

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 for plan year 2020 is beginning. It seems almost impossible, since the 2019 plan year has just begun. Rates must be presented to and approved by the board of supervisors in the budget, so the process must begin. The calendar was presented. The February meeting will review the City Plan.

The City's budget process has begun with specific mayoral guidelines. While local tax revenues are projected to increase in the short term, the controller says expenditures outpace the revenue growth. Increases in employee costs (pension being the biggest factor) is the primary cause, along with set asides and required contributions to existing "entitlement" services. *(Please note that "entitlement" is the legal legislative term used for Social Security, Medicare, etc. We all know these are not "entitlements" as we understand the word, and most of us resent the use of the term.)*

The city is also preparing for negotiations with all of the unions representing miscellaneous employees. The instructions require a 2% decrease for each FY2020-21 and FY 2021-2022, plus additional contingency savings of 1% each year. No new positions will be approved, and each department must have clearly defined goals for programs that include measuring and reporting outcomes.

The HSS Strategic Plan was presented in December. Departments are encouraged to seek community engagement, and to consider long-term savings and cost avoidance initiatives. While the mayor's first priority seems to be, "build more housing," there is no mention of housing for city employees.

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## Retirement Committee Report

By Claire Zvanski

- The value of the fund remains at \$24 billion. It's been a rocky fiscal year so far, but the investment strategies that the board adopted this year seem to be serving us well. The board has been moving investments out of public equities into private equities, with solid results. Public equity lost 10.1%, while private equity gained 10.4%. For the 2018-19 fiscal year, the fund is at -0.96%. The S&P 500 fell 6.65% in the same period. I can't complete this section without reporting that hedge funds finished at -1.6% (gross of fees).
- In my opinion, it would take a market miracle to reach the 7.4% rate of return by June 30 to trigger another supplemental COLA. There are many factors at play, and CIO Bill Coaker notes that the state of trade, politics, consumer sentiment, job growth, economic growth, interest rates, and inflation are important factors in shaping future returns. He states that one of the largest concerns is the potential for a debt crisis that could develop during the next recession. The U.S. federal government is expected to soon start running \$1 trillion deficits annually.
- Political differences at home and negotiations with China will take center stage in early 2019, according to Coaker. He states that, in early December, President Trump and President Xi Jinping reached an agreement to temporarily cease U.S.-China trade escalations, but the agreement did not soothe investors, and the market sentiment turned ugly, with the selloff intensifying through the end of December.

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## February Calendar

### Regular Meeting

Wednesday, Feb. 13

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

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

### News & Views

#### Editorial Committee Meeting

Tuesday, Feb. 19, 9 a.m.

Taraval Police Station  
All interested parties welcome.

#### Executive Board Meeting

Tuesday, Feb. 19, 10 a.m.

Taraval Police Station  
All interested parties welcome.

### Public Meetings:

#### Retired Firefighters & Spouses Association

Thursday, March 21

*Time and place to be determined.*

#### Veteran Police Officers

Tuesday, Feb. 12, 11 a.m.

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

#### Retirement System

Wednesday, Feb. 13, 1 p.m.

1145 Market St., 6th Floor

#### Health Service System

Thursday, Feb. 14, 1 p.m.

City Hall, Room 416

#### UESF Retired Division

For time/location, contact:

Rudi Faltus 1 (415) 956-8373  
[uesfrd01@gmail.com](mailto:uesfrd01@gmail.com)

#### SEIU 1021 West Bay

#### Retirees Chapter

Monday, Feb. 25, 12-2 p.m.

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

Contact: David Williams

1 (415) 939-5149 or

[iamdhw@comcast.net](mailto:iamdhw@comcast.net)

# Health Service Committee Report

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CFO Pamela Levin has been successful in previous negotiations with the mayor's office, so everyone is hopeful that she will be able to remind the mayor's office that HSS saves the city many health benefit millions annually through the rates and benefits negotiations, (So, HSS deserves some consideration with regard to its tight general fund budget.)

The **Dependent Eligibility Verification Audit** has been completed. This is required every three years, because there are legal considerations involved. The city subsidizes our

health care costs, and has specific guidelines as to who is eligible for that subsidy. This audit saved about \$2.8 million in premium and claims costs, and 800 individuals were dropped.

A board election was announced. Board president Karen Breslin and Commissioner Sharon Ferrigno are up for re-election. It is anticipated that they will both continue, and seek re-election.

Questions? Comments? Contact Claire Zvanski at [czvanski@hotmail.com](mailto:czvanski@hotmail.com).

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# Retirement Committee Report

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- The meeting focused mostly on the highly controversial decision to recommend a **new third party administrator** for the **Deferred Compensation Plan**. (The purchaser advises that long-term contracts go through an RFP process every five years.) This item was scheduled in September, but has been postponed each month since then. The Public Employees' Committee (PEC) of the S.F. Labor Council, along with the POA and Firefighters Local 798, requested a "meet and confer" over this RFP and selection process. Jay Huish attended a PEC meeting and explained the process. The SFERS board was advised that it had the authority to issue an RFP and decision for the DCP administrative services. It has never participated in "meet and confer" sessions over the choice for this—or any—vendor/contractor for services, because such decisions are not subject to the meet and confer process.
- The board voted unanimously to adopt the staff recommendation to engage **Voya** (previously ING) as the SFDCP third party administrator. Labor organizations Laborers'

261 and the POA filed unfair labor practice complaints with PERB (Public Employment Relations Board). It could take many months to resolve if PERB considers the charges. In the meantime, SFERS will proceed creating a contract with Voya to make the changes required for this new records administrator. Concern about the existing representatives hired by Prudential remains unresolved. You might recall that plan representative Joe Collins moved from ING to Prudential when the contract changed previously. Voya scored the highest in administration and technology. It offers a recordkeeping system and web platform that is designed to accommodate high degrees of customization (for participants) that would allow the SFDCP to integrate its retirement readiness methodologies and vision—such as, DB/DC integration. It also offers a managed account "alternative" solution for assets wherein a partnership with financial engines to design a number of pre-determined asset allocation portfolios will automatically rebalance at no additional cost. The essentials of the plan are not impacted.

The SFERS Investment Committee meets quarterly. The Jan. 16 meeting was cancelled, (as was the meeting from the last quarter of 2018).

Questions? Comments?

Contact Claire Zvanski at [czvanski@hotmail.com](mailto:czvanski@hotmail.com) or Herb Weiner at [h.weiner@sbcglobal.net](mailto:h.weiner@sbcglobal.net).

## RECCSF Officers

Claire Zvanski, President

Mary Anne McGuire-Hickey, First Vice President

John "Skee" Tostanoski, Second Vice President

Bonnie Bompert, Secretary

George Lau, Treasurer

Leo Martinez, Sergeant at Arms

## Board Members

Richard Bridygham

Carol Cochran

Thomas Dang

Adlai "AJ" Jew

Stephanie M. Lyons

Raymond Mason

Jerry Maxwell

Sheila Mullen

Linda Tabor-Beck

Tim O'Brien

David Williams

## New Members

Maura Baldocchi

Superior Court

Anthony Ramirez

SFUSD

## Jan. 15 Board Meeting Results

- Accepted Treasurer's Report

# President's Message

By Claire Zvanski

We are excited to announce second meetings in Belmont and Novato in March and May, and are still working on a Vallejo meeting. If you can help with organization, or volunteering on site, please contact Membership chair "Skee" Tostanoski at 1 (415) 699-1050 or [sfskee@sbcglobal.net](mailto:sfskee@sbcglobal.net).

The unions and the city are entering negotiations. Contact the mayor and the supervisors, and remind them that your service improved the quality of life in this city for many years, and that those of us who live here continue to contribute. Remind them that they need to continue to think about how to make San Francisco affordable for city employees and retirees.

They also need to consider all of the employees who commute at odd hours to make sure that MUNI runs, police

and fire are on constant alert, and San Francisco General Hospital is fully staffed.

Public transit service runs are often unavailable/unreliable during these employees' commute hours, so ensuring parking availability is also essential.

It's important that city officials remember that we contribute to our pensions—which are legally defined as "delayed wages." These officials are also members of the system, and will benefit themselves in due time.

The mayor wants affordability and accountability. How much does she value trash pick-up, clean offices, clean streets, pleasant parks and playgrounds, water on tap, taxes collected, sewers draining, MUNI running, and paramedics, firefighters and police responding?

*Help RECCSF send the message!*



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

## Alternative Retirement Account Withdrawals

*From Your Friends at San Francisco Federal Credit Union*

Standard advice has been to take 4% out of your total retirement nest egg every year for a comfortable lifestyle. A mixture of 60% of your money in stocks and 40% in bonds has historically been a safe bet to return greater than 4% over any 30-year period. As long as you adjust your withdrawal for inflation periodically, you should be fine.

But what happens if the first few years of your retirement are during a major downswing in the market? Start out withdrawing 4% per year. After the first year, see if your investments have done well enough to increase

the amount you withdraw, to cover inflation. If your investments have lost value, cut back on what you withdraw, or depend on other sources of income. Use a retirement withdrawal calculator to determine a safe withdrawal amount.

Annuities can be a safer bet for retirees than bonds, since they offer a guaranteed income source. When balanced with investments in stocks, annuities can reduce your risk since the set return can offset fluctuations in other investments. However, make sure to discuss annuities with a certified financial planner, as there are some aspects that might not be ideal for your

particular situation.

Retirement withdrawals need to be monitored. While it's fine to start with a 4% withdrawal rate and adjust for inflation as you go, be aware that you may need to alter that plan, depending on how your investments perform.

*This article is courtesy of San Francisco Federal Credit Union's financial partner, BALANCE, which provides members free access to personal financial counseling and planning workshops: <https://www.sanfranciscofcu.com/events-and-workshops>.*

### Bequests

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

### Useful Phone Numbers

**RECCSF Office**

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

**Web site:** [sfretirees.org](http://sfretirees.org)

**Phone Number:**

**1 (415) 681-5949**

**Health Service System**

**Web site:** [myhss.org](http://myhss.org)

**Phone Numbers:**

**1 (415) 554-1750**

**1 (800) 541-2266**

**S.F. Retirement System**

**Web site:** [sfgov.org/sfers](http://sfgov.org/sfers)

**Phone Numbers:**

**1 (415) 487-7000**

**1 (888) 849-0777**

# RECCSF Board member profile: David Williams

As told to Stephanie Lyons and John "Skee" Tostanoski

Growing up in Chicago, I became inspired to activism in the 1960s, while marching with Martin Luther King Jr. in the Open Housing Campaign. Early in the 1970s, I helped to establish the Boulder Communications Center in providing for the needs of street people and transients.

I graduated from the University of Colorado in 1975 with a B.A. in sociology. Upon moving to San Francisco, I worked for the Children's Home Society as a counselor in their group homes for runaway and abused youths. Then, I became employed by the Department of Social Services (DSS) as a social worker at the Child Protection Center, the intake unit for abused children. I found serving kids with behavioral or emotional issues, and in need of safe and consistent care, to be challenging and rewarding. Throughout my career, I also recognized the need for my co-workers' dignity, rights and benefits to be defended. I earned a Certificate of Labor Studies at City College of San Francisco (CCSF), and evolved as a leader in the Service Employees International Union (SEIU).

After retiring in January 2009, I discovered a need to be actively working with seniors through RECCSF, the California Alliance for Retired Americans (CARA), Seniors & Disability Action (SDA), and the Gray Panthers.

Beside social justice advocacy, I continue organizing with SEIU 1021 and

the Living Wage Coalition. With my wife, Alice Rogoff, poet and editor of the *Haight Ashbury Literary Journal*, I have travelled through this country and abroad, as well as attending musical, theatrical and spoken-word events. I also enjoy attending Giants and Warriors games.

As a board member, I hope to help keep RECCSF a viable organization that will continue to conduct meetings, increase membership, and provide information about benefits and issues of interest and importance to city retirees.



David Williams

## MEMBERS CONNECT



Jean, Claire and Herb relaxing with friends over their meal.



From left: Former board members Jean Thomas and Herb Meiberger reuniting with current RECCSF President Claire Zvanski over the holidays at Joe's Westlake in San Francisco. (For many years, Herb was RECCSF's representative on the San Francisco City Employees' Retirement Board.)

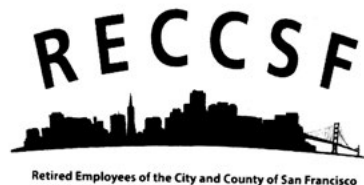
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If not there, please contact the  
RECCSF Office at  
1 (415) 681-5949 or  
[reccsf@att.net](mailto:reccsf@att.net).

**RECCSF wants to keep you  
informed!**

**Limited number of unclaimed RECCSF T-shirts  
still available for purchase!**



<u>Amount</u>	<u>Size</u>	<u>Color</u>	<u>Price</u>
2	X Large	White	\$15 each
1	Medium	Black	\$20

If interested to purchase, please email Membership Chair  
"Skee" Tostanoski at [sfskee@sbcglobal.net](mailto:sfskee@sbcglobal.net)  
or call/text at 1 (415) 699-1050.

## **2019/20 RECCSF New Executive Board Member Election!**

RECCSF is currently soliciting members to run for the RECCSF Executive Board, either as board members or officers.

Terms are for two-year periods.

We encourage members to consider enriching their RECCSF experience by serving in one of these capacities.

If interested, please contact John “Skee” Tostanoski at 1 (415) 699-1050 or [sfskee@sbcglobal.net](mailto:sfskee@sbcglobal.net).

For newcomers, in particular, it’s a great way to get to know your fellow members.

### **2018 RECCSF Board Nominations**

In February, nominations will be open for the following positions:

Treasurer;

Secretary;

Sergeant at Arms;

and five board members at large.

Nominations will also be taken from the floor at the Feb. 13 General Membership meeting.

# Upcoming General Membership Meeting

Wednesday, February 13, 10 a.m.

*Speaker: Jay Huish*

Executive Director, San Francisco Employees' Retirement System

**Meeting begins promptly at 10 a.m.**

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

**(Parking available in lower level garage.)**

## *News & Views*

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Sheila Mullen, Editor

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

## **Executive Board Meeting**

Tuesday, Feb. 19, 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*

March Deadline:

☛ Friday, Feb. 15, 5:30 p.m.

Please email your submissions to:

[sheilamullen@mac.com](mailto:sheilamullen@mac.com).

Letters to the editor and opinion pieces are welcome.

All submissions subject to further editing.

## **Visit our website:**

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

**RECCSF office email:**

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

3915 Irving St.,  
San Francisco, CA 94122

# Membership and Subscriptions

for retired city employees

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

Sheila Mullen, editor, RECCSF office, 3915 Irving St., San Francisco, CA 94122-1294

Telephone: 1 (415) 681-5949



## I want to know!

Join

# RECCSF

Retired Employees of the City and County of San Francisco

