

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

At its May 14 meeting, the Health Service System Board approved the controller's appointment of Commissioner Randy Scott for a five-year term. Supervisor Farrell performed the swearing-in ceremony.

- Vision rates increased 1% for 2016, adding four, eight, or 11 cents to all premiums in all plans. Remember, VSP covers all members in all plans, including Medicare Advantage.
- Rates for both actives and **early retirees** for Kaiser and Blue Shield were approved. Kaiser's current 2015 rates are guaranteed through 2016. Blue Shield rates increased 11.5%.
- To keep rates affordable, and to also lower the base rate in anticipation of the 2018 excise tax (45%), the board voted to subsidize **City Plan** rates for actives and **early retirees**.
- The board thoroughly vetted the **UHC Medicare Advantage Plan** before it voted to add it as an **option** within City Plan. A detailed comparison chart of benefits was presented along with formulary lists. UHC committed to providing information sessions to help members decide which City Plan option to choose. **The existing City Plan with percentage copays remains.** This Medicare Advantage option establishes fixed-dollar copays for services, and eliminates the annual deductibles and percentage copays. This is a **national PPO**. **Any provider that accepts Medicare is available through this option.** Drug copays remain the same in both options. It is called MAPD NPPO (which means Medicare Advantage Plan with part D Medicare and na-

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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, gross earnings were +4.30%; Plan value of \$20.6B.

Update on Appellate Court decision in *Protect our Benefits (POB) v. City of San Francisco* regarding Proposition C and the Supplemental COLA.

- The executive director reported that approximately 17,700 retirees who retired after 1996 are eligible for supplemental COLAs for FY2012/13 and FY2013/14.
- As mentioned in May's *News and Views*, the court held that **retirees before 11/6/1996** had no vested contractual right to the supplemental COLA. POB is appealing this finding to the California Supreme Court.
- The city has also filed an appeal to the California Supreme Court.
- **Stay tuned for updates!**

The End of an Era—A New General Consultant is Selected!

- Angeles Investment Consulting has served as SFERS' general consultant for the last 20 years, with Leslie Kautz continuously serving as the primary consultant.
- SFERS typically reviews contracts for service providers every five years. Five consulting firms bid for SFERS' business: *Angeles Investment Consulting, AonHewitt, NEPC, PCA, and Wilshire Associates.*
- SFERS staff interviewed four of the firms and recommended that the Retirement Board select NEPC (formerly called *New England Pen-*

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June Calendar

Annual Installation Luncheon

By reservation only

Wednesday, June 10

No-host Bar: 11 a.m.

Luncheon: 12:15 p.m.

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

News & Views

Editorial Committee Meeting

Tuesday, June 15, 9 a.m.

Taraval Police Station

All interested parties welcome.

Executive Board Meeting

Tuesday, June 15, 10 a.m.

Taraval Police Station

All interested parties welcome.

Public Meetings:

Retired Firemen &

Widows Association

Thursday, Sept. 17, 1 p.m.

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

Veteran Police Officers

Tuesday, June 9, 11 a.m.

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

Retirement System

Wednesday, June 10, 1 p.m.

1145 Market St., 6th Floor

Health Service System

Thursday, June 11, 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, June 15, 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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sion Consulting).

- NEPC made a formal presentation to the Retirement Board. Allan Martin, who will be SFERS' lead consultant—and who only represents public funds—led the presentation.
- NEPC has 330 clients nationwide totaling \$860 billion in assets, including 62 public plans with \$480 billion. NEPC has a large staff of 244 employees, including 196 investment professionals.
- NEPC has substantial experience with public funds. Mr. Martin's largest clients are the Arizona State Retirement System (\$35 billion), Orange County ERS (\$12 billion), New Mexico Educational Retirement Fund (\$11 billion), and San Bernardino ERS (\$8 billion).
- NEPC has a large team devoted to investment research, and has published extensively on asset allocation, risk management, ESG issues, hedge funds, and other topics.

Cancer and Heart/Pneumonia Presumption for Members of SFERS Sheriff Plans:

- An ordinance will be proposed to amend the Administrative Code to add cancer and heart/pneumonia presumptions for industrial disability and death in the line of duty retirement benefits for sheriff members of SFERS. Uniformed members of the police and fire departments who are SFERS members are now entitled to these presumptions; members of the sheriff plans are not.

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

| | | | |
|-----------------------|-----|---------------------|-----|
| Antoinette Candelaria | HSS | Richard A. Kannisto | FIR |
| Daniel M. Cotter | PUC | Greg Kelly | LIB |
| James C. Garvey | FIR | Gilberto J. Lucas | MTA |
| Richard Goodwin | USD | James C. Novello | FIR |
| Vincent Guerena | REC | Janis V. Ronis | PUC |

Committee Reports:

- The Personnel Committee met on April 29 to evaluate the performance of the board's two direct reports, the executive director and the actuarial services coordinator. The president of the Personnel Committee, Supervisor Malia Cohen, recommended that a special meeting be held regarding the evaluation of the executive director, which will occur after the June 10 Retirement Board meeting.
- The Governance Committee met on April 15, and provided amendments to its governance policies. The most substantive change was to review the documents every five years, rather than every three years. The board approved all amendments.

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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- tional PPO). It also includes Silver Sneakers membership. Members will have a **choice** to select the traditional City Plan with percentage copays **or** the MAPD option with fixed dollar copays.
- AON Hewitt is the board actuary. Its annual value index survey rates HSS plans within the Government/Education Industry. HSS members pay 14.5% of premium compared to an average of 17.6% within the peer group. HSS members also pay less out of pocket for their care, \$645 versus an average of \$1,623 within the peer group. In essence, HSS members receive \$1.21 value for every dollar spent!
- The board was urged to support SB 26 (Hernandez), California Health Care Cost and Quality Database (commonly referred to as a transparency bill). Catherine Dodd sent a detailed appeal to the IRS regarding the (2018) excise tax on high cost employer-sponsored health coverage under Sec. 49801 of the IRS code, citing the unfair financial impact on families.
- Subsidies and claim stabilization reserves will diminish the trust fund balance by approximately \$9.2 million. Yet, it remains sufficient to meet all claims liabilities.

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

Rest In Peace

The following members have recently passed away.

| | | | |
|--------------------|-----|--------------------|-----|
| Annaliese E. Bedel | DPT | Elmer T. Nelson | DPT |
| Stanley F. Cordes | POL | Marilyn G. Rodman | DPH |
| Paulyne Cronin | FIR | William P. Ryan | BOE |
| Loretta Evans | BOE | George A. Schiessl | DPW |
| Aster Lee | BOE | Pilar C. Ventura | DPH |
| John Murphy | DPW | | |

President's Message

By Claire Zvanski

Recently, I “crashed” the monthly cable car-retiree luncheon at the Double Play Tavern in San Francisco. About 40 retirees attended, and many of them drove down from the greater Sacramento area. Four are RECCSF members and three knew about the Proposition C lawsuit. Ironically, they are awaiting information about a TWU trust fund lawsuit. The din made updates impossible. One person commented to me they used to get a check in February. He didn't know what the check was for or why it no longer arrived! This, from people who used to check every penny on their paychecks!

What's my point? *News and Views* keeps members informed. RECCSF and POB carefully monitor the local politics that impact our benefits; but *only* with your support and involvement.

How much are your benefits worth to you? Have you contributed toward the legal fees of Proposition C? Have you volunteered to serve RECCSF? Can you attend SFERS or HSS board meetings? Do you wonder what happened to benefits you used to receive?

RECCSF is working to stay relevant for the future. But, we have more questions than answers. Tell us what *you* think and how you can help us achieve that goal. Consider the challenges with



most members now living outside of San Francisco.

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 the current city employees and those city employees who retired after the supplemental COLA was enacted on Nov. 6, 1996.

Our POB attorney filed a petition for rehearing on April 13, 2015 on the above-mentioned decision. The purpose of the petition was 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 the opinion of our attorney that the court made an error when they made this ruling. Unfortunately, The appellate court refused to rehear the case, and, subsequently, POB on May 5, 2015 filed The Petition for Review of POB v. CCSF with the California Supreme Court requesting that the pre-1996 retirees be included.

POB learned that on May 6, 2015 the city attorney's office also filed The Petition for Review with the California Supreme Court, stating that the Court of Appeal erred in concluding that the voters intended retirees to receive supplemental COLA benefits regardless of the retirement fund's funding status. As a result, the California Supreme Court has two petitions for review. The next few weeks—and perhaps months—will be tense and interesting as we await the news as to whether or not the Supreme Court will review the petitions. Our attorney advises us that an order

granting review must be signed by at least four justices. The chief justice alone may sign an order denying review. POB is dedicated and motivated to use every option to ensure that *all* retirees receive our earned benefits. For immediate updates on this and other matters, visit the POB website, www.protectourbenefits.com, and our Facebook page.

Healthcare Issues

POB continues to monitor issues before HSS to produce the best health care benefits on your behalf.

Connect with POB

This is a call to become a POB partner! We need your financial support as we continue our pursuit in protecting our retirement benefits. *Please make your check payable to POB, P.O. Box 320057, San Francisco, CA 94132 or make a donation at our POB website. Your donation is not tax deductible under federal or state law.*

RECCSF Election Results

Fiscal Years 2015/2017

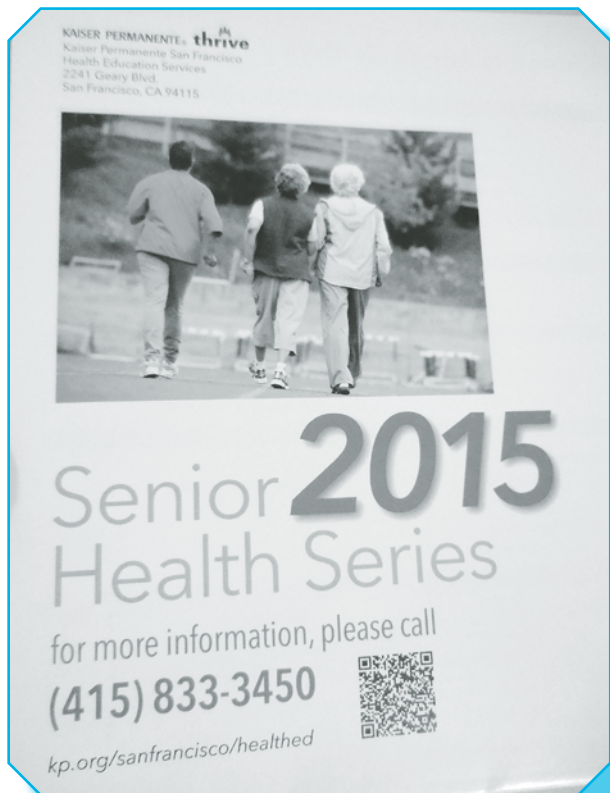
Election was held at May 13
General Membership Meeting.

Installation will be held at June 10 Annual Luncheon.

Board of Directors

Brian Cunningham
Thomas Dang
Adlai Jew
Herb Meiberger
Sheila Mullen

May General Membership Meeting



Margaret O'Sullivan, Health Service System, gave an in-depth presentation on HSS and Kaiser free wellness programs for seniors.



*Commissioner of
the Retiree Health
Care Trust Fund
Ed Walsh*



*Member Anna
Grajeda, DPH,
attending her
first meeting.*



*Member Vincent
Guerena, Recreation
and Parks Department,
attending his first
meeting.*



*Jon Shepherd of San
Francisco SAFE, Inc.,
presented strategies for
seniors on protecting
themselves from
scams and dangerous
individuals.
Info: 1 (415) 553-1984
or jon@sfsafe.org.*

No General Membership Meeting in August.

May 19 Board Meeting Actions

- Accepted Treasurer's Report.
- Accepted motion regarding raffle sales at luncheon.
- RECCSF will submit amicus letter to the California Supreme Court supporting the POB Proposition C lawsuit.

No Editorial Committee or Board meetings in July.

Protect Your Telephone Privacy!

Permanently reduce the number of unwanted telephone solicitation calls coming into your home.

Call the National "Do Not Call" Registry at 1 (888) 382-1222 to register your telephone number. Call today!

Summer Hours at RECCSF office

Monday, 9 a.m.–2 p.m.

Wednesday, 9 a.m.–12 noon

Friday, 9 a.m.–4 p.m.

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!

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.

Should You Co-Sign?

By Kara Wenzl, Marketing Specialist
San Francisco Federal Credit Union

What are the risks?

One risk that you incur when co-signing is the primary applicant making the payments late, or not at all. Late or nonpayments may be recorded on your credit report, which can lower your credit score. You could also start to experience collection activity, such as phone calls from the creditor. If you do not have the money to make the payments yourself—if the primary applicant stops paying—co-signing may not be a good idea.

Why is the person's credit score low?

A low credit score can be seen as a sign that there is a good chance the person will not repay the debt, but it is also helpful to consider why the person has that score. A person who had problems in the past, but corrected them, is probably less of a risk than someone who continues to experience difficulties, or exhibit poor financial habits.

What are you being asked to co-sign for?

Ask yourself if the person can do without what he or she is asking you to co-sign for. It may not make sense to put yourself at risk if what you are co-signing for is not a necessity.

Do you have other questions or concerns about your finances? Contact us to learn about our products and services that can guide you in the right financial direction.

Excerpt from Thomas Jefferson's First Inaugural Address on March 4, 1801:

"All, too, will bear in mind this sacred principle, that though the will of the majority is in all cases to prevail, that will to be rightful must be reasonable; that the minority possess their equal rights, which equal law must protect, and to violate would be oppression."

Submitted by Herb Meiburger.

Medicare Advantage Plans

Reported by Claire Zvanski

- The CMS (Centers for Medicare and Medicaid Services) administers the Medicare program. There are four major parts to Medicare: Part A: inpatient hospital insurance; Part B: outpatient medical insurance; Part C: Medicare Advantage (MAPD includes A & B and D); Part D: Prescription drug insurance.
- Medicare reviews your two-year adjusted gross income to determine your premium cost. \$104.90 is the monthly premium for individuals earning \$85,000 or less annually (\$170,000 for joint return). There is a graduated scale. There is a similar scale for Part D.
- MAPD plans require the member to assign Medicare to Kaiser, Blue Shield, UHC for complete medical

care. Non-medicare dependents remain on the standard plan. Members can't use their Medicare card to seek out-of-network providers.

- UHC is offering an MAPD option for City Plan members. Members may see any willing Medicare-participating provider in or out of the UHC NPPO (national) network. Members pay a copay; there is no annual deductible.
- Blue Shield is now offering its MAPD in lieu of its Medicare Advantage 65 Plus Plan. There is no change in benefits, copays or out-of-pocket maximums. It expands the provider network nationally to any willing Medicare provider. It does not include Silver Sneakers. This replacement plan will be considered at the June HSS board meeting.

Travel Committee Report

By Beverly Pardini and Marylou Allen

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.

Thursday, Aug. 27

World's longest running musical revue, "Beach Blanket Babylon," has become a world-renowned, San Francisco original, record-breaking success seen by nearly six million people. Hilarious spoofs of pop culture, and spectacular costumes and outrageously gigantic hats continue to delight audiences; evening performance with center balcony seating.

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

Retiree Health Care Trust Fund Update

By Commissioner Ed Walsh

(Ed Walsh is a RHCTF board member speaking in his personal capacity, and not on behalf of the board)

Recent Developments

The Retiree Health Care Trust Fund Board is in the process of moving from short-term interest investments to equities and bonds. To that end, the board engaged an investment consultant (Meketa Investment Group) to assist the Retiree Health Care Trust Fund (Fund) in that effort. Based on advice provided by Meketa, the board voted to co-invest fund assets with the San Francisco Employees Retirement System (SFERS), which will give the fund access to their expertise and lower fees. Fund staff are now in the process of negotiating separate contracts for custodial and investment management services, and hope to finalize these contracts by July, 2015.

On Jan. 26, 2015, the board also heard a presentation by Vice Chancellor for City College Finance and Administration Ronald Gerhard regarding their participation in the RHCTF. Mr. Gerhard stated that the Community College District has contributed \$2.5 million into the fund through fiscal year 2013/14. By the end of this fiscal year that amount should be \$4.53 million. An additional \$2 million will be deposited into the RHCTF in each of the next two fiscal years.

We are projecting a fund balance this year of more than \$70 million. Fiscal years 2015/16 and 2016/17 are projected to be \$100 and \$150 million respectively. By fiscal year 2016/17 we expect more than 40% of city employees will be contributing to the fund.

If you have any questions, or wish to bring items to the RHCTF Board's attention, please feel free to email me at walsh.retiree.health@gmail.com.

Some Thoughts from "The Frugal Few" Committee

By Linda Tabor-Beck, chair

As part of our ongoing effort to preserve the future of RECCSF, we wanted to ask our members to consider that an option for the—hopefully, far distant—future would be to provide for a bequest to RECCSF in your wills.

Personally, I know I *always* need to be reminded of this option since I tend to be so firmly focused on the present.

Many thanks for keeping RECCSF in mind; and be assured that donations of any amount are appreciated.

Auto Burglary Prevention

Submitted by Ray Favetti

There is an increase in auto break-ins nationwide. The reason for the increase in auto break-ins is because people leave items of value visible. The thieves can enter an unattended vehicle and remove valuables quickly, and often unseen; many of the thieves use the stolen items to purchase drugs.

What thieves may be thinking, or looking for:

- *Lack of Detection*: Criminals will

decide if they have enough time to take the items without being seen.

- *Value of the items*: The criminal is looking for items that are of value to them, not necessarily to you. (Even spare change may attract them; once in the vehicle they may discover more valuable items to be stolen.)

What can you do to protect yourself?

Take out valuables or lock them in your trunk. Make sure that your

doors and windows are locked. Set your alarm if you have one. At night, park near lighting. Do not leave items of value in your vehicle, or in plain view. Remove any items that contain personal information.

Tips to remember:

Record serial numbers of valuable items and keep them in a safe place in your home. You can mark items with your driver's license (not your social security number). In the event of a theft, this will be valuable information to the police if they locate the items.

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.sfretirees.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

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Sheila Mullen, Editor

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Linda Tabor-Beck,
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John Madden,
Second Vice President

Secretary

George Lau, Treasurer

Leo Martinez, Sergeant-at-Arms

Executive Board Meeting

Tuesday, June 16, 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

July/August Deadline:

☛ Friday, June 12, 5:30 p.m.

Please email your submissions to:

sheilamullen@mac.com.

Letters to the Editor of 50 words or less welcome.

All letters subject to further editing.

Visit our website:

sfretirees.org

RECCSF office

email address:

reccsf@att.net

Welcome, New Retirees

Upcoming General Membership Meeting

Wednesday, June 10

No-host refreshments 11 a.m.

Luncheon 12:15 p.m.

**Annual Luncheon and Installation
of RECCSF Board Members**

By reservation only

