

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

NEWS & VIEWS

A MEMBERSHIP ORGANIZATION WORKING FOR ALL CITY RETIREES

Retirement Committee Report

By Claire Zvanski

The pension fund remains very healthy at \$26.4 billion, and valued at 92%. CIO Bill Coaker reports that calendar returns are 10.74%, but our COLAs are calculated on fiscal year returns (and the returns since July 1 are only 0.85%). He further states that political developments in Washington, D.C. impact the economy, as do trade tensions with China.

Commissioner Leona Bridges has been invited by the government of Chile and the World Bank Group to attend the 2019 investor forum, “Building a New Investment Architecture for Sustainable Development,” in Santiago, Chile, on Nov. 15, 2019. The by-invitation-only event will build on initiatives taking place as part of the APEC and G20 agendas, in areas

such as mainstreaming environmental, social and governance standards in financial markets, designing new instruments for climate and disaster risk financing, and scaling up investments in sustainable infrastructure.

The majority of the items on this month’s meeting agenda had to do with annual updating on investment restrictions based on ESG (environmental, social, and governance) policies of the board.

The board voted to maintain its current divestment policy with regard to divestment from U.S. Tobacco companies, and approve the current updated list of restricted companies. It was noted that CalPERS and CalSTRS maintain their tobacco divestment strategies despite CalPERS staff recommendation to remove the restriction.

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Retiree Health Care Trust Fund Board Special Meeting

By Claire Zvanski

The Retiree Health Care Trust Fund Board held a special meeting on Oct. 4, 2019 to consider and approve an asset allocation (hedge fund) and implementation plan. During its April and August board meetings, Meketa Investment Group, staff and the board’s investment manager suggested to the board that it consider expanding types of asset categories now that it has grown to nearly \$400 million. Included in the recommendations were “global macro” investments.

What are global macro funds? Meketa defines them as actively managed strategies with a large toolkit. They typically employ a top-down approach to investing, starting with evaluating the overall global economic landscape

and breaking it down by different countries, regions, and asset classes to develop investment ideas. Managers tend to implement their views—both long and short—using a variety of liquid securities (equities, derivatives, etc.) across four areas: equities, interest rates, foreign exchange, and commodities. Those listening commented that this sounded like hedge funds!

Several options were presented to the board. Diversifying investment opportunities reduces risk and expands opportunities for growth. Three considerations were presented. The first option did not include global macro investments, which were presented as risk mitigators. The second option recommended a 5% investment, and

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November Calendar

Annual Holiday Party

Wednesday, Dec. 10, 10 a.m.

San Francisco Scottish Rite

Masonic Temple

2850-19th Ave. at Sloat Blvd.

(See Page 9 of this issue for details.)

News & Views

Editorial Committee Meeting

Tuesday, Nov. 19, 9 a.m.

Taraval Police Station

All interested parties welcome.

Executive Board Meeting

Tuesday, Nov. 19, 10 a.m.

Taraval Police Station

All interested parties welcome.

Public Meetings:

Retired Firefighters & Spouses Association

Thursday, Nov. 21, 10 a.m.

Location to be determined.

Veteran Police Officers

Tuesday, Nov. 12, 11 a.m.

San Francisco

Scottish Rite Masonic Center,

2850-19th Ave. & Sloat Blvd.

Retirement System

Wednesday, Nov. 13, 1 p.m.

1145 Market St., 6 Floor

Health Service System

Thursday, Nov. 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, Nov. 18, 12–2 p.m.

Union Hall, 350 Rhode Island St.,

100 South Bldg.

Contact: David Williams

1 (415) 939-5149 or

iamdhw@comcast.net

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The impact on the total fund since 1998 has been minimal at about -0.03% annualized.

While the issues are more complex with regard to **divestment** from restricted companies doing business in Sudan from November 2018, the board voted to **maintain** the unchanged list and to **reevaluate** the transition of power in Sudan through 2021, and follow the U.S. State Department evaluation of the **genocide in Darfur**.

The board also reaffirmed its intent to **remain divested from firearms and ammunition manufacturers and retail companies**. The restricted list was reaffirmed with the addition of a Korean company. It was noted that staff has remained **actively involved in direct engagement** with Dick's Sporting Goods, Walmart, Firstcash, Inc., and Ezc Corp, Inc. to change their retail firearms practices. Dick's and Walmart have made changes.

Recommendations to guide divestment and restriction of further investment in companies with **thermal coal** activities were more complex, with the addition of no fewer than 17 companies and an additional policy to **not invest in public securities of companies**, regardless of country of domicile, if the company derives the majority (more than 50%) of group revenues from thermal coal activities, or derives between 10% and 50% of group revenues from thermal coal activities and has not announced plans to substantially reduce or cease its thermal coal activities.

The board updated its strategies (invest, engage, divest, advocate) to address **climate risk**, divest positions in four

companies, or adopt the SFERS Climate Transition Watch List 2019 and engage with companies on that list. This focuses mostly on **oil and gas** (fossil fuels, natural gas, carbon intensity). Companies are evaluated on their "vulnerabilities," rather than their "risk."

Ashley Dunning of Nossaman LLC, the board's governance consultant, presented the results of the **board governance survey**. This was directed to Commissioner Driscoll, chair of the Governance Committee. The survey is created for the purposes of continuously developing and improving its own **effectiveness as a fiduciary body** in accordance with the *Board Performance Evaluation Policy*.

Commissioner Brian Stansbury's term of office expires in February 2020. An election has been announced for this position. **Commissioner Stansbury stated that he will be running for reelection**. Ballots will be mailed in January, 2020. RECCSF will hold an evaluation and endorsement process if the position is challenged. This is an active employee seat.

Questions? Comments?

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

Oct. 15 Board Meeting Results

- Accepted Treasurer's report

RECCSF Officers

Mary Anne McGuire-Hickey, President
John "Skee" Tostanoski, First Vice President
Second Vice President, vacant
Bonnie Bompert, Secretary
George Lau, Treasurer
Leo Martinez, Sergeant at Arms

Board Members

Richard Bridygham	Jerry Maxwell
Carol Cochran	Sheila Mullen
Thomas Dang	Linda Tabor-Beck
Ed "Rusty" Jepson	Tim O'Brien
David Leeds	David Williams
Stephanie M. Lyons	Claire Zvanski
Raymond Mason	

Firefighters, Local 798, Annual Toy Program

If you can, please bring new unwrapped toys to the Dec. 11 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, or mail checks to Firefighters, Local 798, at 1139 Mission St., S.F., CA 94103

Thank you!



Useful Phone Numbers

RECCSF Office
Email: reccsf@att.net
Website: sfretirees.org
Phone Number:
1 (415) 681-5949

Health Service System
Website: myhss.org
Phone Numbers:
1 (415) 554-1750
1 (800) 541-2266

S.F. Retirement System
Website: sfgov.org/sfers
Phone Numbers:
1 (415) 487-7000
1 (888) 849-0777

President's Message

By Mary Anne McGuire-Hickey

The Oct. 9 Health Fair and senior flu shot immunization program was very successful.

Kaiser did a wonderful job. This year they included an administrative representative to ensure that all signup forms were completed properly, and that those awaiting injections would be in served in signup form completion order. After the meeting, I called the Kaiser administrative contact to ensure that the injection staff would be recognized for their patience and professional performance.

Attendance at the monthly meeting was smaller than usual, but the Bay Area PG&E black-out situation may have impacted on why some folks were not able to attend. (We sincerely hope that none of our regular members were affected.)

Many attendees did visit the SF-HSS Open Enrollment, Delta Dental, VOYA, Vision (VSP), United Health Care, and SFHSS well-being tables to have specific questions or concerns addressed. All participants that I spoke to mentioned that this service was very helpful, and certainly motivates RECCSF to continue this program.

We also need to express our appreciation to SFHSS, VSP, and Delta Dental for donating prizes for the raffle held at the end of the meeting.

We missed seeing our dedicated hostesses—Josephine Healy and Ellen Shanahan—who have assisted at RECCSF functions for many years. They were both excused due to other commitments.

Questions? Comments?

Please feel free to contact me at mcguire.hickey831@gmail.com.

New Member

Yvonne Gee

DPH

Retiree Health Care Trust Fund Board Special Meeting

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the third option suggested a 10% investment.

SEIU 1021 sent an official letter stating its policy opposing the investment of employee dollars in hedge funds. Representatives from the SEIU, Local 1021, West Bay Retirees, also testified on behalf of active and retired members who contribute to the RHCT fund, and urged the board to reject any investment in global macro/hedge funds. They commented that, at only \$400 million, the fund was not significantly substantial to take advantage of the "billion dollar" hedge fund options that have the lower risk. They also cited the notoriously high fees associated with hedge funds.

The board voted to accept the second option that included a 5% investment in global macro/hedge funds. Meketa recommends limited partnerships as the means to invest. The Black-

stone Alternative Asset Management (BAAM) strategies were presented in great detail. (Blackstone is the alternative asset manager for SFERS.)

Lastly, a proposed charter amendment was presented. It restores retiree health care benefits to employees of the Housing Authority of the City and County of San Francisco who started working for the city and county on or after March 7, 2019, and before March 1, 2021, without a break in service between employment with the housing authority and employment with the city and county.

The Retiree Health Care Trust Fund Board meets quarterly. Ed Walsh retained the retiree seat without opposition, and David Salem was recently re-elected to the active board seat. Commissioner Salem is currently the board president.

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

RECCSF is seeking donations for our Dec. 11 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 by Nov. 24 for Mary Anne McGuire-Hickey at 1 (415) 467-6862



Important notice from RECCSF President Mary Anne McGuire-Hickey regarding proposed dues increase

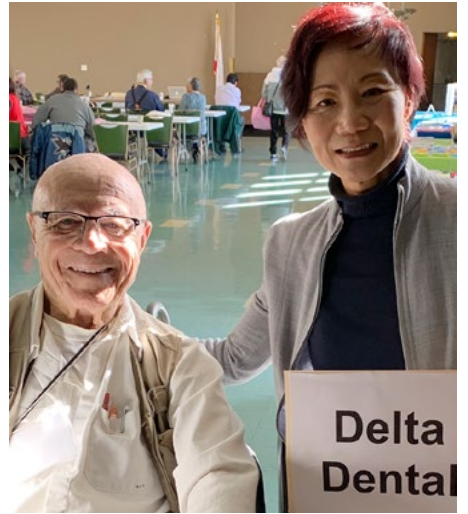
Due to our current RECCSF severe fiscal crisis, at our Dec. 11 general membership meeting members will be voting on the issue of increasing RECCSF annual membership dues. This proposed dues increase has been voted on, and recommended by, the RECCSF Executive Board. The motion is to increase annual membership dues by \$20, raising it from \$48 to \$68 annually.

Although it may seem awkward to conduct this business on the same date as our annual holiday party, we need as many RECCSF members present as possible (at least 50) to be able to take a comprehensive final vote on this critically needed dues increase.

It's our future in the balance: If you can, please plan to be there!

October General Membership Meeting and Annual Health Fair







Five Ways to Avoid Credit Fraud

From Your Friends at San Francisco Federal Credit Union

1. **Keep your credit cards safe.** Store your cards in a secure wallet or purse. After making a purchase, immediately return your card to that place.
2. **Don't allow websites to "remember" your card number.** Only let secure payment portals like GooglePay and PayPal remember your card number. An even better practice is to never check the "remember card number" box for any site or portal.
3. **Be wary when shopping online.** Before using your credit card online, verify the site's security and that the URL is authentic—there's an "s" after the "http" in the web address, and a lock icon, as well.

4. **Report lost or stolen cards immediately.** The sooner you report a missing card, the less liability you'll have for fraudulent charges made with your card.
5. **Review your monthly bill.** Always look through your monthly statement to check for suspicious account activity.

Nov. 17-23 is International Fraud Awareness Week. For more information, go to: <https://www.sanfranciscofcu.com/international-fraud-awareness>

This article is courtesy of San Francisco Federal Credit Union, which offers the lowest rate credit cards in the country. For more information, visit SanFranciscoFCU.com, call 415-775-5377 or stop by one of our branches.

Ignore Those Health Insurer Mailers!

At this time of year, a flood of health insurer flyers tend to hit our mailboxes, enticing us to change to various health plans, or to sign up for drug or Medicare-supplement plans. Ignore their pleas, and chuck their materials into

your recycle basket. Respond only to the packet issued by the Health Service System during October. Open Enrollment for coverage in calendar year 2020—that counts.

See's Candy Gift Certificates

As a holiday season service to our members, RECCSF is taking orders for See's Candy one-pound gift certificates at the discounted price of \$20 each. Order by mail. Certificates will be distributed at the Dec. 11 Holiday Party.

If you wish your certificate(s) mailed to you, please check the box below, include 55¢ per certificate in your check, and make sure to write your address on the order form. Do not send an envelope—we can't use them to mail the certificates. Certificates not being mailed will be available at the Dec. 11 Holiday Party.

We do not order actual boxes of candy—only gift certificates.

All orders must be received by Wednesday, Dec. 4, and accompanied by a check payable to RECCSF.

No exceptions!

Questions? Contact Richard Bridygham at ricksf1723@gmail.com.

See's Candy Order Form (Please print!)

Name: _____

Phone _____

Number of one-pound certificates _____ @ \$20 per certificate = \$ _____

Attached is my check payable to RECCSF, in the amount of \$ _____

Mail order form and check to: RECCSF office, 3915 Irving St., San Francisco, CA 94122.

Please mail my certificates to the address below. I have included 55¢ per certificate in my check.

Street address _____

City _____ State _____ Zip Code _____

Executive Board Biographies

The biography project is taking a break in November, and will return in December. Meanwhile, we would appreciate receiving feedback on the program. Please let us know your thoughts at smylons@earthlink.net.

Thank you!"

Many thanks to our generous members for your past, current, and future donations to RECCSF. Your help keeps us strong!

Members Connect



By Betty J. Eckmann

After 12 years of enjoying my loyal and loving dog, Charmaine, she passed away. I checked out the cost of having her cremated, but found that going through a veterinarian service could be very expensive.

I discovered that I could save a significant sum of money by delivering her to the cemetery cremation services myself, where services are charged by a pet's weight and size. Also, pets are cremated individually, so I would receive only my pet's ashes.

I was able to pick up Charmaine's ashes the following day in a special wooden box with flowers carved on the lid, and writing on the box bottom that stated her name, date of death, and my name and address. Some of my friends have told me that they paid much more, and needed to wait two weeks to receive their pet's ashes.

This service saved me about \$136, and my plan is that Charmaine's box will be interred with me when my time comes.

Because this is such a little-known service, I wanted to be able to share this information with other RECCSF members.

Whom to Contact in Case of Death of Retired City Employee

S. F. Department of Public Health 1 (415) 554-2500
(for San Francisco residents, only; otherwise notify local DPH.)
101 Grove St.,
San Francisco, CA 94102
(Notify DPH as to where death occurred, and obtain five copies of death certificate.)

Retirement System 1 (415) 487-7000
1145 Market St., 5th Floor
San Francisco, CA 94103

Health Service System 1 (415) 554-1725
1145 Market St., 3rd Floor
San Francisco, CA 94103

Deferred Compensation 1 (415) 487-7500
1145 Market St., 5th Floor
San Francisco, CA 94103

Social Security 1 (800) 772-1213

U.S. Veteran's Administration 1 (844) 872-4681

Dept. of Motor Vehicles Gift of Life 1 (415) 557-1179
(for organ donations)

Investment companies, credit unions, banks, insurance companies, etc.

Unions, fraternal organizations, etc.

Please distribute copies of this advisory to friends and family.

Compliments of the Retired Employees
of the City and County of San Francisco.

RECCSF Annual Holiday Party

Wednesday, Dec. 11, 10 a.m.

Light refreshments will be served.

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

(Parking available in lower level garage.)

A vote will be taken by the membership as to whether or not to increase RECCSF annual dues from \$48 to \$68.



News & Views

November 2019

Volume 209, Number 10

Sheila Mullen, Editor

Office: 1 (415) 681-5949

Office email: reccsf@att.net

Executive Board Meeting

Tuesday, Nov. 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

December Deadline:

Friday, Nov. 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

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 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



I want to know!

Join

RECCSF

Retired Employees of the City and County of San Francisco

