Retirement Committee Report

By Claire Zvanski

The pension fund is stable at $24.7 billion, which represents an actuarial value of 90% (rounded up from 89.8%). The board attributes this to its change in investment strategy. It is no longer highly dependent on stocks and the volatility of the stock market. Private equity, plus investments in real assets and private credit, has brought solid returns along with strong manager selection.

- CIO Bill Coaker reported that the senior investment staff formed an internal investment committee entitled Portfolio Management Group. It consists of five members: CIO Bill Coaker and four managing directors. It functions as a team responsible for the management of the investment activities of the SFERS trust, and makes recommendations to the board.
- The next Investment Committee meeting is scheduled for April 17, 2019. (This committee cancelled its last three scheduled meetings in 2018.)
- SFERS is expanding its ESG (environmental, social and governance) staff with the addition of Luke Angus as a security analyst. It is recruiting additional security analysts and a managing director of private markets.
- Executive Director Jay Huish reported that the Bay Area CPI (Consumer Price Index) reached 4.49%, which is rounded to 4%, and means that members retiring after 1983 will get the annual 2% COLA on July 1, and that the additional 2% has been added to the COLA bank to secure

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March Calendar

Regular Meeting
Wednesday, April 10
Business meeting & program:
10 a.m.
Scottish Rite Masonic Temple
2850-19th Ave. at Sloat Blvd.

News & Views
Editorial Committee Meeting
Tuesday, March 19, 9 a.m.
Taraval Police Station
All interested parties welcome.

Executive Board Meeting
Tuesday, March 19, 10 a.m.
Taraval Police Station
All interested parties welcome.

Public Meetings:
Retired Firefighters & Spouses Association
Thursday, March 21, 10 a.m.
Location to be determined.

Veteran Police Officers
Tuesday, March 12, 11 a.m.
San Francisco Scottish Rite Masonic Center,
2850-19th Ave. & Sloat Blvd.

Retirement System
Wednesday, March 13, 1 p.m.
1145 Market St., 6th Floor

Health Service System
Thursday, March 14, 1 p.m.
City Hall, Room 416

UESF Retired Division
For time/location, contact:
Rudi Faltus 1 (415) 956-8373
uesfrd01@gmail.com

SEIU 1021 West Bay
Retirees Chapter
Monday, March 18, 12-2 p.m.
Union Hall, 350 Rhode Island St.,
100 South Bldg.
Contact: David Williams
1 (415) 939-5149 or iamdltw@comcast.net
Cataract surgery is the latest hot topic that prompted Executive Director Abbie Yant to research the issue with a number of expert ophthalmologists, including Dr. Stephen McLeod—chair of the Department of Ophthalmology at UCSF—who specializes in cataracts, corneal disease, and refractive (vision corrective) surgery. Dr. McLeod asserts that the evidence is consistent in showing that there is no clinically significant benefit to laser-assisted cataract surgery over traditional cataract surgery, but that there is increased cost, and, in some cases, reduced efficiency. SFHSS recommends maintaining the traditional cataract surgery coverage provision in our medical plans, based on the following:

- Traditional cataract surgery and the most common type of artificial lens (monofocal) are considered the standard of care, medically necessary, and are covered under Medicare.
- Patients who have traditional surgery and implant a basic artificial lens will need glasses for reading, and possibly distance.
- Electing to use laser-assisted cataract surgery and investing in premium artificial lenses to eliminate dependence on glasses is based on cosmetic preference, usually not medically necessary, and is not routinely covered under Medicare.

All types of artificial lenses (basic and premium) can be implanted using the traditional cataract surgery technique, with proper measurement by the treating physician to guide accurate incision and placement.

There is no evidence of improved patient outcome in laser-assisted surgery, and it is associated with slightly higher complication rates.

Laser assisted surgical time is longer, compared to traditional cataract surgery.

Traditional cataract surgery supports “best practice” approaches, and the most cost-effective delivery and value of HSS benefit to members.

Patients with certain types of presbyopia or astigmatism may meet medically necessary criteria, and qualify for premium lenses that can be implanted during traditional cataract surgery. (Most patients’ conditions do not meet medically necessary criteria for premium lenses.)

UHC covers both traditional and laser-assisted surgical cataract removal methods and pays the same as Medicare, which covers the same amount regardless of the surgical method used. Blue Shield of California covers traditional cataract surgery, but not laser-assisted cataract surgery. Kaiser states that traditional cataract surgery is the “gold standard,” and does not offer laser-assisted cataract surgery.

(Abbie Yant’s full report is available on the website as part of the documentation for the Feb. 14 HSS board meeting.)

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

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HSS Demographics Report, as of March 2019

Reported by Claire Zvanski

Both Health Service and Retirement Systems are reporting that they have good news and bad news. The good news is that we are living longer. The bad news is that we are living longer!

These days, we could be retired for as long as we worked. Are we prepared for activities and finances for 20 to 40 years of retirement? Some of our colleagues are pursuing second careers. At our current ages, are we—or do we just “seem”—younger than our predecessors? The world has changed. Now, we can get new hips and knees.

The statistics I am quoting are from the 2019 HSS demographic report, and include all four employers: City and County of San Francisco, San Francisco Unified School District, community college, and superior court.

There are about 50,000 of us retirees, and the average age of Medicare retirees is about 75. Our non-Medicare retiree colleagues are an average age of 56. 3,673 of us are 85 or older. 9,157 of us are 75-84. 18,240 of us are 65-74. 20,725 of us are early retirees at 55-64.

93% of us live in California, with 90% of us living in eight bay area counties. Only 139 retirees live out of the U.S.

38% (13,000) retirees live in San Francisco. If added to active employees, the number increases significantly to about 47,000. 24,363 live in San Mateo, with Contra Costa and Alameda each having about 13,850. Another 6,000 retirees are not counted because they waived medical coverage for 2019.
President’s Message

By Claire Zvanski

When I retired, I initially thought that I would be spending all my time catching up on my reading, taking art and music classes, going to the dog park every day, attending concerts, and otherwise doing whatever I wanted.

Funds would be automatically deposited into my bank account each month, without fail. I knew that I would earn a 2% COLA every year, and perhaps more if the retirement fund earned over 7.5%. I had health coverage, and liked my doctors. It all seemed so simple! (I didn’t realize that they could tell me they don’t take Medicare, so that I would need to find new doctors.)

I joined RECCSF, and read the benefit board reports by Jean Thomas, Herb Meiberger, and the late Claire Dunn. The more I became involved, the more I realized that retirement wasn’t so simple! Proposition C, passed in 2011, really proved that!

I learn something new at every meeting! I’ve met many retirees who have interesting life stories, as well as folks who were just names to me during my career. I’ve learned to appreciate RECCSF and all those who come to meetings, as well as those who serve on our board. I’ve learned the importance of becoming involved, and of regularly attending HSS and SFERS board meetings.

But it’s not about me! It’s about all of us! It’s about succession planning and sharing. Who is next? It takes a bit of time to learn what goes on at those commission meetings, and which content to include in the reports—although learning the specific language is easier than one would think.

It’s all about teamwork. Who is next to join the team? Will you step up? Do you want to be one of the first to be updated on city retiree issues? How much do you value your benefits? Do you want to assist your colleagues?

This is your chance to step up and join the RECCSF board. This is your opportunity to make sure that your benefits continue and possibly get enhanced, and to help protect and secure our retirement benefits for the future.

Join us now!

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

Retirement Committee Report

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future annual COLAS in years when the CPI fails to reach the minimum percentage.

- The Plan’s credited interest rate will remain at 4.0%, effective July 1, 2019.
- The employer contribution rates for fiscal year 2019/2020 will be 25.19%. It was stated that this will not impact the current employee contribution rate as stipulated by the cost-sharing provisions of Proposition C, approved by the voters in November 2011.
- Commissioners Stansbury and Driscoll want the deferred compensation manager reports to be on next month’s calendar for further discussion. Items of concern include the Stable Value Credit rate of 2.42% for the first quarter, holistic retirement planning, and the contract negotiations with VOYA, the new DCP administrative services manager.
- Commissioner Driscoll brought up the issue of the extremely long closed sessions prior to the board meetings that result in very hurried public meetings where some issues are carried forward, some are quickly moved without discussion, and others are not fully heard. He says it’s a time management issue that needs fixing.
- Commission President Stansbury commented that recent retirees are voicing distress and concern about various benefits that they believed they had possessed, and he requests that—so there is no future confusion—written materials be amended to clarify benefits for employees, spouses, and other continuants.

Questions? Comments?
Contact Claire Zvanski at czvanski@hotmail.com or Herb Weiner at h.weiner@sbcglobal.net.

RECCSF Officers

Claire Zvanski, President
Mary Anne McGuire-Hickey, First Vice President
John “Skee” Tostanoski, Second Vice President
Bonnie Bompant, 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

Feb. 19 Board Meeting Results

- Accepted Treasurer’s Report
- Voted to conduct special July 16 board meeting to discuss RECCSF future financial strategies.
February 13 General Membership Meeting

Speaker Jay Huish, Executive Director, San Francisco Employees’ Retirement System.

Mr. Huish gave an illuminating presentation on Retirement Board investment strategies, and proudly announced that the fund is currently 90% funded (an alltime high)!

Retiree Health Care Trust Fund Board Commissioner Ed Walsh gave an update on the status of the fund.

SFFD retirees, from left: John Bettencourt and Jim McCoy (sporting his new RECCSF t-shirt).

RECCSF mascot, Dexter, who faithfully attends all general membership and board meetings.

One unclaimed T-shirt still available for purchase!

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If interested to purchase, please email Membership Chair “Skee” Tostanoski at sfskee@sbcglobal.net or call/text at 1 (415) 699-1050.
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. For newcomers, in particular, it's a great way to get to know your fellow members.

2019/20 New Board Member/Officer Installation Schedule

Nominations presented by the Nomination Committee, taken from the floor, and voted on at the April 10 General Membership Meeting.

Installation to be held at the June 12 RECCSF Annual Luncheon.

For Your Calendar:

Save the date!

2019 RECCSF Annual Luncheon & New Board Member/Officer Installation Ceremony

Wednesday, June 12, 2019

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

(More information in April issue of News & Views.)

Volunteers needed to help make our RECCSF Annual June 12 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 welcoming ideas for this year’s event theme, as well as assigning various production tasks.)

If you can help, please contact 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!
Setting Your Financial Goals

From Your Friends at San Francisco Federal Credit Union

If you had to choose between sitting down and setting financial goals, or hitting the beach in the Caribbean, you’d probably choose the beach. But how would you ensure having the future amounts needed to pay for the airfare, as well as for hotel, food, and souvenirs?

Goal setting may not be fun, but it is critical to help you save for exciting and fun adventures like vacations, as well as more important things like retirement savings, college education, or unexpected medical expenses.

Even if you are regularly putting money into savings, how do you know if it will be enough to get your wants or needs met in the future?

Right now, just think about the goals themselves and your projected timeline for achieving them. The first step is—not surprisingly—clearly identifying your goals. Do you want to buy a new computer in a year, get a new RV or boat, or be debt free in five years? Make the effort to determine their projected costs, the timeline needed to achieve them, and your ongoing financial obligations.

The result of careful planning will be to have successfully determined the precise amount needed to save each month to continue to both meet your obligations and reach your goals.

RECCSF is courtesy of San Francisco Federal Credit Union’s financial partner, BALANCE, which provides members free access to personal financial counseling. SFFedCU offers tiered savings accounts, which pay higher dividends based on the level of deposit, as well as high-yield CDs at a variety of rates and terms. For more information, go to SanFranciscoFCU.com, call 1 (415) 775-5377, or stop by one of our branches.
**Second North Bay**
**RECCSF Meeting Scheduled!**

**Who:** North Bay members, and other retired city employees who are potential members.

**When:** Wednesday, March 27, 10 a.m. to 12 noon

**Where:** IHOP, Vintage Shopping Center,
144 Vintage Way, Novato CA 94945

*A separate room has been reserved for our meeting.*

*No-host breakfast.*

*Coffee and Tea provided by RECCSF.*

**Why:** RECCSF plans to conduct meetings that are easier to attend in members’ own communities.

For more information, or to reserve your place, please contact John “Skee” Tostanoski at 1 (415) 699-1050, or sfskee@sbcglobal.net.

**We are required to submit a head count, so please RSVP by March 25.**
Membership and Subscriptions
for retired city employees
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
March 2019
Volume 209, Number 3
Sheila Mullen, Editor
Office: 1 (415) 681-5949
Office email: reccsf@att.net

Executive Board Meeting
Tuesday, March 19, 10 a.m.
Taraval Police Station, 2345-24th Ave.
All interested parties welcome.

News & Views
April Deadline:
- Friday, March 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

Note to members:
Please keep RECCSF updated with changes in address, phone number and email.

I want to know!
Join
RECCSF
Retired Employees of the City and County of San Francisco