



THE BULLETIN

Retired Employees of the City & County of San Francisco, Inc.

President's Message

By Sue Blomberg, President

A very dear friend of mine, whom I've known for almost forty years, died the day after Christmas. In his case, it was a blessing—his life for the last few years was not as he or I would have wished. In the course of planning Jim's memorial service, several of us who knew him well gathered to talk about him—what he liked, what he was like, and what we should say. It dawned on me that what really mattered was that we were all friends.

Friendship is more fragile than a spider's web and stronger than steel. It occurs because two people find they like similar things, and like to discuss and experience them together. We all have differing levels of friendship with people. It can grow from having one thing in common to something really lasting, or it can maintain the status quo—the friendship is only experienced when both people are involved in the same thing that brought them together in the first place.

My mother spent the last few years of her life without any friends, mostly because she



shunned other people. I have four people whom I consider "best" friends. We can, and do, talk about nothing and everything. We laugh together, cry together, sometimes giggle at inappropriate times, and know that we understand each other. We can use each other as sounding boards—time to talk about ideas, theories, plans; and, as we talk, we can further define those ideas, theories and plans

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February 2013 Calendar

Regular Meeting

Wednesday, Feb. 13

Socializing and refreshments:

11:10 – 11:50 a.m.

Program: 11:30 a.m.

Business meeting: noon

Bingo: 12:45 p.m.

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

The Bulletin

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 Firemen & Widows Association

Sunday, March 10, 2 p.m.

St. Gabriel Caf., 40th Ave. & Ulloa

Veteran Police Officers

Tuesday, Feb. 12, 11 a.m.

Pacific Rod & Gun Club,
520 John Muir Dr., at Lake Merced

Retirement System

Wednesday, Feb. 13, 2 p.m.

30 Van Ness, Suite 3000

Health Service System

Tuesday, Feb. 12, 1 p.m.

City Hall, Room 416

UESF Retired Division

For time/location, contact

Gerry Meister at (415) 956-8373 or

gerrymeister1@earthlink.net

Useful Phone Numbers

S.F. Retirement System

Web site: www.sfgov.org/sfers

Phone Numbers:

(415) 487-7000 • (888) 849-0777

Health Service System

Web site: www.myhss.org

Phone Numbers:

(415) 554-1750 • (800) 541-2266

Phone Hours for both:

8:00 a.m. to 5 p.m.

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New Members

Lerma Delizo HSS
Chiu Fong Wu DPH

President's Message

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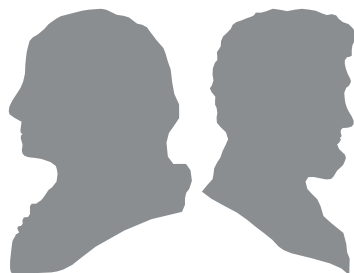
without carving them into stone.

There are lots of other people with whom I share friendship on a variety of levels. Each one has a particular place in my life—church, RECCSF, neighbors, people with whom I do business. I have two friends I keep in touch with even though we haven't seen each other since college in the late 1960s. And, one friendship has stayed the course since I first met Laurie in second grade!

I cannot imagine my life without friends. I know that I can call any of them at any time and find, at the least, a sympathetic ear, a shoulder to cry on, or a good belly laugh. We are all better for having friends. There is an old adage that says, "Joy shared is joy doubled; sorrow shared is sorrow halved." I am very fortunate to have learned that the adage is true. I encourage each of you to be aware of your friendships, and to help them to grow.

SEIU 1021 West Bay Retirees Chapter

Monday, Feb. 25, Noon-2 p.m.
Union Hall, 350 Rhode Island St.,
100 South Bldg.
Claire Zvanski at (415) 341-3085 or
czvanski@hotmail.com



Presidents' Day

Monday, Feb. 18

Membership and Subscriptions

Retired City Employees: annual membership is \$36 per year or \$400 for a lifetime (may be payable over four months or over four years in increments of \$100 per year).

- Subscription only is \$36 per year.
- Please download membership application form from our Web site, www.sfretirees.org.

The Bulletin is the publication of the Retired Employees of the City & County of San Francisco, Inc., a nonprofit organization. *The Bulletin* is published to express the policies, ideals and accomplishments of the organization. Nothing shall be published herein that is racist, sexist, ageist or that is derogatory towards religious beliefs and other personal issues; nor shall be published anything in violation of Article VII, Section 1 of the Constitution. Editorial contributions from individuals, organizations and groups other than RECCSF and its members may be included in *The Bulletin* only upon the approval of the Editorial Committee.

Subscriptions to *The Bulletin* are available for \$36. Submissions to *The Bulletin* are solicited and encouraged and should be submitted to:

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3915 Irving Street, S.F., Ca. 94122-1294
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alfrmsf@aol.com and sheilamullen@mac.com

Al Casciato, Editor

RECCSF OFFICERS:

Sue Blomberg, President

Al Casciato, 1st Vice President

John Madden, 2nd Vice President

Claire Zvanski, Secretary

George Lau, Treasurer

Leo Martinez, Sergeant-at-Arms

Rest In Peace

The following members have recently passed away.

Dorothy J. Castano	BOE	John L. Herron	DPT
Maxine G. Chaney	POL	Victor H. Raineri	TIS
Lucille Counihan	PUR	Margaret A. Ries	DPH
Roger J. Deeney	WTR	David Williams	HSS
Iris L. Hammer	CRT	Glenn E. Yoder	CRT

Health Service Committee Report

By Gerry Meister

eMerge: Four Months Dealing With The City's New Technology System

As hard as HSS operations staff has worked since open enrollment closed, challenges remain. One example was the numerous vendor file inaccuracies that resulted in unjustified member terminations. Another was the incorrect transfer of the California State Teacher Retirement System file for Jan. 1 that resulted in more than 1100 retirees not having premiums deducted from their pension checks. HSS continues to work with the controller's office to identify root causes of the problems and correct them.

Meanwhile, another set of major errors surfaced, this time from City Plan eligibility errors by UnitedHealthcare, that resulted in pharmacy coverage being temporarily terminated for most City Plan members. The call volume generated by this fiasco shut down the whole HSS telephone system and led to the highest number of incoming calls and requests for in-person assistance in more than four years.

Our thanks to the HSS staff for all they've been able to accomplish under these difficult and unexpected conditions, caused by circumstances well beyond their control.

2011-12: Some Key Changes in HSS

Plan design changes included increased use of appropriate generic medications; coverage of dependent children up to age 26; elimination of member co-pays for many preventive care services; broader use of HSS trust funds for wellness and cost-saving; and first-time payment

of dental coverage premiums by many HSS members.

HSS worked with Blue Shield and the largest medical service providers in the Bay Area to launch two accountable-care organizations (ACOs). One includes Sutter Health hospitals and Brown & Toland Medical Group; the other includes UCSF, Catholic Healthcare West (now Dignity) and Hill Physicians Medical Group. Both groups made the first steps this year toward improving care, reducing cost, and stabilizing premium rates.

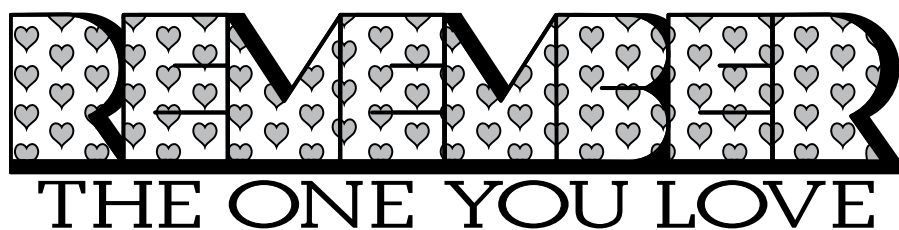
In addition, HSS Commissioner Scott Heldfond, a mayoral appointee for 16 years, was replaced by Jean Fraser, who is also head of the San Mateo County Health System. Consulting HSS actuary Mercer

was replaced by Aon Hewitt in mid-2011.

2013: Accountable Care Act Provisions Taking Effect

- Coverage of women's preventive health services, actually started by HSS last July.
- Medicare tax increase from 0.9% to 2.35% for individuals earning more than \$200,000 and joint tax filers earning more than \$250,000.
- All employees must now be notified about the new health insurance exchanges, eligibility, services, and contact information.

Questions? Comments? Please contact Health Service Committee Chair Ray Mason at (650) 344-1506.



Ad Hoc Committee Report

By Linda Tabor-Beck, Chair

Our "Frugal Few" committee effort to find ways to reverse RECCSF deficit spending continues, with instituting a raffle (\$1 per ticket or \$5 for six) at our Feb. 13 general membership meeting, with prizes of \$25 gift cards to Sunset District grocery stores; so far, Lucky's, Safeway, and Trader Joe's.

Of course, member participation in the raffle is entirely voluntary, but, if it's a success, we'll continue with them at future general membership

meetings.

For instance, we may want to vary the prizes with cash, department store gift cards, or lower denomination cards (so that more prizes could be won).

If you have any further ideas/suggestions on how to help avoid an RECCSF "fiscal cliff," please feel free to contact me at cane_elder@yahoo.com.

Looking forward to seeing you all at the Feb. 13 general membership meeting—I'll be the one roaming about with a roll of yellow raffle tickets on my arm!

January Membership Meeting



(Left) Members Esther Scheele and Bernie Barron and (right) members Rose Miller and Ruth Silva enjoying the first meeting in the new room at U.I.C.C.



Volunteers Josephine Healy and Herman Scholz display new refreshment table donation jar that, from now on, will help defray refreshment costs at meetings. Members, let your conscience be your guide!



Past president Stephanie Lyons confers with speaker Gary Holloway on his presentation biographical notes.

Speaker Gary Holloway gave a fascinating presentation on San Francisco during the Pre-Gold Rush era.



New member Richard Enger, Recreation and Parks.



New member Francis Achim, S.F.P.D.



Marylou Allen, Star Travelers, with her brother, S.F.P.D. retiree Ray Allen.

Travel Committee Report

By Beverly Pardini
and Marylou Allen

Wed-Fri, March 20-22

Two nights at the Grand Sierra Resort in Reno, with casino visits for machine play and food credits. Included: group dinner at Louie's Basque Restaurant in downtown Reno.

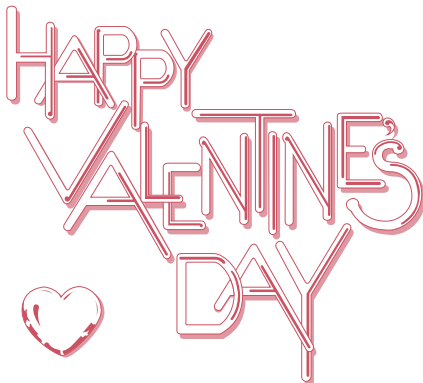
Mon-Fri, April 15-19

Travel south to spend one night in Santa Barbara, two nights in Lakeside near San Diego and one night in San Luis Obispo. Enjoy a tour of the beautiful Flower Fields at Carlsbad, with an included lunch. SeaWorld in San Diego is included, as well as a visit to Old Town San Diego, and a farewell dinner at the Madonna Inn.

Tue-Thu, May 14-16

Two nights at the Carson Valley Inn in Minden, Nevada at the foot of the Sierra Nevada Mountains. Relax and enjoy casino fun; second day trip to South Lake Tahoe for two-hour narrated cruise onboard the MS Dixie Paddlewheel to Emerald Bay; lunch included.

Info: Marylou at
1 (800) 334-3465 or
mrylallen@yahoo.com.



Keeping the Peace: Restoring Financial Harmony to Your Relationships

By Casey Mysliwy,
San Francisco Federal
Credit Union

Money. It's one of the top three causes of conflict in relationships. To keep the peace, follow the three C's of financial harmony:

- **Communicate:** Start by talking about your individual money styles. What do you like about the other person's attitudes toward money? What parts of their money personality don't you like? What results do you fear?
- **Compromise:** Having expressed your concerns about current behavior, discuss the facts surrounding the situation. What are each partner's goals? Start moving toward the middle, with each person making certain concessions that bring the team closer together.

- **Commit:** In the interest of saving an otherwise good relationship, you may have to change the way you have been doing things. You may even want to separate finances completely, or make arrangements that require both partners' approval before money is withdrawn.
- Finally, consider contacting an objective professional. As a benefit of belonging to San Francisco Federal Credit Union, you have access to personal financial counseling through the BALANCE Financial Fitness Program. Appointments are free, courtesy of San Francisco Federal Credit Union.

For more information, contact them toll-free at (1) 888-456-2227, or www.balancepro.net.

The Solar System

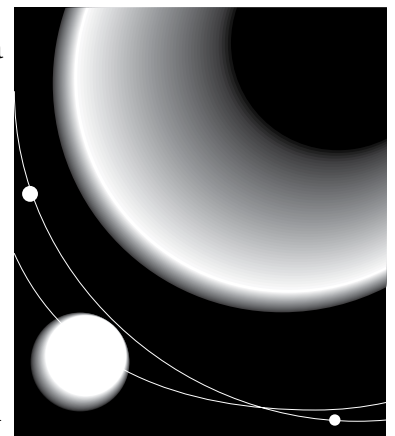
A question by David Erickson of Veneta, Oregon to *Ask Marilyn* (Marilyn vos Savant) in *Parade Magazine*, Sunday Chronicle, May 29, 2011, asked:

You once described our solar system with fruits and vegetables. Could you give us the "recipe" again?

Her response was "Gladly."

If the sun were a pumpkin about a foot wide:

- Mercury would be a tomato seed 50 feet away;
- Venus a pea 75 feet away;
- Earth a pea 100 feet away;
- Mars, a little raisin 175 feet away;
- Jupiter an apple 550 feet away;
- Saturn a peach 1025 feet away;
- Uranus a plum 2050 feet away, and
- Neptune a plum 3,225 feet away.
- Pluto stays in the fridge."



Protect Our Benefits Report

By Gerry Meister,
Communications Chair

Protect Our Benefits is an independent political action committee which falls under the provisions of the San Francisco Ethics Commission and is not part of RECCSF. The opinions presented are those of the author.

The POB Supplementary COLA Lawsuit Moving Ahead

A recent state attorney general's opinion confirmed the right of Protect Our Benefits to bring legal action to protect the vested pensions of city retirees. The opinion made clear that POB could continue to pursue its challenge to the validity of Proposition C, which would limit supplementary COLAs for city retirees now and in the future. The case will soon be shifted directly into the San Francisco Superior Court system. (More on this in the March *Bulletin*.)

The decision to take this critical supplemental benefits case to court was not easily made. No matter how principled our

stand, how clear the precedents, and how skilled our legal team, we knew we should not expect a quick and inexpensive resolution of our case. Your continuing contributions toward financing the POB lawsuit are much appreciated. Please make your check payable to Protect Our Benefits, and mail it to *Protect Our Benefits (POB)*, P.O. Box 320057, San Francisco, CA 94132. Your donation is not tax deductible under federal or state law.

Retiree Healthcare: The Other Face Of Proposition C

When we recognized the potential effects of Prop. C on supplemental pension benefits last year, we launched the POB lawsuit as quickly as possible. At the same time, many of us also tried to convince our friends and allies in employee organizations not to support Prop. C because we were already concerned about another major change in the works. That was an important change in the composition of the Health Ser-

vice Board. It would eliminate one of the four elected representatives and insert a third city hall appointee. Also, the current Board of Supervisors representative on the HSS Board is likely to move on and be replaced. We should expect to see quite a different board in place by the end of March.

And then there's Supervisor Mark Farrell, who seems to have developed an obsession. He's said again and again that the City must get rid of its charter obligation to finance employee and retiree healthcare over the next 30 years. Farrell has announced several times that he hopes to have a charter amendment to make that change ready for the November ballot, but he's given no indication of what its contents might be. We need to start preparing for yet another fight.

Questions? Comments? Contact Gerry at gerrymeister1@earthlink.net, or POB, P.O. Box 320057, San Francisco CA 94132.

Please note new
RECCSF Web site address:

sfretirees.org

New RECCSF Office Hours

(as of Jan. 14)

Monday, Wednesday, Friday: 11 a.m.–2 p.m.

Tuesday, Thursday: 9 a.m.–12 noon

Retirement Committee Report

By Jean S. Thomas,
Herb Meiberger, CFA,
and Stephen Herold

SFERS Board Hears Opposition to Predatory Home Lending Practices

An orderly and well organized group filled the Jan. 9, 2013 SFERS Board meeting to speak out against those major lending institutions that, they say, are guilty of illegal home lending practices and foreclosures, especially in CCSF's African American and Latin communities. The group specifically targeted Wells Fargo Bank, and asked that SFERS divest holdings in its stock. SFERS Commissioner **Brenda Wright**, Wells Fargo executive, first appointed by former Mayor **Willie Brown**, was absent from the meeting because of a business trip. KCBS had camera coverage of the event.

The group's speakers ranged from individual city employees and retirees who lost—or who expect to lose—their homes to foreclosure, community and church leaders, “Occupy” participants, and others. SFERS Board members listened sympathetically. SFERS Commissioner and District 10 Supervisor **Malia Cohen** said that State of California (recent actions by State Attorney General **Kamala Harris**) and city government are helping, and will continue to help, victims of predatory lending schemes. Supervisor Cohen said that she, personally, feels victims' pain because she was foreclosed on in 2008! Commissioner **Herb Meiberger, CFA**, suggested that the group document complaints to the lending institutions in writing, and, if no satisfactory response, present their case at the institutions' stockholder meetings.

The Board did not move to

divest SFERS' holdings in Wells Fargo stock.

Plan Performance— Getting Better!

Preliminary performance figures as of 12/31/2012 are Plan value of \$16.3B, and six months fiscal year-to-date (FYTD) earnings of 7.6%. The Fund has therefore recovered from its low point of \$11.1B in early 2009 to where it was in pre-recession March 2008. Also, 7.6% earnings are just a smidgen below FY 2012/13's entire investment goal (AKA actuarial investment return rate) of 7.66%. Reaching that goal is super important; at that point, the City and city employees can feel secure about not having to pay for another earnings shortfall. Let's hope that the upward earnings trend continues for the next six months and beyond!

Board Sets Actuarial Assumption Rates for FY 2013/14

Last year, **Cheiron**, external actuarial consultants, recommended a three-year phase-in to lower all three long-term (30 to 50 year) actuarial assumption rates, discussed below, by 0.25%. Reasons given were historical economic and demographic downward trends. In 2012, board members discussed these changes long and hard; they did the same this year, and, finally, on Jan. 9, 2013, by majority vote, accepted the following schedule for FY 2013/14: *investment return*, 7.58%; *price inflation*, 3.33%; and *wage inflation*, 3.83%.

Investment return is the most important assumption: it sets SFERS' fiscal year earnings goal and projects long-term asset growth. Reduced investment returns mean that the City can expect less “help” from

investments to cover its costs. Incidentally, it also lowers the bar for calculation of “excess earnings” for our supplemental earnings-based COLA.

The actuaries' recommended reduction of the *price inflation* rate caused the most board member discussion. (Commissioner Meiberger still questions the actuaries' foundation for lowering this rate.) Price inflation directly affects *wage inflation*. Taken together, reduced price and wage inflation rates mean lower City costs, and less justification for employee wage and benefit increases. Also, employee retirement contributions, which are based on salaries, remain flat.

Other Points of Interest

- Enormous changes are expected in public pension financial reporting, effective very soon (2013, 2014), as required by the Governmental Accounting Standards Board (“GASB 67 and 68”). Financial statement disclosures will show greater volatility in pension obligations and costs than in the past and will be very complex. We'll keep you informed.
- The building where SFERS is headquartered, 30 Van Ness Avenue, is up for sale and SFERS will *likely* relocate some time in 2013. Specifics on the exact move date and whether SFERS will be in a purchased building or rental space aren't known now. Stay tuned!

Questions? Comments? Contact Herb at herb.sf@gmail.com; Jean at jeansthomas@yahoo.com, or (415) 665-4149; or Stephen at Stephen.home@att.net, or (415) 664-1201.

The Bulletin
January 2013
Volume 113, Number 1

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➔ **LOOK NOW AT YOUR MAILING LABEL.**
The month posted on the label
is the date your dues expire.



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United Irish Cultural Center,
45th Ave. & Sloat
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Note to members

**Please keep RECCSF updated
with changes in address,
phone number and e-mail.**

Letters to the Editor Welcome at
alfrmsf@aol.com & sheilamullen@mac.com

The Bulletin
February Deadline:

• Friday, Feb. 15
5:30 p.m.

Please e-mail your articles to:
alfrmsf@aol.com &
sheilamullen@mac.com

Visit our Web site:

sfretirees.org

**RECCSF office
e-mail address:
reccsf@att.net**

Welcome, New Retirees

Upcoming General Membership Meeting

Wednesday, Feb. 13

Wild in the City: What's Gnu at the Zoo?

How long has it been since *you've* been to the zoo?

Join us for an update on our meeting-neighbor, the San Francisco Zoological Gardens, presented by Vice President of Conservation and Education Joe Fitting.

Get a group together after the RECCSF meeting and visit this San Francisco treasure; senior S.F. resident admission is \$7.50. There are lots of new information and exhibits to investigate!

Regular Meetings

Second Wednesday of each month

Refreshments available: 11:10 – 11:50 a.m. • Program: 11:30 a.m. • Business meeting: noon • Bingo: 12:45 p.m.

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