

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

NEWS & VIEWS

A MEMBERSHIP ORGANIZATION WORKING FOR ALL CITY RETIREES

Health Service Committee Report

By Claire Zvanski

The most exciting and controversial item on the agenda was the “rate relativity equalization for Kaiser and Blue Shield early retirees” (pre Medicare age). That sounds innocuous enough, but it’s techno-talk for *cost shifting!* Director Catherine Dodd, Ph.D., RN, presented the history. The HSS Board interrogated Dr. Dodd, and AON Hewitt made a presentation with the actual costs.

Commissioner Breslin exposed a second contract AON Hewitt has with the controller, which she vehemently stated is in direct conflict of interest with HSS. Commissioner Scott took issue with the comment, stating that he is the appointee of the controller.

A very active discussion followed. Commissioners Sass and Lim pointed out the relationships between the rates, and Commissioner Lim summarized the situation by stating that to save the employers \$4 million (at the lowest percentage), the recommendation was to begin to charge early retirees with dependents an additional \$4,000 (one dependent) to \$10,000 (family) per year, with increases for successive years. He was adamant that he could not support such a cost shift under any circumstances. Commissioners Breslin and Ferrigno concurred.

Testimony from more than 20 retirees, many on disability retirement, was very compelling. Commissioner Scott pointed out that the Commission had received 103 emails by 12:30 p.m. on meeting day. A number of motions failed, including a motion to withdraw (Breslin). Ultimately, Commissioner (Supervisor) Farrell’s motion to continue the issue to a call of the chair passed four to three (Breslin, Ferrigno

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Retirement Committee Report

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

March roars in like a lion!

The Fund earned 4.05% in March. All asset classes increased, with U.S. stocks up 7.31%, followed by international stocks at 6.79%.

Protect Our Benefits (POB) Lawsuit: In an unusual attendance, with testimony lasting for nearly three hours, 23 retirees and their relatives spoke to restore the supplemental COLA (cost of living) benefits to pre-1996 retirees, aged 75 to 103 years. Members testified that almost 1,000 have died since POB started the lawsuit. Members emphasized that the Retirement Board has the sole charter-mandated responsibility to pay these COLAs. The court writ of mandate stated that the Retirement Board *may* restore this COLA to pre-1996 retirees. Members implored the Board to calendar and vote in favor of this item at its May 9 meeting. (*Note that the regular Board meeting date on Wednesday, May 11 is being changed to Monday, May 9, 1 p.m.*). During Good of the Order, Commissioner Meiberger requested that the executive director and president calendar an up-or-down vote on granting the COLAs to the pre-1996 retirees at the May meeting.

Deferred Compensation (DC) Fund

- The credited interest rate for the Stable Value Fund is increasing from 1.36% to 1.45%, effective April 1.
- Commissioner Driscoll chaired the DC Committee that met on March 16 to discuss the selection of the Target Date Fund (TDF) manager (currently Russell Investments). DC Plan Manager Diane Chui Justin mentioned that she reviewed Request for Proposals (RFP) for a DC

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May Calendar

Regular Meeting

Wednesday, May 11

**Business meeting & program:
10 00 a.m.**

Irish Cultural Center
45th Ave. & Sloat Blvd.

News & Views

Editorial Committee Meeting

Tuesday, May 17, 9 a.m.

Taraval Police Station

All interested parties welcome.

Executive Board Meeting

Tuesday, May 17, 10 a.m.

Taraval Police Station

All interested parties welcome.

Public Meetings:

Retired Firemen &

Widows Association

Thursday, May 19, 1 p.m.

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

Veteran Police Officers

Tuesday, May 10, 11 a.m.

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

Retirement System

Special Meeting!

Monday, May 9, 1 p.m.

1145 Market St., 6th Floor

Health Service System

Thursday, May 12, 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

Date Change!

Monday, May 23, 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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consultant (currently Angeles Consulting). As of this writing, the DC Committee is scheduled to review the finalists on April 27.

Several members brought up the *Westside Observer* article entitled: “Do SF Employees Receive Equal Protection?” by Lou Barberini, CPA, that questions the current variable annuity structure of the DC plan, and cites the SEC’s (Securities Exchange Commission’s) warning against using life insurance policies in a pension plan.

Commissioner Meiberger questioned the article’s assertion that the DC plan consultant is not a fiduciary, but only required “to act in good faith and in a professional manner.” He asked staff for clarification. Director Huish responded that the consultant is a fiduciary and that there was a number of errors in the article.

Commissioner Meiberger then quoted directly from the contract dated May 10, 2005 affirming Mr. Barberini’s allegation that the consultant is not a fiduciary. Commissioner Meiberger indicated that the consultant should be a fiduciary, which requires a higher level of performance and responsibility. The consultant was not in attendance.

Hedge Fund Update ... Finalists in the Request for Proposal (RFP) Process!

- CIO Bill Coaker recommended Blackstone, Grosvenor, Aksia, Lighthouse Partners and Mesirow Financial as finalists for the Hedge Fund RFP (approved 4-2). RFP panel members commented on their recommendation. When questioned, they admitted that all finalists are actually registered offshore, primarily in the Cayman Islands. This generated a great deal of discussion from commissioners and members.
- Commissioner Makras dissented, citing the unorthodox nature of the five-member RFP panel, as it did not reflect the guidelines directed by the Retirement Board.
- The RFP panelists included: Sean Bill, trustee on the City of San Jose Retirement Board; and Rudy Hobson, from the UC Regents. SFERS staff member David Francl participated, following his hire two months ago. Two members from AON Hewitt were members of the panel (no resumes provided), and one was not on the initial panel. The CIO was originally not a member of the panel. The executive director stated that all panelists volunteered their time pro bono.
- Commissioner Meiberger also dissented, and asked the panelists to provide three reasons to invest in hedge funds. The panel’s consensus was downside protection, low correlations, and better access to the best managers—which can make the most money.

Custody and Securities Lending RFP is Continued.

(Please note the next Retirement Board meeting has been rescheduled to Monday, May 9, 1 p.m.)

Questions? Comments?

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

Health Service Committee Report

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and Lim dissenting)

- **VSP (vision plan)** came in with an incredible rate reduction of 2%, with a rate guarantee through Dec. 31, 2019. If experience/claims are good, there could be rate stabilization through 2021. If not, the rate increase is limited to 2% per year for 2020 and 2021. This benefit cost is included in your premium. The big news is the 2017 move to an enhanced plan called the **Primary EyeCare (PEC) plan**. VSP stated this adds an additional 43 services not currently covered, such as corneal pachymetry and ophthalmic biometry. (Read your open enrollment materials for details.)
- **Dental rates** continue through 2017 without increase.
- A new **second opinion benefit** (Best Doctors) will be added in 2017 for less than \$2 per member per month. Medical records are referred to the expert panels of Best Doctors for review. This does *not* include a visit to a different physician. It was noted that such expert review has resulted in a 37% change in diagnoses.

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

In Memoriam

Bill Blomberg

Retiree, Controller’s Office

Mr. Blomberg, who passed away on Tuesday, April 5, 2016, was the beloved husband of former three-term RECCSF president Sue Blomberg.

Rest In Peace

The following members have recently passed away.

Carmen I. Alvarez	GEN	Olga O. O’Callaghan	DPH
Charles C. Athas	AIR	Arnold Ospina	DPT
Eloyde Granucci	BOE	Viola P. Rusca	GEN
John F. Hyland, Jr.	BOE	Kenneth L. Shelley	BOE
Francis W. Johnson	RET	Noreen M. Tarrant	REC
Mario A. Lapeyrade	DPT	Albert Vidal	BOE

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

President's Message

By Claire Zvanski

How long is too long? It's been more than six months since the court issued the *writ of mandate* granting the supplemental COLA. Two months ago, we enjoyed receiving that COLA and "forever bump" in our monthly stipend. We will have the interest payment by the time this issue reaches you. But, 7,600 of our colleagues did not receive anything; there were 8,600 when the lawsuit started!

We continue to stand in solidarity with POB to fight for the "least of our brethren" who remain disadvantaged and discriminated against—the **pre1996 retirees!** They range in age from 75 to 103. How many more will die before the ERS board takes responsibility and grants them the

supplemental COLA that they deserve? This situation is, indeed, shameful!

As David Williams told the Retirement Board, "**an injury to one is an injury to all.**" Only the Board has authority over the trust, and responsibility to the members. The city attorney represents the City's interest only, *not* the members or the trust. It's time to take the issue out of closed session and vote in open session to grant this benefit to the least paid and most worthy of *all* retirees!

The next Retirement Board meeting will be held on Monday, May 9, at 1 p.m. Please continue emailing Employees' Retirement System board members on this issue; address emails to Commission Secretary Norm Nickens at Norm.Nickens@sfgov.org.



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

Travel Committee Report

By Beverly Pardini and Marylou Allen

Tue.-Thur., May 17-19

High Sierra Trails begins with the first overnight at the Mont Bleu Resort, South Lake Tahoe. The following day, take a self-guided tour of the Dangberg Ranch in Minden, Nevada. Lunch is included at a Basque restaurant in Gardnerville, before checking in for a second overnight at the Carson Valley

Inn, Minden. Before returning home the third day, a stop at the Silver Legacy in Reno.

Tue., July 12

Talented "senior" performers, "The Kut-Ups," celebrate their 44th anniversary with an afternoon of song, dance and music at the Spreckles Center for Performing Arts in Rohnert Park. Lunch before the show at the Olive Garden.

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.

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

April 19 Board Meeting Actions:

- Accepted Treasurer's Report.
- Voted to accept June Luncheon Committee's proposal to confirm Jennifer Azzi, Head Coach, University of San Francisco's Women's Basketball Team, as speaker and installer at June 8 Annual Luncheon.

New Members

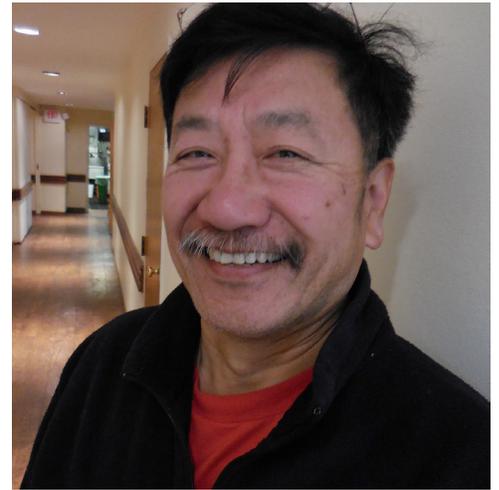
Rene Bura	Real Estate	Gerald Maxwell	DPH
Flavia Gallion	DPH	Conrado D. Mancenido	DPH
Don Gee	MTA	Kathleen Price	PUC

2016/17 New Board Member/ Officer Installation Schedule

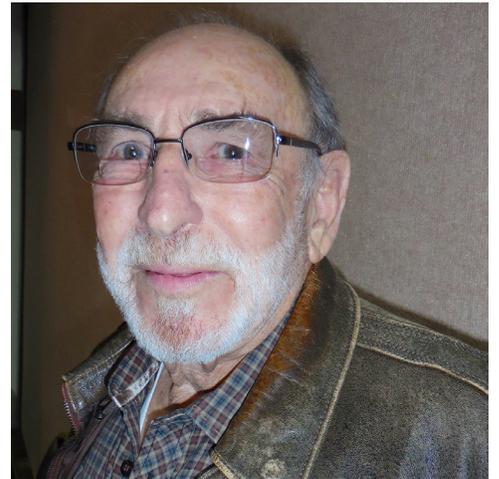
**Voting at the May 11
General Membership Meeting.**

**Installation at June 8 RECCSF
Annual Luncheon.**

April General Membership Meeting



New member Don Gee, SFMTA.



Members welcomed Ray Mason back at a meeting after a long absence.



Eli Calimquim, SFMTA, and Margaret O'Sullivan, Health Service System rep. Margaret was present to kick off the HSS "Colorful Choices" healthy eating program.



Speaker Bill Jeong, Red Cross volunteer, gave members a comprehensive presentation on Disaster Preparedness techniques.



New member Rene Bura, GSA, Real Estate, and his wife, Cynthia.

Annual Luncheon and Installation of Officers

Wednesday, June 8, 2016

United Irish Cultural Center, 45th Avenue and Sloat Blvd. San Francisco
11 a.m. No-host Cocktails ~ 12:15 p.m. Luncheon
Luncheon Tickets: \$30.

Make your reservation at the **May 11** 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.

Reservations and payments must be received by Wednesday, June 1–no exceptions!

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

For your information:

- On luncheon day, *each* attendee (except *reserved tables*) will be given an envelope with the table number on the outside; inside will be an entrée ticket, to be placed on the table for the servers.
- Raffle tickets will be sold at the luncheon for \$1 each, or six for \$5. The number of \$20 *each* cash prizes to be awarded depends on how many tickets sold, with 50% percent of the proceeds going to prizes and 50% to the RECCSF operating fund.

If you have any questions, contact RECCSF Office Manager Reyna Kuuk at reccsf@att.net or (415) 681-5949; include your name and phone number in the message.

Annual Luncheon Reservation Form ~ Please Print!

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

Street Address: _____

City: _____ State: _____ Zip Code: _____

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

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

Entrée choice(s):

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

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

Name/s: _____

Total amount enclosed: \$ _____

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

RECCSF Membership— One Retirement Investment that *Really* Pays Off!

By John Madden

Whenever RECCSF discusses dues, part of the conversation seems to revolve around, “It’s a lot for retirees to pay.” Sure, many of us retired a few years ago and our pensions haven’t kept pace with current salaries, but let’s assume we retired with a 50% pension after about 25 years of service.

While we were working, we paid either union dues or a service fee to the organization that bargained salary and conditions for us.

Following are current salaries and dues for some representative classifications in the 2015/16 fiscal year: The amounts are monthly equivalents, so you can compare them with your monthly gross allowance.

<u>Class & Title</u>	<u>Union</u>	<u>Monthly Pay</u>	<u>Dues</u>	<u>Method</u>
1426 Sr. Clerk Typist	SEIU 1021	\$5,296	\$ 92	1.74% of gross
1652 Accountant	Local 21	\$6,958	\$ 67	0.96% of gross
1844 Sr. Mgt. Assistant	SEIU 1021	\$7,924	\$137	1.74% of gross
2320 Registered Nurse	SEIU 1021	\$10,992	\$191	1.74% of gross
7381 Mechanic	Machinists Local 1414	\$6,967	\$111	flat rate
8308 Deputy Sheriff	Deputy Sheriff’s Assn.	\$7,465	\$126	flat rate
9163 Transit Operator	TWU Local 250A	\$5,473	\$ 58	flat rate
H-2 Firefighter	Firefighters Local 798	\$8,578	\$127	flat rate
All retirees	RECCSF	\$ Any	\$ 4	flat rate

What do employees get for their dues? They get representation for salary, benefits and conditions.

What do retirees get for their dues? They get RECCSF representation monitoring benefits. The difference is that active unions argue with the mayor and the board of supervisors, and retirees have to take their arguments to the voters via charter change.

In retirement, it pays to invest wisely. RECCSF may be your best investment to maintain health and retirement benefits. Take a look at your retirement statement and figure how much you’re saving—at \$4 a month—over the dues/fees you paid as an active employee.

No contest!

Managing Your Checking Account

By Karen Introcaso, Area Manager
San Francisco Federal Credit Union

When you use your debit card or write a check, do you know if you have enough money in your checking account to cover the transaction? Not knowing can cost you. If you write a check for more than your account balance and do not have overdraft privileges, the check will be returned and you can be charged a “nonsufficient funds” fee. If you can overdraw—but do not have overdraft protection—you can be charged an overdraft fee for every transaction you make while you are in the red.

Following a few simple steps can help you avoid these expensive fees:

- *Check your account balance:* If you know your account balance, you will know if you have enough money for a particular transaction. You can check it by calling (415) 775-5377 or visiting SanFranciscoFCU.com. (Don’t forget to subtract from the balance the amount of any automatically paid bills that will be deducted before your next deposit and outstanding checks.)
- *Have a balanced budget:* If you regularly find yourself short on cash and need to overdraw to pay for essentials, look for ways to reduce your spending and/or increase your income. Overdrawing can provide immediate relief, but will probably only create more difficulties next

month, when you are facing the same cash flow shortfall—plus, you’ll have to pay back the amount that you overdraw.

- *Use overdraft protection:* It is best to avoid overdrawn or returned checks completely; but, if you feel that may be difficult, consider enrolling in overdraft protection. It deducts or charges any amount you overdraw from a savings account, credit card, or line of credit linked to your account. At San Francisco Federal Credit Union, this service is free.

Want more advice on money management? We can help you manage and take control of your San Francisco Federal Credit Union accounts. Stop in today to take advantage of our services.

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.

At the regular POB meeting on Monday, April 11, President Larry Barsetti reported that our attorney would be finalizing the class action suit shortly, by filing in federal court on behalf of named and unnamed individuals of various retirement groups (RECCSF, Retired Firefighters and Widows, POB, etc.), entities who are believed to have been wronged by the Retirement Board.

This is a new and unattached suit by the pre-1996 retirees against the Retirement Board, *not* POB vs. CCSF.

We are asking for volunteers, including widows and members of an estate, who want their name, *without cost*, attached to the suit. However, as a class represented, there are a few basic responsibilities and requirements that must be met by volunteers, such as:

- *must* have retired before Nov. 6, 1996;
- will be representing all of the wronged individuals in the suit. (i.e., pre-1996 retirees);
- may be asked by the court or our attorney to provide information and help make decisions;
- as a named individual on the suit, will *not* be responsible for any cost;
- do not have to testify about any part of the case nor be an expert or have any legal knowledge.

On April 13, POB made a strong showing at the Retirement Board meeting, between 40 to 50 retirees representing a cross-section of miscellaneous employees, firefighters, and police officers and their wives/partners. All spoke with zeal, compassion and commitment in support of pre-1996 retirees receiving the supplemental COLA.

We requested that the SFERS May meeting calendar include an item directing the SFERS staff to pay the pre-1996 retirees the 2013/2014 supplemental COLA, as provided in

Charter Section A8.526-3(b). (*The May Retirement Board meeting date has been changed to Monday, May 9, at 1 p.m.*)

Even though the request was called by a trustee, there was more dancing around this request than is going on with "Dancing with the Stars." The trustees went into panic mode: "Should we go into closed session or discuss in open session?" And asking the deputy city attorney, "What do you think?" "What about conflict of interest?" (That's an interesting concept). Now they are worried about lawsuits! They know the pre-1996 retirees will file, but who else—the mayor? The cat is out of the bag! Will the mayor sue SFERS—really? Isn't this some kind of undue influence?

Also, please check out the Health Service System Relativity Proposal for early retirees, which POB has gone on record to oppose.

As you can see, we have more fights ahead of us! Please consider donating to Protect Our Benefits, P.O. Box 320057, San Francisco, CA 94132.

RECCSF Members Running for Board

<i>President</i>	Claire Zvanski
<i>First Vice President</i>	Mary Anne McGuire-Hickey
<i>Second Vice President</i>	Linda Tabor-Beck
<i>Secretary</i>	Bonnie Bompert

Board members

Ning Aguirre	Beverly Pardini
Sharon Johnson	John Tostanoski
John Madden	

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

News & Views

May 2016
Volume 117, Number 5
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RECCSF Officers:

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

Executive Board Meeting

Tuesday, May 17, 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

June Deadline:

☛ Friday, May 13, 5:30 p.m.
Please email your submissions to:
sheilamullen@mac.com.
Letters to the Editor of 50 words or less welcome.
All letters subject to further editing.

Visit our website:

sfretirees.org

RECCSF office

email address:

reccsf@att.net

Welcome, New Retirees

Upcoming General Membership Meetings

Wednesday, May 11

A spring surprise!

Hope to see you there.

Wednesday, June 8

Annual Luncheon and Installation of RECCSF Officers and Board Members

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

Speaker and Installer: Jennifer Azzi, Head Coach
University of San Francisco "Lady Dons" Basketball Team

By reservation only

