco,  
3915 Irving St.,  
San Francisco, CA 94122-1294

### *News & Views*

**October 2015**  
**Volume 116, Number 9**  
Sheila Mullen, Editor  
Office: 1 (415) 681-5949  
Fax: 1 (415) 681-5398  
Office email: [reccsf@att.net](mailto:reccsf@att.net)

### **RECCSF Officers:**

Claire Zvanski, President  
Linda Tabor-Beck,  
First Vice President  
John Madden,  
Second Vice President  
Secretary, Vacant  
George Lau, Treasurer  
Leo Martinez, Sergeant-at-Arms

### **Executive Board Meeting**

Oct. 20, 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*

**October Deadline:**

☛ Friday, Oct. 16, 5:30 p.m.

Please email your submissions to:  
[sheilamullen@mac.com](mailto:sheilamullen@mac.com).

Letters to the Editor of 50 words or less welcome.  
All letters subject to further editing.

### **Visit our website:**

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

RECCSF office  
email address:

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

## **Welcome, New Retirees**

### **Upcoming General Membership Meetings**

**Wednesday, Oct. 14** *Free flu shots; Open to employees, retirees, and spouses/domestic partners of retirees. Please wear short sleeves.*

**Wednesday, Nov. 11** *“Roads” Scholar — Educational Program  
Al Garza, Nutrition Coach*