

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

There were several items of note at the Health Service Board meeting. Former HSS employee Gregg Sass—who, incidentally, did not attend his first meeting—was named to replace Dr. Schlain, who resigned; Dr. Schlain's input will be greatly missed.

The best news is that **Delta Dental reduced the monthly dental premium for the retiree PPO dental plan by 6%**, commencing Jan. 1, 2016, and continuing through Dec. 31, 2017 (a two-year rate guarantee!). Delta emphasized that the no-copay prevention benefit enhancements remain—such as annual cleanings. DeltaCare HMO rates are guaranteed for years 2016 through 2018. Pacific Union HMO rates are guaranteed through Dec. 31, 2016.

Rate renewals for **Blue Shield** brought in the top administrators from Blue Shield, Hill Physicians, and Brown and Toland. They all restated their dedication to the ACO (Accountable Care Organization). Premiums have not increased in the last two years, due, in part, to an HSS rate subsidy. It was noted that the national trend has been between 5% and 7% during the same time period. Higher claim costs (physician and hospital 6%, and pharmacy 21%) and increased utilization, coupled with negotiated physician and hospital contracts (Sutter!) between Blue Shield and the provider community, are resulting in an **11.5% premium increase**.

The request for proposal (RFP) for the vision benefit was cancelled for timing issues. It is anticipated the RFP will be reissued in late summer.

The UHC City Plan MAP (Medicare Advantage Program) proposal remained the hot topic. UHC presented

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Retirement Committee Report

By Claire Zvanski, Herbert Weiner, and Herb Meiberger, CFA

Fiscal Year 2015/14 Earnings:

- Nine months into FY 2014/15, earnings were +2.79%; plan value of \$20.3B.

California Court of Appeal Finds the 2011 SF Charter Requirement that SFERS be “Fully Funded” Before Vested Supplemental COLAs May be Granted Cannot be Applied to Certain Retirees with Vested Rights to the Prior Supplemental COLA Formula!

- The executive director reported on the lawsuit *Protect our Benefits (POB) v. City of San Francisco* regarding Proposition C, an initiative that city voters passed in November, 2011, amending the charter to condition the payment of the supplemental COLA on the pension fund being “fully funded based on the market value of assets” for the previous fiscal year. **On 3/27/2015, the First District Court of Appeal unanimously declared that this charter amendment was unconstitutional as applied to the current city employees and those city employees who retired after the supplemental COLA was enacted on 11/6/1996.**
- The court held that *retirees before 11/6/1996* had no vested contractual right to the supplemental COLA. About 8,000 retirees are affected. Additionally, 18,000 retirees who *retired after 11/6/1996* may be entitled to these benefits. The executive director stated there are sufficient earnings in FYE2013 and FYE2014 to pay the supplemental COLA. *Stay tuned as this may affect all of you.* The case is at: <http://www.courts.ca.gov/opinions/documents/A140095.PDF>.

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May Calendar

Regular Meeting

Wednesday, May 13

Business meeting & program: 10:15 a.m.

Irish Cultural Center

45th Ave. & Sloat Blvd.

News & Views

Editorial Committee Meeting

Tuesday, May 19, 9 a.m.

Taraval Police Station

All interested parties welcome.

Executive Board Meeting

Tuesday, May 19, 10 a.m.

Taraval Police Station

All interested parties welcome.

Public Meetings:

Retired Firemen &

Widows Association

Thursday, May 21, 1 p.m.

Irish Cultural Center,

45th Ave. & Sloat Blvd.

Veteran Police Officers

Tuesday, May 12, 11 a.m.

San Francisco Scottish Rite

Masonic Center,

2850 19th Ave. & Sloat Blvd.

Retirement System

Wednesday, May 13, 1 p.m.

1145 Market St., 6th Floor

Health Service System

Thursday, May 14, 1 p.m.

City Hall, Room 416

UESF Retired Division

For time/location, contact

Diane Doe at (415) 822-2099 or

Ddoe@mac.com.

SEIU 1021 West Bay

Retirees Chapter

Monday, May 18, 12-2 p.m.

Union Hall, 350 Rhode Island St.,

100 South Bldg.

Contact: Claire Zvanski at

(415) 341-3085 or

czvanski@hotmail.com.

Retirement Committee Report

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Fossil Fuel Divestment and the Ad Hoc Environmental Social Governance (ESG) Committee!

Last month, the Retirement Board adopted *Level II Engagement of Fossil Fuel* companies under SFERS Social Investment Policies and Procedures. SFERS will work with other public funds and investors to vote shares for socially responsible actions. At the April 8 meeting, President Makras appointed Commissioner Paskin-Jordan to chair the ESG Committee, and Commissioners Driscoll, Meiberger and Stansbury as members.

At the April 8 meeting, staff recommended doing due diligence for an “ex Fossil Fuels Index” and invest up to \$100 million in these funds, passing six to one. The new investment would be funded from passive equities. Staff and Leslie Kautz, Angeles Investment Advisors, showed that the S&P500 Index is comprised of about 8% in energy stocks. In the high-tech bubble in 1998-2000, energy stocks comprised only 2% of the benchmark, and reached 17% in the 2008 subprime crisis. Staff and consultant showed that selling energy stocks would lower the portfolio’s inflation protection. Staff stated that the action would sell about \$2 million in energy stocks, without providing estimates of transaction costs. Commissioner Meiberger dissented, citing the Board’s recent approval to invest \$100 million in fossil fuel limited partnerships behind closed doors, and that its actions should be consistent. He stated the long-term solution to global warming is investment in renewable energy.

San Francisco Deferred Compensation Plan (SFDCP) Updates—Mission Statement, New Funds, and Loans for Active Members:

- The SFDCP Committee’s mission statement was approved unanimously: “Our mandate is simple: Deliver an exceptional voluntary retirement program, with empowering education and advanced tools that enable participants to

achieve their financial retirement goals.”

- The Board unanimously approved the SFDCP Committee’s recommendation that the Board replace the Target Small Cap Value Fund with the Vanguard Small Cap Value Index Fund. The DC Consultant, Angeles Investment Advisors, wrote that the new fund “has a longer track record, better performance, and lower fees.”
- The Board unanimously approved the SFDCP Committee’s recommendation that the SFDCP offer loans to its participants. Active members can now borrow up to 50% of their account balance, with a maximum of \$50,000.
- The credited interest rate for the Stable Value Fund for 4/1/2015 to 6/30/2015 is 1.23%, up from 1.22%.
- Commissioner Meiberger shared concerns from members and inquired about the insurance component of the DC Plan and its regulation and oversight, citing *The Wall Street Journal*: “Variable contracts fall under both state and federal jurisdictions—state insurance commissioners regulate the variable contract itself as an insurance product, and the SEC claims jurisdiction over the separate, subaccounts within the contract as an investment product.”

Questions? Comments?

Contact Herb Meiberger at herb.sf@gmail.com or Herbert Weiner at h.weiner@sbcglobal.net.

Health Service Committee Report

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more specific information; yet, additional questions arose. A comparison chart of benefits and copays was presented in a font that was too small even for magnification, and that could not be projected on the screen! Of concern are the 905 members who would be impacted by the prescription drug benefit formulary change for HRMs (**high-risk medications**). Specifically, these drugs are not recommended for use by those 65 years of age or older. **Note:** many of these HRM changes will also impact *all other plans*. The HSS board told UHC to come back with more specifics for our membership, and a legible comparison chart. *This means we don’t have answers to your questions at this time!* Proposition C changed charter language to allow the HSS Board the option to change City Plan I from a full-choice to a more restricted plan. The item is continued, and the Board will make a final decision at its June meeting.

Questions? Comments? Contact Claire Zvanski at (415) 341-3085 or czvanski@hotmail.com.

Useful Phone Numbers

S.F. Retirement System

Website: www.sfgov.org/sfers

Phone Numbers:

(415) 487-7000 • (888) 849-0777

Health Service System

Website: www.myhss.org

Phone Numbers:

(415) 554-1750 • (800) 541-2266

Phone Hours for both:

8 a.m. to 5 p.m.

New Members

Eng Eng Chan BOE Lain Lain Lee HSS

Rest In Peace

The following members have recently passed away.

Whitfield W. Bryant, Jr.	GEN	Lorraine Koel	FIR
Edgar P. Bryant	GEN	Richard Mc Knight	GEN
Gloria Byrd	DPH	Myra G. Platt	FIR
Gertrude J. Cordell	DPH	Patsy Tong	PUC
Marguerite Fadhl	POL	Silvio Tringali	AIR
Claire A. Gogas	SHF	Dorothy C. Wisecarver	DPH
Margaret M. Healy	DPH	Frank S. Yee	GEN

President's Message

By Claire Zvanski

Ask any worker what his/her ultimate goal is, and the one response they all seem to agree on is: **Retirement!** What's their primary concern? It is to have the financial resources and good health to enjoy retirement.

As public employees, we worked at below-market wages in anticipation of receiving pensions and lifetime health benefits; most of us assumed that we had nothing to worry about once we retired. My intent is not to sow "doom and gloom"; each of us receives a pension and is enrolled in an excellent health plan. However, when Proposition C came along we suddenly learned about certain issues surrounding our

pensions and health plans. The Protect Our Benefits (POB) reports are proving to be quite educational—it seems that the devil is in the details!

Tracking both the SFERS' hedge fund investing—and now a new plan proposal for the City Plan—has dominated much of my time. But I am still determined to meet with out-of-town members.

RECCSF remains the only recognized representative of city retirees! Growing RECCSF membership remains our primary goal, so if any of your colleagues are planning to retire soon, make sure that you encourage them to join RECCSF before the new dues take effect on Aug. 1, 2015.



Questions? Comments? Contact czvanski@hotmail.com or (415) 341-3085.

Protect Our Benefits

By Sharon Johnson

Protect Our Benefits is an independent political action committee which falls under the provisions of the San Francisco Ethics Commission. The opinions are those of the writer.

Writ of Mandate

The First District Court of Appeal, on March 27, 2015, unanimously declared that Proposition C was unconstitutional as applied to current city employees and those city employees who retired after the Supplemental COLA was enacted on Nov. 6, 1996.

On April 13, 2015, POB attorney David Clisham filed a Petition For Rehearing on the above-mentioned decision stating that only certain retirees with vested rights are entitled to the Supplemental COLA. The purpose of the petition is to request a clarification on their decision to exclude the pre-1996 retirees from receiving the Supplemental COLA granted to post-1996 retirees. It is Mr. Clisham's opinion that the court made an error when they made this ruling.

The appellate court has until April 26, 2015 to select one of the following two options: reopen/rehear the entire case; or allow the current ruling to become established law by making no comment to the POB petition. If they choose the second option, POB will file a Request For Review to the California State Supreme Court by May 11, 2015 on behalf of the pre-1996 retirees.

As outlined in our mission statement, POB is dedicated to protecting the pension benefits of *all* retirees in SFERS. Throughout this legal process, POB has often declared that we will take advantage of every option to ensure that all retirees receive their benefits. ***All for one and one for all until economic justice prevails!***

Healthcare Issues

There is a number of issues coming before HSS, about which you might be interested in hearing. POB will continue to monitor and work with the Health Service System to bring about the best health care benefits on your behalf.

Social Media

Keep apprised of POB activities by visiting our Facebook page and website, www.protectourbenefits.org. We are excited to be linking both medias, making it easier for you to stay updated.

Join POB

POB is proud to work on your behalf; this is an invitation to become a POB partner through our appeal for your financial support. ***Keep POB strong by making your check payable to POB, P.O. Box 320057, San Francisco, CA 94132. Your donation is not tax deductible under federal or state law.***

Slate of candidates for RECCSF office Fiscal Year 2015/2017

As of News & Views print date:

Secretary: *Open*

Board of Director candidates, five to be elected:

- Brian Cunningham
- Thomas Dang
- Adlai Jew
- Annette Lonich
- Sheila Mullen

Election will be held at the May 13 General Membership Meeting. Installation ceremony will be held at the June 10 Annual Luncheon.

April General Membership Meeting



A much-needed increase in dues recommended by the RECCSF Board was voted in unanimously by the membership.



RECCSF "Frugal Few" Committee chair Linda Tabor-Beck presented an impassioned plea to the membership to vote to increase annual and lifetime membership dues. Membership unanimously complied!



Lifetime member Angelo Figone, Muni, welcomed back after a long absence.



Pat Tibbs from the Center for Learning in Retirement gave an in-depth presentation on the many classes and activities available to members. Info: (415) 543-3965 or www.clirsf.org.



Longtime volunteers, from left: Bev Pardini and Ellen Shanahan.

Margaret O'Sullivan of the Health Service System presented examples of the many free classes offered by HSS at the Wellness Center, 1145 Market St., First Floor, San Francisco. Info: (415) 554-0643 or myhss.org.

20-MINUTE COACHING APPOINTMENTS
Take 20 minutes to identify challenges, get answers to your questions, and make a plan and stop at it now.

NUTRITION COACHING
WEDNESDAY, APRIL 16 & THURSDAY, APRIL 18
Appointments are available from 8:15-12:00. Call 415-554-0650 to schedule.

FITNESS COACHING
WEDNESDAY, APRIL 23
Appointments are available from 1:00-3:30. Call 415-554-0650 to schedule.

LOCATION
HSS Wellness Center
1145 Market Street 1st Floor
San Francisco, CA 94103
415-554-0650
myhss.org

FREE WELLNESS COACHING

In the game of life, a good coach can make all the difference.

Our onsite coaches can help you find solutions to your most important challenges related to starting a physical activity routine, healthy eating and physical activity for weight loss, healthy eating with conditions like high blood pressure or diabetes, food label reading, meal planning, and grocery shopping. Coaching is available for employees of the City & County of San Francisco.

Baseball Theme—feel free to wear your team colors!
Annual Luncheon and Installation of Officers

Wednesday, June 10, 2015

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

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

Luncheon Tickets: \$30.

Make your reservation at the May 13 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 3—no exceptions!

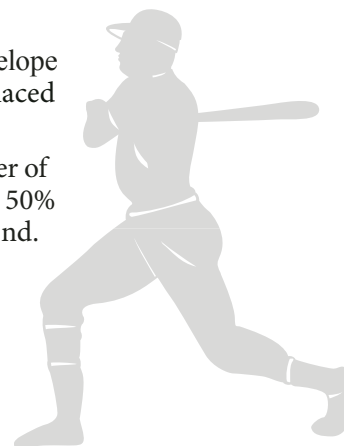
All information must be filled out, or your reservation form will be returned to you. No payment will be accepted without a properly completed reservation form, and no form will be accepted without payment. No tickets will be sold at the door, and no seating will be rearranged at the door.

For your information:

- On luncheon day, *each* attendee (except *reserved tables*) will be given an envelope with the table number on the outside; inside will be an entrée ticket, to be placed on the table for the wait staff.
- Raffle tickets will be sold at the luncheon for \$1 each, or six for \$5. The number of cash prizes of \$25 each 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 Manager
Reyna Kuuk at reccsf@att.net or (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.

OPINION

My Argument Against a Dues Increase

By John Madden

RECCSF currently operates at an annual deficit of about \$23,000. The executive board recommended, and the general membership approved, both a dues increase and a charge to receive printed copies of *News and Views*. I do not think the increases solve our financial problems.

The dues increase, if every one of the 851 currently paying annual members pay, yields only about \$10,000, based on current membership. There is no guarantee 100% will pay—and so we're still left with a deficit.

The operating costs of RECCSF can be broken down into three categories: membership meetings (\$14,000), publications (\$18,000) and office expenses (\$40,000), for a total of about \$72,000. Dues income is around \$36,000 and contributions for the holiday party and installation luncheon are about \$11,000; a total of \$47,000. So, the operating deficit is \$23,000 to \$25,000. How can we reduce our expenses to remain solvent?

- Reduce meetings to four a year: installation, holiday party, Health Service/Open Enrollment and a Retirement System Status report (\$5,000-\$6,000);
- Staff Office with volunteers, or use a clerical/answering service and P. O. box (\$20,000-\$30,000);
- Encourage email subscription to *News and Views* (\$5,000-\$7,500 postage);
- Minimize printing and mailing costs by using off-the-shelf publishing tools instead of professional setup and printing, (\$5,000-\$8,000), but maintain the publication in some form.
- Encourage a wider membership base. There are about 18,000 city retirees. Our paid membership is less than 3,200. How are we to encourage membership?

What would *you* do, if you were RECCSF? Comments welcome at Madden168@Hotmail.com or reccsf@att.net.

“Frugal Few” Committee Report

By Linda Tabor-Beck, chair

Members in attendance at the April 8 General Membership Meeting voted *unanimously* to accept the RECCSF Board's recommendation to increase annual dues to \$48, and lifetime to \$600 (payable in six-year increments). This was a difficult recommendation to make, so members' overwhelming support was truly heartwarming.

The new dues will go into effect at the beginning of the next fiscal year, commencing Aug. 1. Until that date, members are welcome to renew at the

current annual rate of \$36 or lifetime \$400 (payable in four-year increments).

While we still need to reduce costs further, this dues increase will certainly help to ensure RECCSF's survival, and enable it to continue to voice the concerns of San Francisco's retired employees; we are the only the organization recognized by the city as the official representative of its retired employees.

A final note: “Thank you” to Friend of RECCSF Pat D'Arcy, for her very generous donation. We miss you!

Attention—RECCSF members still receiving their copies of *News & Views* by U.S. mail!

In order to provide a greater range of information and remain within our allotted dues revenue, we are moving to an email version of *News & Views* that will also enable you to receive current information on developing retirement or health care topics.

In order to receive your monthly copy by email—if you have not already provided the office with this information—please sign up immediately at RECCSF@att.net.

If you wish to continue to receive a hard copy of News & Views by the U.S. Postal Service, it will become necessary to charge \$25 per year to defray escalating printing and mailing costs; effective July 31, 2015, you will be charged this increase.

(Exemptions may be made, on a case-by-case basis, for members not having access to computers.)

Reminder to provide RECCSF with your email address!



If you have an email address, and are still receiving your copy of *News & Views* by postal mail, please email reccsf@att.net ASAP.

Emailed copies tend to reach members up to a week before printed copies, which not only ensure timely updates on your current retirement issues, but also help to significantly defray RECCSF postage and printing costs. Many thanks!

Travel Committee Report

By Beverly Pardini and Marylou Allen

Wed.-Fri., May 20-22

Two nights at the Carson Valley Inn. Trip starts with a scenic ride through the Lake Tahoe region and into the Carson Valley. On second day, trip to Virginia City; includes a lavish tea at the Historic Fourth Ward School House. Return home on the third day through Reno, with stop at the Silver Legacy.

Sun.-Tue., July 12-14

Attendance at *The Pageant of the Masters* in Laguna Beach, where this year's theme is "The Pursuit of Happiness," exploring the many sources of happiness—both ancient and modern—through "living pictures"; includes two nights at the Embassy Suites in Anaheim, a visit to the California Space Center to see the Endeavor, and dinner at the Tivoli Restaurant.

Friday, July 24

Ice cream, wine, cookies and cakes; all flavored with *garlic* at the 34th Annual Gilroy Garlic Festival. Browse Gourmet Alley and decide which of the garlic-infused delights you will sample for lunch. Visit the arts and craft booths for all things garlic and enjoy the wonderful scents of the "stinking rose."

Sun.-Tue., Aug. 16-18

First stop: the Benbow Inn in Garberville for included lunch; then, travel the Avenue of the Giants to Eureka and the Blue Lake Resort Casino for two-night stay. Second day: local guide will take us to the Lost Coast of Mendocino; includes picnic lunch on the beach. Third day: homeward bound with no-host lunch stop in Willits.

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

Managing Your Checking Account

By Kara Wenzl, Marketing Specialist
San Francisco Federal Credit Union

If you write a check for more than your account balance, and do not have overdraft privileges, the check will be returned and you can be charged a "nonsufficient funds" fee. If you can overdraw—but do not have overdraft protection—you can be charged an overdraft fee for every transaction you make while you are in the "red."

Following are a few simple steps to help you avoid these expensive fees:

- Check your account balance regularly.
- Maintain a balanced budget.
- Use overdraft protection. (At San Francisco Federal Credit Union, this service is free.)

Want more advice on money management? We can help you manage and take control of your San Francisco Federal Credit Union accounts. Stop in today to take advantage of our services, or contact us at (415) 775-5377 or SanFranciscoFCU.com.

Member Alert!

In order to ensure that you receive your email copy of *News & Views*, please be sure to add reccsf@att.net to your computer contact list;
this will ensure that your electronic copy does not get deposited in your spam folder.

Spring Hours for RECCSF office

Office Manager
Reyna Kuuk will be staffing the office Monday through Friday, 9 a.m. to 12 noon.

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 is only \$36 per year.
- Please download membership application form from our website, www.sfbretirees.org.

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. Subscriptions to *News & Views* are available for \$36 per year.

Submissions to *News & Views* are solicited and encouraged, and should be submitted to:

RECCSF Office, Attn: Sheila Mullen • 3915 Irving St., San Francisco, Ca. 94122-1294

Telephone: (415) 681-5949 Fax: (415) 681-5398 • sheilamullen@mac.com

Sheila Mullen, Editor

News & Views

May 2015

Volume 116, Number 5

Sheila Mullen, Editor

Office: (415) 681-5949

Fax: (415) 681-5398

Office email: reccsf@att.net



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



RECCSF Officers:

Claire Zvanski, President

Linda Tabor-Beck,
First Vice President

John Madden,
Second Vice President

Secretary

George Lau, Treasurer

Leo Martinez, Sergeant-at-Arms

Executive Board Meeting

Tuesday, May 19, 10 a.m.

Taraval Police Station

2345-24th Ave.

All interested parties welcome.

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Note to members:

Please keep RECCSF updated
with changes in address,
phone number and email.

News & Views

June Deadline:

☛ Friday, May 15, 5:30 p.m.

Please email your submissions to:

sheilamullen@mac.com.

Letters to the Editor of 50 words or less welcome
at sheilamullen@mac.com. All letters subject
to further editing for space reasons.

Visit our website:

sfretirees.org

RECCSF office

email address:

reccsf@att.net

Welcome, New Retirees

Upcoming General Membership Meeting

Wednesday, May 13

“Shape Up” with Margaret O’Sullivan, HSS Health Promotion and Wellness Manager

Fraud Prevention for Seniors

Election of RECCSF Officers for Fiscal Years 2015/2017