

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 Health Service Board meeting was a special educational board forum. President Randy Scott provided an update of the executive director search. Interviews are being scheduled with a discrete group of candidates.

The most stunning news presented at the meeting was that of the passing of former executive director Bart Duncan. Commissioner Karen Breslin read a list of Bart's accomplishments and innovations at HSS. He was fondly remembered.

The board's actuary, AON Hewitt, presented an updated client service plan with a 2018 calendar. Mike Clarke was introduced as the new lead actuary. Commissioner Breslin commented that she expected transparency going forward, as she felt that was not always the case in the past. Mike Clarke responded regarding the commitment of the new service team.

Mike Clarke presented the options for plan costs risk sharing. The City Plan is self-funded by HSS and its trust fund, bearing full liability for all claims. Kaiser is a fully insured plan, which means that Kaiser premiums cover the full liability for claims. Blue Shield is a flex-funded plan that shares claim risk with HSS. There are funding benefits and risks for each option.

Finally, clinical subject matter expert Paige Sipes-Metzler provided an extensive presentation on the opioid crisis. Opioids are medications derived from the opium "poppy plant," such as morphine, codeine and heroin. Fentanyl is a synthetic opioid. Methadone is another synthetic opioid, often prescribed to assist with detoxification

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Retirement Committee Report

By Claire Zvanski and Herb Weiner

The meeting began with a bit of controversy in the consent calendar. The personnel committee recommended the adoption of the 2017 Summary Composite Performance Evaluations of both executive director and actuarial services coordinator as part the consent calendar. That completely sidestepped the full board's review of the evaluations. Commissioner Malia Cohen severed the item and was quickly supported by other commissioners who requested that the item be calendared separately next month.

- CIO Bill Coaker reports that the fund is solid at \$23.4 billion. The year-to-date return remains high at 12.97%, with 4.19% for the fiscal year. SFERS remains in the top 5% in the nation and is within the top 2% for returns. It appears that most investment decisions are being made in anticipation of a market correction or downturn. The September meeting approved a 10% dedicated allocation to private credit. (That's roughly \$2.3 billion to the private credit portfolio.) At the rate of \$700-750 million per year, investment consultant Cambridge estimates it will take approximately five years to reach the full 10%. The other investment consultants are TorreyCove (sic) and NEPC. Senior Portfolio Manager Eunice McHugh is primarily responsible for this portfolio. SFERS is currently recruiting for a security analyst—credit strategies position for this program. Private credit is an attractive alternative to traditional liquid credit, and provides opportunities to contribute to

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December Calendar

Annual Holiday Party

Wednesday, Dec. 13, 10 a.m.
Scottish Rite Masonic Temple
2850-19th Ave. at Sloat Blvd.

News & Views

Editorial Committee Meeting

No meeting in December

Executive Board Meeting

No meeting in December

Public Meetings:

Retired Firemen &

Widows Association

Thursday, Jan. 18, 1 p.m.

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

Veteran Police Officers

Tuesday, Dec. 12, 11 a.m.

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

Retirement System

Wednesday, Dec. 13, 1 p.m.

1145 Market St., 6th Floor

Health Service System

Thursday, Dec. 14, 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, Dec. 18, 12-2 p.m.

Holiday Party

Henry's Hunan

4753 Mission St./at Persia

RSVP: David Williams

1 (415) 939-5149 or

iamdhw@comcast.net.

Retirement Committee Report

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- total plan returns in the current low-yield environment.
- The Absolute Return Portfolio (hedge funds) returned 8.3% (10/16-09/17 & net of all fees), outperforming the hedge fund Research Fund of Funds Composite Index, which was up 6.54%. (But, year to date performance (2017) was 5.78%.)
 - It was announced that the next Investment Committee meeting would be held on Thursday, Nov. 16, 2017, with an ESG (environmental, social & governance) focus. Scheduled presenters are Mr. John Goldstein from Goldman Sachs and Mr. Ophir Bruck, senior U.S. network manager for the United Nations Principles for Responsible Investing (PRI). (Both emphasized engagement—level two—instead of total divestment from fossil fuels. (Engagement allows an opportunity to make change.)
 - The long-term economic assumptions are reviewed annually. The board voted to continue the 7.5% assumption rate.
 - The GASB 67/68 Report was presented. The net pension

- liability of the system, plus its participating employers (Courts, SFUSD, CCD), is \$4.489B at the end of the measurement year.
- Deputy City Attorney Robert Bryan made an educational presentation on fiduciary duties.
 - Commissioner Makras requested a very extensive report on: the progress of the staff's efforts to find an SFERS building to purchase or remodel—including all letters of intent; and, the background and experience on all public funds investing \$3 billion or more in hedge funds.

Questions? Comments?

Contact Claire Zvanski at czvanski@hotmail.com or Herb Weiner h.weiner@sbc.global.net.

Health Service Committee Report

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from opioid addiction. National pharmacies, such as CVS, are developing new restrictions for filling prescriptions, such as only issuing a seven-day supply instead of a 30-day supply. Representatives from each health plan then presented their own opioid safety programs.

City Plan Medicare-eligible retiree and early-retiree members accounted for the highest number of recipients per 1000, with an opioid prescription at 192 and 178 recipients per 1000, respectively. Blue Shield Medicare-eligible retiree members accounted for the second highest number of recipients per 1000, with an opioid prescription at 161 recipients per 1000. Kaiser active members had the lowest number of recipients per 1000, with an opioid prescription at 96 recipients per 1000, and 120 early retirees and 145 Medicare-eligible retirees per 1000, respectively. Recipients with opioid prescriptions account for 11% of the total HSS membership. On average, 2% of prescription costs is for opioids, with City Plan Medicare retirees trending much higher at 5%.

Questions? Comments? Contact Claire Zvanski at czvanski@hotmail.com.

New Members

John Bettencourt	Fire
Teddy A. SIA	(no dept listed)
Deborah Smith	DPH

2018 Health Benefits Confirmation Statements

Beginning in December, members will begin receiving statements that document member health care choices made during the 2017 open enrollment period. Please be sure to review your statement for accuracy as soon as you receive it in the mail.



Holiday Party Donations Needed!

RECCSF is seeking donations for our Dec. 13 annual holiday party raffle. "Cash is king," and *new* donated items are also welcome for the raffle.

If you can help, please leave a message at the office:
reccsf@att.net or 1 (415) 681-5949.

President's Message

By Claire Zvanski

It's time to look forward to 2018. We will all set our own goals for the coming year, including those for RECCSF.

Our membership committee has been working on reaching out to more RECCSF members. We are excited to be finalizing plans for our first out-of-the-city meeting in January. (Members in San Mateo County will be emailed the details). Let us know if you can help us set up meetings in Marin, Contra Costa and Solano/Napa Counties. (We wish speedy recovery for our members in the fire zones.)

We are also working on an updated image with our new logo—the silhouette of the San Francisco cityscape that will replace the city seal, in order to end the confusion suggesting that we may be a city agency. We remain your official representative and bargaining agent with the city, *but are not a city agency*.

We are also looking forward to an appellate court opinion supporting the authority of the Retirement Board to grant the supplemental COLA to pre-1996 retirees.

I'd like to extend many thanks to

my colleagues on the RECCSF board for donating their time, efforts, support, and dedication to RECCSF issues, activities, and members.

And I'm sending a very special "thank you" to our members, who continue to generously provide RECCSF additional financial support. Your membership and support keeps us strong and relevant.

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



In Memoriam James Barton Duncan 1958 – 2017

Bart Duncan became a most innovative executive director of the Health Service System when he was lured away from the city attorney's office. He grew up in Springville, Utah, the oldest of five children. He had a brilliant mind, an irresistible smile, and a keen sense of humor. He was an accomplished pianist, master of the English language, fluent in German, and a volunteer with the SPCA and the Institute on Aging. He graduated with high honors from Springville High School, summa cum laude from Brigham Young University, and with honors from the University of Chicago Law School, as a member of the Law Review and Order of the Coif. Prior to working for the city attorney, Bart was heavily recruited by, and worked for, Pillsbury, Madison & Sutro in San Francisco. He passed away after a courageous, two-year battle with cancer.

He is survived by his partner of 27 years, Scott Tyler, his father, four siblings, many nieces and nephews, and his cat, Pierre.

Rest In Peace

Names are currently unavailable, and will be listed in the January *News & Views*.

Bequests

RECCSF is grateful to any members who remember our organization in their estate planning.

Useful Phone Numbers

RECCSF Office

Email: reccsf@att.net

Web site: sfretirees.org

Phone Number:

1 (415) 681-5949

Health Service System

Web site: myhss.org

Phone Numbers:

1 (415) 554-1750

1 (800) 541-2266

S.F. Retirement System

Web site: sfgov.org/sfers

Phone Numbers:

1 (415) 487-7000

1 (888) 849-0777



Looking for something meaningful To do for a few hours each month?

Be a Zoo Docent!

On Sunday, Jan. 21, 2018, from 10 a.m. to noon, you are invited to the annual new docent orientation at the San Francisco Zoo. You will learn about our volunteer program, enjoy a brief zoo tour, see an interpretive demonstration, and munch on some light refreshments. The 2018 docent training class begins on Feb. 4, 2018. For additional information, contact Sandy Shure at 1 (415) 664-1133. Space at the orientation is limited, so please RSVP to docent@sfzoo.org.

Travel Committee Report

By Beverly Pardini and Marylou Allen

Tue., Dec. 5

The first stop today is Stewart and Jasper Almond Store in Newman, that features the finest collection of natural and in-shell almonds, walnuts, pistachios, dried fruits and preserves, and much more; afterward, an included lunch at the Hilmar Cheese Factory, one of the largest in the world. Duarte's Poinsettia Nursery in Hughson, where they grow over 30,000 poinsettias in 30 different colors, is the last stop on this trip. Poinsettias start at \$9; checks or cash only.

Mon.-Wed., Dec. 18-20

Enjoy the festive holiday lights—and possible snow—in Reno. Package includes two nights at the Silver Legacy, roundtrip deluxe motorcoach, baggage handling, and cocktail party. The second day includes an optional four-hour stop at the Nugget, with a casino bonus

and food credit. The third day, after leaving Reno, includes a four-hour stop at Boomtown, with a casino bonus.

Thur., Feb. 15

After leaving the San Francisco boarding locations, we will board the S.M.A.R.T. train in San Rafael. Enjoy this newest state-of-the-art transportation on the 1-1/2 hour ride throughout northern Marin into Sonoma County. Depart the train at the Sonoma County airport to meet our motorcoach that will take us to Windsor Town Square. Here, you can browse and shop at the various establishments, as well as have lunch on your own. Should the weather be uncooperative, we will stop at the indoor Coddington Mall. If you have a Clipper card, please let me know when making your reservation.

Info: Marylou at 1 (707) 567-3193 or mrylallen@yahoo.com.

November 21 Board Meeting Results

- Accepted Treasurer's Report
- Approved scheduling Jan. 24 membership meeting at a South Bay location.
- Continue with Michael Lyons as webmaster throughout 2018.
- First reading of proposed by-laws change approved by the board: Constitution, Article 11.D: "Past presidents may continue to be voting members of the Executive Board."



Annual Firefighter Toy Program

If you can, please bring *new* unwrapped toys to the Dec. 13 holiday party, to help disadvantaged kids have a happy holiday.

(Checks payable to SFFD Toy Program are also gratefully accepted.)

If you are unable to attend, please feel free to drop off your donation at any San Francisco Fire Station.

Protect Our Benefits

By Skip McKinney

Protect Our Benefits is an organization whose goals are to enhance the dignity and quality of life of all San Francisco city and county retiree,s and preserve their health and retirement benefits. The opinions are those of the writer.

SFERS v. CCSF (pre-1996 retirees)

July 28, 2017: SFERS filed their opening brief.

Nov. 2, 2017: CCSF filed their respondent's brief.

Nov. 7, 2017: SFERS requested and received the city's stipulation to extend the due date for SFERS.

Reply brief due by 60 days to Jan. 22, 2018.

POB is allowed to file an amicus brief (friend of the court) within 14 days of the SFERS reply brief. That will occur sometime in January, 2018. The case goes on...

I know this can be quite frustrating and aggravating, but rest assured that POB continues to fight **for** your rights and **against** the city's attempt to "divide and conquer."

Health Service System

HSS is still looking for a new director. An interesting topic came up at the last HSS meeting. Today, Americans consume more opioids than any other country. One report states that 80% of world opioid use is here in the United States. Fortunately, health plans are working to control this, and our active and retiree use of opioids is lower than the national average. One problem is easy access to crossing state lines. Interesting fact: 75% of medical insurance (premiums)

Bylaws Change!

Active employees within five years of retirement are eligible to join RECCSF.

goes to pharmacies. It will take time to reverse the opioid epidemic; but, with the help of policy makers and the medical community, we can—and will—succeed.

SFERS Retirement Board

As of Oct. 31, 2017, the dollar value of SFERS is \$23,453,960,000, which equates to an increase of 12.97% YTD and 4.19%.

SFERS has been rated as the number one public pension fund in the United States. But, it goes without saying it does have its issues, transparency, privacy issues, hedge funds, and fossil fuels. You're always going to have comment on these issues, and others. The one thing to remember is that the commissioners have a fiduciary responsible to the members of the pension system.

POB reorganization

We are putting the final touches on the reorganization. ***We are no longer a political action group. We have been incorporated. We will be known as POB, Inc. and POB Trust.*** The IRS has approved the POB Trust status and our next step is to apply to the state franchise tax board for status.

New P.O Box number

As part of the reorganization process, please note that we have a new P.O. Box number: P.O. Box 210250, San Francisco, CA 94121-0250. Your contributions are not tax deductible, but most appreciated. Please mail them to our new P.O. box number, and stay informed at protectourbenefits.org or Facebook.

Final Thought

As the holiday season approaches, and the new year is just around the corner, let's hope and pray that next year will be better for all our retirees. POB wishes you and yours a merry Christmas and a happy new year!

Remember: "United we stand, divided we fall."

Membership and Subscriptions

for retired city employees as of July 31, 2015

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

Active city employees within five years of retirement are eligible to join RECCSF.

- \$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

Avoiding a Financial Holiday Crisis

By your friends at San Francisco
Federal Credit Union

It is easy to hand the store clerk your credit card when doing your holiday shopping because it is probably done in the spirit of being generous. However, when the holiday bills start rolling in, it is not the sweet spirit of generosity

that hits you, but rather the bitterness of buyer's remorse that can overwhelm you.

- **Make a list.** Decide before you head for the mall exactly who you plan on buying gifts for, and set a budget for each person on your list. Check it twice.
- **Total up the amount that you plan to spend on all holiday gifts.** You will get a better picture of how this will affect your total budget. Perhaps there are ways to reduce your list or cut back on expenses.
- **Understand the Cost of Debt.** For example, if you plan on charging \$1500 this holiday season and your credit card charges a 14% interest rate and requires that 3% of the

balance be repaid monthly, you will find that it takes you three years and seven months to pay off this credit card, and will eventually pay \$410 in interest!

- **Smart Shopping.** In addition to arming yourself with a list and a budget, you can also choose to shop with cash or debit cards (which will eliminate the dreaded credit card bills later). Studies show that folks spend less when using cash versus credit.

Understanding the cost of debt may influence you to use cash for most—or all—of your holiday purchases. The joy of the season does not need to lead to a fiscal headache in the New Year.

Happy Holidays!



Contact information for Retirement Board Commissioner Al Casciato

Members are invited to contact Commissioner Al Casciato with any retirement questions at al.casciato.sfers@sfgov.org.

All questions will be handled in a confidential manner, and referred to staff—if necessary. Remember: When in doubt, *ask!*

RECCSF Officers

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

Board Members

Bonnie Bompert
Carol Cochran
Thomas Dang
Steve Green
Adlai "A.J." Jew
Sharon Johnson
George K. Lau

Stephanie M. Lyons
John Madden
Leo Martinez
Raymond Mason
Jerry Maxwell
Mary Anne McGuire-Hickey
Sheila Mullen

Tim O'Brien
Beverly Pardini
Linda Tabor-Beck
John "Skee" Tostanoski
David Williams



Board members Jerry Maxwell and Bonnie Bompart displaying new RECCSF banner.

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reccsf@att.net or
1 (415) 681-5949.



I want to know!

Join

RECCSF

Retired Employees of the City and County of
San Francisco



We need member photos and notes!

Since our general membership meetings are now scheduled bi-monthly, our editor will welcome notes from and personal photos of our members—at work or play—to be published in *News & Views* in non-meeting months.

For photos, include captions with member name and activity description, and email to sheilamullen@mac.com. For notes, we are especially interested in hearing from members located outside the Bay Area, California, or United States.

Items suitable for publication will be printed as space allows.

Editor's Note:

We urge more submissions from our members—both letters to the editor and articles—that reflect the varying opinions of *all* our members on issues of interest to all city retirees. Submissions are printed on a space-available basis and subject to being edited for grammar, length, and appropriate language; but *never* rejected for opinion.

News & Views

December 2017
Volume 118, Number 11
Sheila Mullen, Editor
Office: 1 (415) 681-5949
Office email: reccsf@att.net

*No Executive Board or
Editorial Committee meetings
being held in December.*

Note to members:

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

News & Views

January Deadline:

☛ Friday, Dec. 15, 5:30 p.m.
Please email your submissions to:
sheilamullen@mac.com.

Letters to the editor and opinion pieces are welcome.
All submissions subject to further editing.

Visit our website:

sfretirees.org
RECCSF office
email:
reccsf@att.net

3915 Irving St.,
San Francisco, CA 94122



Annual RECCSF Holiday Party

Wednesday, December 13, 10 a.m.

Mark Your calendar now!

New meeting location!

Scottish Rite Masonic Temple, 2850-19th Ave., at Sloat Blvd.

(Parking available in lower level garage.)