

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

This meeting should have completed all of the 2017 Senior Advantage or Medicare Advantage rates for all plans. Yet, only Kaiser Senior Advantage was on the agenda. As of this writing, a special meeting was scheduled for June 21 to complete the rates and premiums for Blue Shield and UHC (UnitedHealth Care). Commissioner Breslin remains very concerned that the City continues to pressure HSS to shift costs to retirees in an effort to lower the costs to the City.

Furthermore, these Senior Advantage rates are estimated, since Kaiser has not received final reimbursement rates from the Center for Medicare and Medicaid Services (CMS) for 2017. Kaiser will reconcile any differences (plus or minus) and adjust the 2018 rates accordingly. It is reasonable to expect the same from Blue Shield and UHC unless they had their CMS rates prior to setting final rates by June 21.

Since the estimated Kaiser rate remains below the traditional 10-county survey rate, the medically single rate remains at zero. Rates for dependent categories increase by \$12.88 to \$38.66. Kaiser announced the addition of an acupuncture benefit for 2017, as well as a “silver and fit” program that provides no-cost gym memberships. Kaiser also stated that it will open its own medical school in 2019 in Pasadena, in order to inspire new integrated and holistic approaches to care delivery.

HSS Board President Randy Scott announced a future Governance Committee meeting to review the city charter sections that govern HSS these days, especially after the 2000

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Retirement Committee Report

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

The Fund is in the Black for the Fiscal Year!

- The Fund earned .42% in April. For 11 months ending 5/31/16 (FY2015-16), the Fund earned 1.36%. U.S. stocks were the best performing asset class, while international stocks had the lowest returns. The target return is 7.5% in order to qualify for the supplemental COLA.

The Pre-1996 Retirees: Denial of Supplemental COLA (Cost Of Living Adjustment):

- Members of Protect Our Benefits (POB), RECCSF retirees, members from SFFD 798, VPOA, Local 1021, Local 21 retirees—and others—packed the board meeting and overflow rooms, urging the Board—for ethical and moral reasons—for fairness in execution of their fiduciary responsibility.
- Due to the receipt of additional information, The Board unanimously voted to “reconsider” the conclusions in the executive director’s Feb. 25 letter, at its July meeting—or sooner.*

Investment of \$1 Billion in Hedge Funds (HF) Is Approved!

- Staff proposed investing \$1 billion in hedge funds as follows:
- “Part 1: A \$500 million customized hedge fund of funds managed by Blackstone Alternative Asset Management (BAAM) where BAAM has discretion but collaborates with SFERS Staff on manager hiring terminations and allocation changes”; and
- “Part 2: A \$500 million direct hedge

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July-August Calendar

Regular Meeting

Wednesday, July 13

Business meeting & program:

10 a.m.

Irish Cultural Center
45th Ave. & Sloat Blvd.

News & Views

Editorial Committee Meeting

No meeting in July

Friday, August 19, 10 a.m.

Taraval Police Station
All interested parties welcome.

Executive Board Meeting

No meeting in July

Tuesday, August 16, 10 a.m.

Taraval Police Station
All interested parties welcome.

Public Meetings:

Retired Firemen & Widows Association

Thursday, September 15, 1 p.m.
Irish Cultural Center,
45th Ave. & Sloat Blvd.

Veteran Police Officers

Tuesday, July 12, 11 a.m.
San Francisco Scottish Rite
Masonic Center,
2850 19th Ave. & Sloat Blvd.

Retirement System

Wednesday, July 13, 1 p.m.
Wednesday, August 10, 1 p.m.
1145 Market St., 6th Floor

Health Service System

No meeting in July
Thursday, August 11, 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, July 18, 12-2 p.m.
 Monday, August 15, 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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fund investment program, advised upon by BAAM, but where SFERS staff recommends manager hiring to SFERS Board for approval.”

- Neither staff nor anyone from the HF panel could answer Commissioner Meiberger’s question regarding asset allocation. Several representatives from Blackstone attended, and Senior Managing Director Gideon Berger stated that the asset allocation will be approximately 50% stocks, 35% “credit instruments,” and 15% currencies and commodities.
- The benchmark for the program will be “cash plus five percent,” with specific benchmarks for all managers.
- Mr. Berger assured everyone that SFERS’ investments would be domiciled in Delaware, and not in the Cayman Islands.
- Cynthia Landry, SEIU Local 1021, voiced the union’s opposition to hedge funds, citing poor transparency, fees, tax avoidance, and divestment by CalPERS and CalSTRS.
- Patrick Monette-Shaw spoke against the recommendation, and questioned the Board’s exercise of its fiduciary responsibility, citing the flawed HF panel and its change in size and composition.
- The recommendation was approved with a 4-1 vote. Commissioner Makras did not attend the meeting due to a mandatory court appearance. Commissioner Bridges had to excuse herself for another commitment. Commissioner Meiberger dissented, citing poor performance and transparency, and the understated risk of hedge funds. Further, there was no discussion of divestment of hedge funds by pension funds and insurance companies over the last two years.

Finalists for Global Custody Services

RFP and Securities Lending:

- The continuing saga for the bank custodian continues! The Board adopted staff’s recommendation to approve the

finalists: BNY Mellon, Northern Trust, and State Street. (Northern Trust is the incumbent.)

- Separately, Commissioner Makras’ request to put Northern Trust on the “watch list” was continued to the July meeting.

Deferred Compensation (DC) Updates:

- The Board unanimously affirmed the DC Committee’s recommendation to hire Callan Associates as the DC consultant.
- Commissioner Meiberger inquired why Callan’s 457 clients who are public funds—(Alaska, Milwaukee, NY State)—have record providers that are insurance companies (e.g., Great West and Nationwide), while Callan’s 401K corporate clients (Intel, Del Monte) have record keepers that are not insurance companies, such as Fidelity. Staff stated that was due to technology, and that Fidelity can handle only 30 payrolls.
- Commissioner Meiberger inquired about litigation from Intel’s members for investing in hedge funds in the target date funds.
- Patrick Monette-Shaw distributed Lou Barberini’s article in the June *Westside Observer* entitled *Say It Ain’t So, Joe*, wherein Commissioner Driscoll stated “we do not offer tax-sheltered annuities” and, “I am very familiar with the investment inferiority of that product.” In his article, Mr. Barberini questioned why all of SFERS’ record keepers were insurance companies, as well as the pricing and commingling of assets.

Note: The meeting was not televised and will not be available on SFGOVTV. The executive director did not provide an explanation.

Questions? Comments?

Contact Herb Meiberger at herb.sf@gmail.com, Herbert Weiner at h.weiner@sbcglobal.net or Claire Zvanski at c澤vanski@hotmail.com.

Health Service Committee Report

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charter revision, and the 2011 Proposition C changes. He also suggested pulling up the latest edition of the California Healthcare Foundation to see current trends in healthcare, indicating that there has been an overall cost increase of 216% since 2002.

HSS has been fighting the battle of the budget for many years! No other city department provides services to 116,000 lives with fewer than 50 staff members, and also saves the City more than \$20 million annually. When the school district, community college and superior court are added to the calculations, the employers get the most cost-effective

services for their employees and retirees in the industry. Yet, the pressure to cut positions and the budget continues. This year, the most pressure is coming from the board of supervisors’ budget analyst. (Let’s hope members of the board of supervisors and their staff don’t take their health benefits for granted!)

Randy Scott was re-elected president and Willie Lim was re-elected vice president of the HSS board.

There is no HSS meeting scheduled for July; the next meeting will be held on Thursday, Aug. 11.

Questions? Comments? Contact Claire Zvanski at 1 (415) 341-3085 or c澤vanski@hotmail.com.

President's Message

By Claire Zvanski

This has been a very eventful year! RECCSF members had to fight to regain and sustain retirement and health benefits. We know how important it is to remain vigilant, and continue to carefully monitor both the Retirement and Health Service boards. It's also critical to monitor all charter changes, and make certain that the unions and the employers (City, SFUSD, community college, superior court) know we can't be taken for granted or compromised.

Retirement isn't the end of daily responsibilities; it's the beginning of new commitments. While we review and revise our "bucket lists," we *must* leave room for the advocacy and activ-

ism it takes to protect and sustain those benefits for which we worked with so much dedication. None of us can do this alone; your continuing support, both participatory and financial, is essential to our continuing success.

A very large *thank you* to everyone who responded to all of our requests for emails, letters, appearances, testimonies, and support in the battle for the supplemental cola, as well as efforts to prevent the health premium cost shifting to early retirees. Your responses have been most compelling—and the messages to the City very clear—that we are **united and strong**.

However, a brief respite of our fight is now in order. Happy summer!



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

June 21 Board Meeting Actions:

- The RECCSF board voted to endorse Herb Meiberger for re-election to the San Francisco Employees' Retirement System Board, and to forward the endorsement recommendation to the membership for ratification.

No Board Meeting in July

No General Membership Meeting in August

Rest In Peace

The following members have recently passed away.

William B. Blomberg	TIS
Evelyn S. Brickman	DSS
Theresa Dickmeyer	POL
Canuto H. Mabalot	DPH
Lorraine H. Smookler	DPH

In the late 1700's, many houses consisted of a large room with only one chair. Commonly, a long wide board folded down from the wall, and was used for dining. The 'head of the household' always sat in the chair while everyone else ate sitting on the floor. Occasionally a guest, who was usually a man, would be invited to sit in this chair during a meal. To sit in the chair meant you were important and in charge. They called the one sitting in the chair the 'chair man.' Today in business, we use the expression or title 'Chairman' or 'Chairman of the Board.'

Useful Phone Numbers

RECCSF Office
Email: reccsf@att.net
Website: sfretirees.org
Phone Number:
1 (415) 681-5949

Health Service System
Website: www.myhss.org
Phone Numbers:
1 (415) 554-1750
1 (800) 541-2266

S.F. Retirement System
Website:
www.sfgov.org/sfers
Phone Numbers:
1 (415) 487-7000
1 (888) 849-0777

June 15 Annual Installation Luncheon





“Thank you” to June Luncheon Donors

- Raymond Connor
- John Madden
- Protect our Benefits
- Reyna Kuuk, for diligent administrative support
- Retired Firemen & Widows Association of the San Francisco Fire Department

- San Francisco Federal Credit Union, for creating luncheon programs
- SEIU Local 1021 West Bay Retirees
- Star Travelers
- Veteran Police Officers Association
- David Williams
- Claire Zvanski

June 15 Annual Installation Luncheon





No
Editorial
Committee
or
Board
meetings
in July.

No General
Membership
Meeting in
August.



June 15 Annual Installation Luncheon



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.

On June 8, the San Francisco Retirement Board held its monthly meeting; and, it can be said, with the participation of you—RECCSF retirees—who were “in the house.”

Over 100 retirees packed the meeting; speaking, carrying banners and names of retirees, widows, and partners of the retirees that were left behind. It did have an effect, as the Board voted unanimously to “reconsider” their previous position that they do not have the authority to approve the supplemental COLA for pre-1996 retirees.

FYI: The Feb. 25, 2016 letter from SFERS Executive Director Jay Huish had stated: “The Board does not have the authority to expand the benefits of the plan to approve the Supplemental COLA for the pre-1996 retirees.”

This turn of events was due, in part, to new information they received, most of which came from all of you and the hard work of the POB members. It should also be noted that the trustees received letters from Public Employees Council (PEC), SEIU Local 1021, and Firefighters Local 798. These

unions are now in support of our position, and their support is part of the SFERS official record. The trustees still need to vote on the issue at its Wednesday, July 13 meeting. With the recent support from the unions, and the strong emotions expressed in the room, we feel optimistic.

While we are very close to our goal, we must keep up the pressure. *We must pack the July 13 Retirement Board meeting. We must continually let the trustees know that we are here, and are not going away.*

Arrangements are being made to have another bus transport us to the Retirement Board meeting on July 13; more info will be forthcoming. Please consider attending the meeting. Trust me, your attendance does not go unnoticed by the Board.

Right now our attention is focused on this important issue, but other problems loom on the horizon, such as: HSS rates relativity, ongoing City budget woes, and, of course, blaming the retirees for all of the problems in Western civilization.

Please stay aware by visiting the POB website and Facebook page. Your contributions are most appreciated. Please mail to POB at P.O. Box 320057, San Francisco, CA 94132.

Don't forget: United we stand, divided we fall.

Protect Yourself from “Skimming”

By Bert Lee,
Loss Prevention Supervisor
San Francisco Federal Credit Union

Technologically-savvy thieves have found ways to steal money without your wallet ever leaving your possession. One popular method is to attach a skimmer to a legitimate ATM or gas station terminal. When you insert your ATM or debit card, the skimmer reads your card information, and the PIN is captured with a hidden camera or keyboard overlay device. Then, they can put your information on a blank magnetic card or use it to shop online until your account is drained.

You don't have to avoid using your cards to keep your accounts safe. Just keep these tips in mind:

- Before inserting your card, see if the card slot wiggles. If it does, there may be a skimmer on it. Use another terminal, and let your financial institution know.
- Try using the same ATM for all of your transactions. You are more likely to notice if the machine has been tampered with if you are using a familiar one.
- Cover the keypad when you enter your PIN. If a hidden camera is being used, this prevents the camera

from capturing it.

- Always check your account statements for fraudulent activity. If you see any suspicious charges, notify your financial institution immediately.

Looking for more financial advice? San Francisco Federal Credit Union has partnered with BALANCE to provide you with free financial education and counseling. Their certified counselors can answer your questions, review your credit report, and help you create a budget.

For more information, call 1 (888) 456-2227, or visit www.balancepro.net.

Travel Committee Report

By Beverly Pardini and
Marylou Allen

Wed.-Fri., Aug. 31-Sept. 2

The annual “Best of the West” Rib Cook-off is held in Victorian Square in Sparks, Nevada. Included: roundtrip deluxe motor coach transportation, baggage handling, and two nights at the Silver Legacy, with several hours spent in Sparks the second day to enjoy the festivities and delicious BBQ ribs.

Wed. Sept. 14

“Tribute to Frank Sinatra,” celebrat-

ing what would have been his 100th birthday, is this season’s production of the Santa Cruz Follies; lunch prior to the show at the Scotts Valley Hilton.

Tue.-Thur., Oct. 18-20

The Sierra Nevada mountains are ablaze with beautiful fall colors along Highway 50 at this time of year. Two-night stay at the Carson Valley Inn includes cocktail party with Victorian era fashion presentation. Second day four-hour Virginia City visit includes narrated trolley tour; day three includes short visit to the Silver Legacy before

returning to the Bay Area.

Thur., Nov. 3

Visit to the Apple Hill area just above Placerville and the High Hill Ranch. Enjoy a delicious chicken lunch before re-boarding the motor coach for a guided tour of the region; time reserved after the tour for shopping the craft area at High Hill or purchasing apple pies.

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

Membership and Subscriptions

for retired city employees as of July 31, 2015

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

- \$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



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

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Sheila Mullen, Editor
Office: 1 (415) 681-5949
Fax: 1 (415) 681-5398
Office email: reccsf@att.net

Note to members:

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

RECCSF Officers:

Claire Zvanski, President
Mary Anne McGuire-Hickey,
First Vice President
Linda Tabor-Beck,
Second Vice President
Secretary, Bonnie Bompart
George Lau, Treasurer
Leo Martinez, Sergeant-at-Arms

Executive Board Meeting

No Board meeting in July

Tuesday, August 16, 10 a.m.
Taraval Police Station
2345-24th Ave.
All interested parties welcome.

Upcoming General Membership Meeting

Wednesday, July 13

Speakers:

Prudential Deferred Compensation Representative *Joe Collins*
Financial Analyst *Lou Barberini*

No General Membership Meeting in August.

Visit our website:
sfrretirees.org

RECCSF office
email address:
reccsf@att.net

Welcome, New Retirees

