

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 **Rates and Benefits** process is the most important process of the Health Service System and its board. Determining rates for 2019, when plan year 2018 is barely started, is very challenging. In the past, HSS relied on the HMOs to provide their own risk analyses but had no way to verify the data. These days, HSS does its own **risk analysis** so it can better determine if the proposed rates are justified. It measures the current illness burden of the population and includes chronic and acute conditions for individuals. Blue Shield was the only plan that experienced an increase in risk scores and this was primarily driven by active members; **not** the early retirees!
- **VSP** (Vision Service Plan) presented its renewal. Two new benefits were added on July 1, 2018. All standard **progressive lenses** will be covered in full, and Ethos, a new digital progressive lens in the standard category that leverages new technology for better precision and a faster adjustment period, will be included in coverage. Rates are stabilized at the 2016 level. The rates for the **Premier Plan** (voluntary upgrade) will be reduced by \$1.50 per subscriber per month.
- **Best Doctors** presented its annual report. Commissioner Stephen Follansbee, M.D., has been directly communicating with its medical director, Dr. David Harrison, who attended the meeting. Most referrals have been UHC members. Blue Shield members can now access Teladoc through Best Doctors to access expert second opinions. Many HSS members have used Best Doctors to

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Retirement Committee Report

By Claire Zvanski and Herb Weiner

- During public comment, Herb Weiner and I thanked **Commissioner Victor Makras** for his service, and complimented him on his dedication and consideration of the members of the system. Curiously, neither board members nor staff also commented. Commissioner Makras was not in attendance.
 - Staff and Goldman Sachs provided a progress report on the six strategies listed to address **climate risk**, as defined during the Jan. 24 meeting:
 - adopt a carbon constrained strategy;
 - hire a director of ESG Investing;
 - partner with key institutions on carbon reduction initiatives;
 - increase engagement activity;
 - pursue renewable energy and carbon-constrained investments; and
 - design an approach to “identify the riskiest/dirtiest fossil fuel assets, and begin a prudently phased divestment as soon as possible, replacing them with better performing, clean assets.”
- \$500 M of passive public equities were transitioned to GSAM’s Risk-Aware Low Emission strategy, reducing emissions by 50% compared to the Russell 1000 and the initial portfolio. Staff recommends transitioning up to \$500M from passive equities to Generations’ Global Equity Strategy, which is 70-80% less carbon intensive than the MSCI World benchmark.

An offer was made for the director of ESG investing, and an April start date is anticipated if the candidate passes the background check.

SFERS partnered with CalPERS, CalSTRS, Climate Action 100+, PRI

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May Calendar

Annual Luncheon and Installation

Wednesday, June 13

No-host refreshments 11 a.m.

Luncheon 12:15 p.m.

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

News & Views

Editorial Committee Meeting

Friday, May 18, 10 a.m.

RECCSF office

3915 Irving St., San Francisco

All interested parties welcome.

Executive Board Meeting

Tuesday, May 15, 10 a.m.

Taraval Police Station

All interested parties welcome.

Public Meetings:

Retired Firefighters &

Spouses Association

Thursday, May 17, 1 p.m.

Irish Cultural Center,

45th Ave. & Sloat Blvd.

Veteran Police Officers

Tuesday, May 8, 11 a.m.

San Francisco Scottish Rite

Masonic Center,

2850-19th Ave. & Sloat Blvd.

Retirement System

Wednesday, May 9, 1 p.m.

1145 Market St., 6th Floor

Health Service System

Thursday, May 10, 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, May 21, 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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(Principles for Responsible Investment), the State of New York, and Ceres on carbon reduction initiatives.

Proxy voting is ongoing, with eight already voted at annual meetings.

Staff further recommends investments of up to \$500M with two additional public equity managers, with no exposure to the Carbon Underground 200 (an annually updated listing of the top 100 public coal companies globally and the top 100 public oil and gas companies globally, ranked by the potential carbon emissions content of their reported reserves. The list is produced and maintained by Fossil Free Indexes, LLC).

- **Generation Investment Management** was hired to manage a global public equity portfolio for up to **\$500 million**. It was founded in 2004 by former Vice President Al Gore and several seasoned investment professionals. The strategy focuses on integrating sustainability research with traditional financial analysis.
- CIO Bill Coaker reported that the fund is returning **8.87%** for the fiscal year, as of March 31. The fund is at **\$23.7B**, down from \$24.6 (Jan. 31, 2018). He stated that, despite the recent decline, public equity returns in the first nine months of FY 2018 have been strong, with our U.S. and international equity portfolios returning 12.14% and 10.70%, respectively, and our global equity portfolio gaining 14.07%. The absolute return portfolio is at 7.18% annualized (net of all fees) compared to the Hedge Fund Research Fund of Funds Composite Index, which was up

6.90%. There are open recruitments for a senior portfolio manager for private equity, a security analyst in private debt, and a search for a director of socially responsible investing. The Investment Committee meeting for March 21 was cancelled, due to a lack of a quorum. It was re-scheduled for April 18—also, no quorum—to include an overview of the SFERS strategic plan, the strategic asset allocation, and asset class presentations for absolute return, private debt, and public equity. The May 16 meeting will include asset class presentations on private equity, venture capital, real assets, treasuries and liquid credit, innovative solutions, risk management, and a summary of the entire strategic plan. Commissioner Malia Cohen vehemently suggested that, with all the investment activity, a project be developed for a summer graduate student intern.

- Prudential Retirement's contract with the San Francisco Deferred Compensation Plan expires Jan. 31, 2019, so an RFP (request for proposal) is being issued. The contract provides plan recordkeeping, participant services, and communications.
- The SFERS annual report was approved without presentation, due to the lateness of the hour. It was announced that commissioners will receive iPads instead of the large, paper-intense board packets, and that training will be available for them. Lastly, it was stated that **Assessor Carmen Chu** has been appointed to replace Commissioner Victor Makras.

Questions? Comments?

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

For Your Calendar:

Save the date!

*2018 RECCSF Annual Luncheon &
New Board Member/Officer Installation
Ceremony*

Wednesday, June 13, 2018

No-Host Cocktails - 11 a.m.

Luncheon - 12:15 p.m.

United Irish Cultural Center

45th Ave. & Sloat Blvd., San Francisco

Health Service Committee Report

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find treating physicians. You can acquire an eSummary of your medical records through Best Doctors, also. This is a multifaceted service. The current rate of \$1.40 per member per month is anticipated to be reduced.

- The most time was spent on the **City Plan** and its viability for **early retirees**. Early retirees are those who are not yet 65, and not in Medicare. Typically, the board has subsidized the City Plan over the years to keep it affordable for both actives and retirees. Rebates through the Affordable Care Act provided substantial funds in recent years. The charter mandates the plan and there are many members who live in geographies where only City Plan is offered. Depending on the proposals brought to the May meeting, it is anticipated that there may be a special May 31 meeting on this issue. All rates must be submitted to the Board of Supervisors for the budget process by June 19.

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

President's Message

By Claire Zvanski

It's very disconcerting to always report pending "doom and gloom." I want to report something wonderful for a change! Most of us received the 1.5% supplemental COLA at the end of February. While we're hardly keeping up with inflation, the COLAs are making a difference in our quality of life and ability to stay in our homes and communities. Take a good look at your advice slip to know how different your life would be if you only received your original retirement stipend. Consider our pre-Nov. 6, 1996 colleagues and their ongoing struggle for parity.

Recently, there have been spates of pension attack articles in both the *San Francisco Examiner* and the *San Francisco Chronicle*. It's another obvious attempt to vilify public employees and destroy our pension system. The courts call our pensions delayed wages. We work and pay into our system in anticipation of receiving those wages back after we retire. Everyone could have the same benefits if they demanded it of

their employers.

Alarmists are screaming that we are breaking the bank! There's a \$10 billion unfunded liability. There's no consideration of Proposition B, which mandates that active employees pick up a greater share of the employer's pension obligation (no other benefit improvements in exchange) with the reduction in the employer's obligation. There's no consideration that the \$10 billion is amortized over 30 years. There's no consideration that 30 years ago, if we knew today's pension obligation, we might have panicked. It can't and won't bankrupt the city. Our pension system met its full obligation during the Great Depression. All of these articles are alarmist and lacking in facts. Our pension system is one of the most stable and successful in the nation.

Sadly, we must continue to fight to keep the benefits for which we worked and contributed. We must also continue to fight to keep our health benefits. Again, we all pay for our health benefits. We have trust fund



boards to protect the financial assets that sustain our benefits. We contribute to those trust funds and they belong to us. They are not public entities or assets. All assets and liabilities of trust funds belong to the members of the trust funds. That's us! Get ready for a fight!

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

Volunteers needed to help make our RECCSF Annual June 13 luncheon a continuing success!

For many years, RECCSF's core June Luncheon Committee has made our Annual June luncheon a stunning success. This year, we need additional volunteers to join our existing committee.

(At this point we are assigning various production tasks.)

If you can help, please contact Committee Chair Mary-Anne McGuire Hickey at 1 (415) 467-6862 or mcguire-hickey@sbcglobal.net.

This is a fun project, and a great way for our newer members to get to know other RECCSF members.

We hope to hear from you soon!

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

April 17 Board Meeting Results

- A motion passed with no objections to respond in op eds to *San Francisco Examiner* and *San Francisco Chronicle* articles about San Francisco city employee pensions, and that a committee be formed to write the response.

HSS Dependent Audit

Did you receive a letter from the Dependent Verification Center, PO Box 1506, Lincolnshire, IL 60069-1415? This is a *legitimate* request contracted by the Health Service System, *not* a hoax!

Periodically, HSS audits our membership to make certain all dependents comply with the membership rules of the system. This helps to keep the cost of insuring dependents affordable.

**Please make sure that you
respond to this request.**

For further information, you may contact HSS at 1 (415) 558-1750, or at SFHSS.org or myhss.org.

Bequests

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

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!*

2018/19 Slate of RECCSF Officers and Board Members Elected at April 11 General Membership Meeting

**Installation to be conducted at
June 13 Annual Luncheon**

Officers

President: Claire Zvanski (*incumbent*)

First Vice President: Mary Anne McGuire Hickey (*incumbent*)

Second Vice President: John “Skee” Tostanoski

Board Members

Linda Tabor-Beck (*incumbent*)

Sharon Johnson (*incumbent*)

Beverly Pardini (*incumbent*)

David Williams

Rich Bridyham (*one year, unexpired term*)

North Bay RECCSF Meeting Scheduled in May!

Who: This outreach meeting is for our North Bay members, and their retired friends who are potential members.

When:

Tuesday, May 22, from 10 a.m. to 12 noon

We have reserved a separate room for our meeting and “no-host” breakfast.

Coffee and Tea provided by RECCSF.

**Where: IHOP, Vintage Shopping Center,
144 Vintage Way, Novato, California**

Why: RECCSF has been asked by some of our members to have a meeting easier for them to attend in their own communities.

For more information about this meeting, please contact Skee Tostanoski at 1 (415) 699-1050 or: sfskee@sbcglobal.net.

A head count is required.

If attending, please RSVP to Skee by Sunday, May 20.

Annual Luncheon and Installation of Officers

Wednesday, June 13, 2018

United Irish Cultural Center, 45th Avenue and Sloat Blvd. San Francisco

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

Luncheon Tickets: \$35.

Make your reservation at the **April 11** General Membership Meeting 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 6** — 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:

- 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 at reccsf@att.net or 1 (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:

Beef Pot Roast with Mashed Potatoes

Parmesan Crusted Sole with Rice

Cheese Ravioli

Entrée choice(s) _____

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.

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 retirees and preserve their health and retirement benefits. The opinions are those of the writer.

SFERS v. CCSF (pre-1996)

Update: On March 1, 2018 our amicus brief in support of SFERS was officially filed with the court of appeal. The following city unions and retiree organizations were signees to our brief: SEIU, Local 1021; Retired Employees, International Federation of Professional and Technical Engineers, Local 21; San Francisco Veterans Police Officers Assoc., Inc. (VPOA); Retired Firefighters and Spouses Association of the San Francisco Fire Department; and San Francisco Firefighters, Local 798.

As per the order of the court, any answer to our brief was to be filed no later than 21 days after our filing. Sure enough, the City and County of San Francisco filed a response to our brief on March 22, using the very same arguments and interpretations as before.

Next up is for the court to set a hearing date where the court will listen to oral arguments. We will keep you updated.

Health Service System

On March 12, POB members Fred Sanchez, Sharon Johnson and Grady Allison met with newly appointed Executive Director of San Francisco Health Service System Abby Yant. Ms. Yant has over 30 years of health care and leadership experience, including 17 years at Saint Francis Memorial Hospital in San Francisco. Several of our members have worked with Ms. Yant in the past, and all feel she is highly qualified and will be very receptive to the wellbeing of our retirees. POB looks forward to working with her in the future.

HSS will be conducting an audit of all members to identify how many participants are in the plan. Some members are not listed, and some members may not qualify for benefits.

I noticed that there is a lot of programs offered for your best physical and mental health through HSS. Look into them: Remember: *You are your best advocate!*

SFERS Retirement Board

Despite a recent economic decline, the fund is doing very well. For the first nine months of FY/2018, SFERS investments have gained 8.87%. The plan assets total \$23.7 billion. I think this confirms that our Retirement Board commissioners have invested wisely and competently. The Board is also dealing with the fossil fuel issue, and we expect a report soon on the dirtiest and lowest performing funds.

Final Thoughts

If you've read any recent newspaper or online pension fund articles, you may have noticed writers putting out a "spin" that retirees are the cause of all the ills in society, and are "bankrupting" our cities. Within the next few weeks, POB will be submitting informational articles that clearly refute this "fake news," and circulate our true pension fund status to retirees, local politicians, the press, and all other interested parties.

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

Know Where Your Money Goes

From Your Friends at San Francisco Federal Credit Union

If cash seems to disappear from your wallet, now's the time to find out where it's going! Becoming keenly aware of cash flow will help you reduce budgetary waste—and leave more money in your pocket for truly important goals and expenses. There is a number of good methods you can use to track spending:

Carry a small notebook (or use your smart phone) to record the details of each purchase you make. At the end of the day, total what you've spent. You'll

soon have a good idea of where those \$40 ATM withdrawals really go.

Keep receipts from each of your purchases and tally them up daily. It won't be absolutely precise if you shop at places that don't give a receipt (such as a soda machine), but it will be close enough to be revealing.

Use a debit card for all, or most, of your shopping. Every purchase and cash withdrawal will be noted on your statement. Review it regularly.

Use expense-tracking software. After monitoring your spending for at least a few weeks, enter the information into a long-term expense tracking system. After a few months of doing so,

you'll have an accurate picture of where your cash is going.

Only after you know your current spending habits can you make realistic financial decisions to better your future. Need more help tracking? As a benefit of belonging to San Francisco Federal Credit Union, you have access to personal financial counseling at no charge through BALANCE. A counselor can review your budget in detail, and provide suggestions on how you can make the most of every incoming dollar. Call BALANCE at 1 (888) 456-2227, or visit <http://www.balancepro.net>.

April General Membership Meeting



Members stand for the Pledge of Allegiance at the beginning of the meeting.



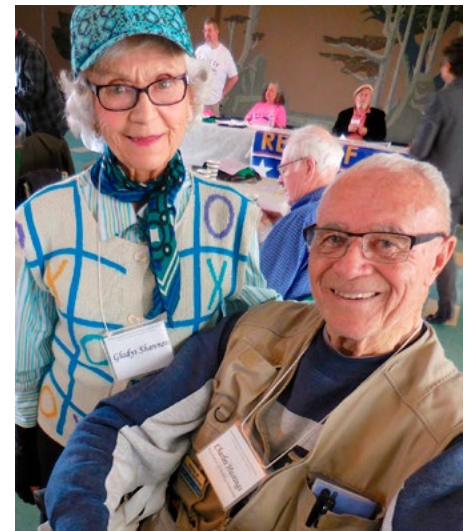
Prudential representative Lenora Jenkins explaining some deferred compensation investment fine points to Tim O'Brien, Fire.



RECCSF 2nd Vice President-elect "Skee" Tostanoski and spouse Andrita sporting their new RECCSF T-shirts.



Carol Cochran (sitting) and Carole Bell, both San Francisco Unified School District, reuniting at the meeting.



Gladys Shannon, Police spouse, and Charles Hastings, Bldg. Inspection.



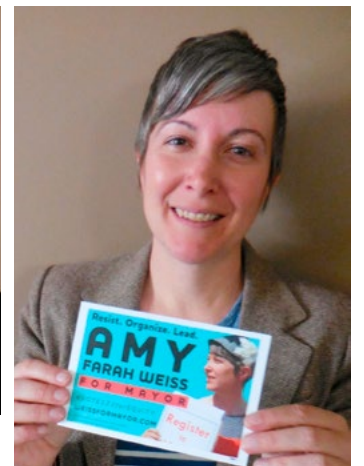
Former San Francisco Board of Supervisors member and mayoral candidate Angela Alioto made an impressive presentation to the membership.



Debra Walker, Vice-President, Bldg. Inspection Commission, was on hand to outline the accomplishments of mayoral candidate London Breed.



Former San Francisco Mayor Art Agnos extolled former California state senator and current mayoral candidate Mark Leno's long service to The City.



Mayoral candidate Amy Weiss gave a spirited presentation on her mayoral goals.

Bylaws Change!

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

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	Raymond Mason
Carol Cochran	Jerry Maxwell
Thomas Dang	Mary Anne McGuire-Hickey
Adlai "A.J." Jew	Sheila Mullen
Sharon Johnson	Tim O'Brien
George K. Lau	Beverly Pardini
Stephanie M. Lyons	Linda Tabor-Beck
John Madden	John "Skee" Tostanoski
Leo Martinez	David Williams

Historian Gary Holloway, June Luncheon Guest Speaker

Mr. Holloway—who has previously spoken at our regular general membership meetings—will be speaking about San Francisco's history, from its earliest days to the present.

His special focus will be on mayors of the past, a subject that will hopefully include tales of scandal, corruption, leadership, and loss.

If you have not already done so, please fill out and submit your June 13 luncheon reservation form on Page 5 now!

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



I want to know!

Join

RECCSF

Retired Employees of the City and County of
San Francisco



In Memoriam
Bernard “Barney” Michael Crotty

October 19, 1923–March 30, 2018

“Barney” Crotty served almost 30 years as Superintendent of Public Works for the City & County of San Francisco.

He also spent many years as CEO of the San Francisco Federal Credit Union, and continued contributing as a board member until he was 90 years of age.

Also, he served as a past president of RECCSF, and was also active in the organization in various other capacities.

Barney worked hard to help ensure that city retirees retain the health care and other benefits that we deserve, and was a gentleman well respected for his kindness, fairness, and friendliness.

RECCSF sends our sincere condolences to his family. He will always be remembered in our thoughts and prayers.

News & Views

May 2018
Volume 119, Number 5
Sheila Mullen, Editor
Office: 1 (415) 681-5949
Office email: reccsf@att.net

Executive Board Meeting

Tuesday, May 15,
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 11, 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 Luncheon and Installation of RECCSF Officers and Board Members

Wednesday, June 13, 2018

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

By reservation only – Deadline: Wednesday, June 6.

See reservation form on Page 5.

Speaker: Gary Holloway

Theme: San Francisco History

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