

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

The most surprising news is the pending retirement of Executive Director Catherine Dodd, Ph.D., R.N., effective March 15, 2017. Many came forward to praise Dr. Dodd for her outstanding leadership. During her stewardship, for example, HSS added services, such as the Wellness program and the EAP, expanded the staff, and brought in several million dollars in rebates from the ACA (Affordable Care Act). It was stated by many that Dr. Dodd set a very high bar, and it will be challenging replacing her. President Randy Scott indicated that there will be a national search, and he intends to involve constituent representatives in the process. It will take several months, and Deputy Director Mitchell Griggs will serve as the acting director.

- UHC staff has been in the HSS office for the first few weeks of January to assist with the transition to the MAPD plan. Members are urged to call HSS first with all problems, especially regarding physicians and specialists who aren't in the network, and prescription transi-

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## Retirement Committee Report

By Claire Zvanski Herb Weiner, and Herb Meiberger, CFA

### Positive Returns for December and the Fiscal Year!

- The Fund earned 1.15% for the month of December, and 4.75% for the first six months of FY2016/17.
- For FY2016/17, all asset classes had positive rates of return! International stocks had the highest return of 9.32%, followed by U.S. stocks earning 7.44% and bonds earning 6.83%.
- The Fund was valued at \$21 billion on 12/31/2016.

### The Fund did *not* lose \$1.5 billion last year!

- In a widely distributed email dated 12/13/16, the Municipal Executives Association (MEA) stated: "*The fund lost \$1.5 billion last year.*" No! This statement was directly refuted at the December Retirement Board meeting. The December meeting minutes did not refute this inaccurate statement, much to the consternation of several commissioners and member representatives.

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## February Calendar

### Regular Meeting

Wednesday, February 8

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

Irish Cultural Center  
2700 45th Ave. at Sloat Blvd.

### News & Views

#### Editorial Committee Meeting

Tuesday, February 21, 9 a.m.

Taraval Police Station  
All interested parties welcome.

#### Executive Board Meeting

Tuesday, February 21, 10 a.m.

Taraval Police Station  
All interested parties welcome.

### Public Meetings:

#### Retired Firemen &

#### Widows Association

Thursday, March 16, 1 p.m.

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

#### Veteran Police Officers

Tuesday, February 14, 11 a.m.

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

### Retirement System

Wednesday, February 15, 1 p.m.

1145 Market St., 6th Floor

### Health Service System

Thursday, February 9, 1 p.m.

City Hall, Room 416

### UESF Retired Division

For time/location, contact

Diane Doe at 1 (415) 822-2099 or  
*Ddoe@mac.com.*

### SEIU 1021 West Bay

#### Retirees Chapter

Monday, February 27, 12-2 p.m.

Union Hall, 350 Rhode Island St.,  
100 South Bldg.

Contact: David Williams

1 (415) 939-5149 or

*iamdhw@comcast.net.*

## RECCSF General Membership Meeting Date Changes!

Effective 2017, RECCSF General Membership meetings will be held bimonthly.

*This is a necessary austerity measure.*

The RECCSF Board has decided that meetings will be held every other month, starting February, 2017.

Therefore, the meeting schedule for 2017 will be:

- February (nominate new officers)
- April (vote)
- June (installation luncheon)
- August (program to be determined)
- October (health fair)
- December (holiday party)

Bi-monthly meetings will continue to be held at 10 a.m. on the second Wednesday of the month at the United Irish Cultural Center. *News and Views* will continue to be published monthly (except in August) and sent electronically. Email blasts will continue to be sent, when necessary, to update members on critical benefit issues.

# Retirement Committee Report

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- The minutes were unanimously amended by the Retirement Board as follows:
- *SFERS' general consultant, Allan Martin from NEPC, reported that the Fund's returns for FY2016, FY2015, and FY2014 were 1.29%, 3.87%, and 18.90%, respectively. Allan Martin stated that the Fund did "amazingly well." SFERS ranked 16th, 16th, and 3rd, respectively, for the last three fiscal years compared to 50 public pension funds with assets greater than \$1 billion.*
- *Staff and consultant stated that the portfolio was valued at \$20.4 billion on 6/30/2015 and \$20.2 billion on 6/30/2016. Since the Fund had a positive rate of return, the \$200 million decline in asset value was due to benefit payments.*
- *For the three-year period ended 9/30/2016, the Fund earned 7.20% per year, placing SFERS as the third best performing fund in the universe of 50 public pension funds. No public funds earned returns greater than 7.50%, which is SFERS' long-term return assumption.*
- *NEPC stated: "For the year ending 9/30/2016, the Fund experienced a net investment gain of \$1.89 billion, which includes a net investment gain of \$764.5 million during the third quarter." Further: "Assets increased to \$20.96 billion from \$19.72 billion in the year ended 9/30/16, with \$639.79 million in net distributions."*

## Transparency of Hedge Funds:

- Sylvia Alvarez-Lynch and Patrick Monette-Shaw voiced their concerns of not knowing the names, amounts, and fees of the \$500 million given to hedge fund managers.
- During Good of the Order, Commissioner Victor Makras stated his opposition to this lack of disclosure and requested an item where the board would determine disclosures.
- Commissioner Herb Meiberger echoed Commissioner Makras' comments. He requested public disclosure if SFERS hedge fund

managers are lobbying to convert defined benefit (DB) plans to defined contribution (DC) plans, as noted in American Federation of Teachers (AFT) publications.

## Supplemental Cost of Living Adjustment (COLA)

- Actuarial Services Coordinator Janet Brazelton, and Cheiron, the consulting actuary, presented a report on the supplemental COLA. It is payable if two conditions are met: The Fund must have earned more than 7.5%, and the Fund must be "fully funded."
- Neither condition was met for FY2015/16, so no supplemental COLA will be paid.

## Investment Updates:

- Bill Coaker, CIO, stated: "The dollar amount of our capital commitments outstanding in private equity, real estate, and private debt markets is now \$5.0 billion or nearly 25% of plan assets. Three years ago that total was \$1.7 billion, which was just under 9% of plan assets." The CIO does not believe that hedge funds are illiquid (which were not included those allocations).
- Commissioners Makras and Meiberger expressed their concerns about the increasing percentages of funds in illiquid assets.

The official video of the meeting is available at:

[http://sanfrancisco.granicus.com/MediaPlayer.php?view\\_id=175&clip\\_id=26932](http://sanfrancisco.granicus.com/MediaPlayer.php?view_id=175&clip_id=26932)

Questions? Comments?

Contact Herb Meiberger at [herb.sf@gmail.com](mailto:herb.sf@gmail.com) or Herbert Weiner at [h.weiner@sbcglobal.net](mailto:h.weiner@sbcglobal.net) or Claire Zvanski at [czvanski@hotmail.com](mailto:czvanski@hotmail.com).

# Health Service Committee Report

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- tions. Commissioner Breslin pointed out that Medicare does not recognize marriage and family therapists (MFTs). She also suggested that there is a need to expand the UHC network of skilled nursing facilities in the Bay Area. A record-setting 72,905 confirmation letters were sent out. However, the mail house held the letters two weeks, which extended the finalization of the open enrollment process.
- Blue Shield reported that Cal INDEX, its medical data contractor, has now merged with the Inland Empire Health Information Exchange.
- The City's **budget** process has begun for FY2017-18 and FY2018-19. There is a request for a 3% reduction for each year, and this remains an ongoing challenge for HSS. The board also adopted an investment policy.
- The **Rates and Benefits** process is beginning for plan year 2018. Actuary firm AON Hewitt is reviewing the fund for the necessary reserves required to maintain benefits. The infertility benefit has finally been updated to reflect more realistic

circumstances of members seeking the limited benefit.

- The board completed its self-evaluation process and also the performance evaluation of the executive director. Additionally, it adopted a board education plan (2016-2019).
- Director Dodd presented the **2016 HSS Annual Report**. She noted that the staff does all the hard work while it's her pleasure to make the report.
- Changes in Medicare, along with ACA changes, are anticipated but it is not known if they will impact plan year 2018.

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

The RECCSF Board extends its deepest condolences to First Vice President Mary Anne McGuire-Hickey on the loss of her husband, John Hickey.

## President's Message

By Claire Zvanski

Your RECCSF is making changes in 2017! *News and Views* is now completely electronic. We will be meeting in San Francisco in alternate months and planning to meet in neighboring counties in the other months to connect with our members who live outside San Francisco. We are working on updating our website, adopting a new logo, and continuing our efforts to reach out to new retirees.

Fund raising is always a challenge, as we don't want to increase dues; but realize we need donations and legacy gifts to carry us solidly into the future. Donations to RECCSF are not tax deductible (we are a 501.c(4)). We are quite certain that our benefits will continue to be under attack in the next few years. If we have to battle a charter change or violation of our existing benefits, can we raise the necessary funds? Miscellaneous retirees contributed to the Proposition C lawsuit, but over 95% of



the funding came from retired police and fire.

Do you have ideas for speakers and programs? Do you have a few hours a month to serve on our board? We remain your representatives and voice at both the Retirement and Health Service board meetings. We would welcome you on our board—*your* board! Please join us at our Feb. 8 general membership meeting!

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

## Travel Committee Report

By Beverly Pardini and Marylou Allen

### Wed.-Fri., Feb. 15-17

Leisurely trip to Reno with no casino stops (except to check in for two nights at the downtown Silver Legacy). The second day is free to relax and enjoy Legacy amenities, or visit the El Dorado or Circus-Circus. Late morning departure on the third day, with a rest stop in Auburn. Included: roundtrip motor coach, baggage handling and two Silver Legacy buffet breakfast coupons.

### Wed., March 8

Tour and tasting at St. George's Distillery, located at the old Alameda naval base. Learn about craft distillation and artisanal spirits (gin, vodka, absinthe, whiskey, rum, brandy, liqueurs, etc.) with a knowledgeable spirits guide. Tour lasts about 1.5 hours and concludes in the tasting room with sampling of six made-on-site spirits. Lunch is on your own prior to the tour and tasting. Tour limited to 32; valid ID required.

### Wed.-Fri., April 19-21

Two-night accommodations at Chukchansi Gold Resort and Casino, just one hour south of Yosemite's Wawona Gate. Enjoy included lunch at the Majestic (formerly the Ahwahnee), with photo stops at Inspiration Point, Bridal Veil Falls and other scenic areas. Resort provides \$20 in food credits and \$20 machine play. Included: roundtrip deluxe motor coach and baggage handling, and lunch near Modesto before return.

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

## New Members

James B. Holland	MTA	Jimmey A. Parrish	DPW
Stephen Low	DPH		

## Rest In Peace

The following members have recently passed away.

Marie R. Denevi	GEN	Thomas O'Flanagan	POL
James T. Healy	FIRE	Patricia C. Quinn	FIR
Roni J. Howard	BOE	Ronald J. Valerio	GEN
Thelma Jennings	POL	Helen A. Walsh	POL
Eugene G. McGreevy	CRT	James M. Wong	CON

## Useful Phone Numbers

### RECCSF Office

Email: [reccsf@att.net](mailto:reccsf@att.net)

Web site: [sfretirees.org](http://sfretirees.org)

Phone Number:

1 (415) 681-5949

### Health Service System

Web site: [myhss.org](http://myhss.org)

Phone Numbers:

1 (415) 554-1750

1 (800) 541-2266

### S.F. Retirement System

Web site: [sfgov.org/sfers](http://sfgov.org/sfers)

Phone Numbers:

1 (415) 487-7000

1 (888) 849-0777



# Talking Money with Your Mate

*Your Friends at  
San Francisco Federal Credit Union*

February is the month for exchanging cards, flowers and chocolates with your significant other. This time around, you might want to consider sharing something that could strengthen your bond for many more years to come: your views on money.

If money causes rifts in your relationship, here are a few ideas for getting on track:

- **Have the money talk.** Set aside time to discuss finances. Own up to issues, such as bankruptcy or debt. Even if you're a spender and your significant other is a saver, an honest discussion can pave the way for compromise.
- **Put some rules into place.** If you each maintain your own finances, draw up a list of shared expenses so there's no ambiguity about who pays for what. If you combine finances, agree to discuss any purchases over a certain dollar amount with your partner. You can also use The Big Picture, San Francisco Federal Credit Union's budget tracking tool, to monitor shared spending habits and set financial goals for both of you to work toward together.
- **Get help from a third party.** You might want to work with a financial advisor who can mediate your discussion. Members of San Francisco Federal Credit Union have access to free sessions with our financial advisors. They can help you and your other half create a successful financial strategy.

We're here to guide you toward financial harmony with your partner. Call or stop in to one of our branches to learn more about the various financial workshops that we provide our members. Please feel free to contact us at [SanFranciscoFCU.com](http://SanFranciscoFCU.com).



*Board member Sharon Johnson and her grandchildren at recent RECCSF General Membership Meeting.*



*RECCSF members on bus heading for monthly Retirement Board meeting.*

## 2017/18 RECCSF New Executive Board Member Election!

RECCSF is currently soliciting members to run for the RECCSF Executive Board, either as board members or officers. Terms are for two-year periods.

We encourage members to consider enriching their  
RECCSF

experience by serving in one of these capacities.

If interested, please contact John "Skee" Tostanoski  
at 1 (415) 699-1050 or [sfskee@sbcglobal.net](mailto:sfskee@sbcglobal.net).

For newcomers in particular, it's a great way  
to get to know your fellow members.

# Protect Our Benefits

By Skip McKinney

*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.*

On Dec. 13, Superior Court Judge Mary Wiss held a case management conference wherein she heard arguments from both CCSF and SFERS as to whether or not to issue a “permanent injunction” preventing SFERS from paying supplemental COLA benefits to pre-1996 retirees. As of this writing, a ruling has yet to be rendered. As our case involves multiple parties and significant monies, it is considered “complex litigation” that requires exceptional judicial management—so the delay is not unexpected. When a ruling

is rendered we do expect that the losing side will appeal to the appellate court.

All of us should have received our ballots in the mail for the open seat on the Retirement Board. If you have not yet voted, please do so. When you do vote, I hope you vote for the trustee who you believe will best serve you and the Retirement Fund.

The most important aspect of a trustee is his or her fiduciary character. A trustee is legally and morally bound to manage the fund in a reasonable and productive manner and act impartially and solely in the **interest of all beneficiaries**, no matter which area of city employment they retired from, miscellaneous or safety.

Often, when groups are pitted against one another, it draws attention away from the real issue—who would

serve the Retirement Board to the benefit of all beneficiaries. We believe that person to be Al Casciato.

It’s a shame: A candidate who is running for reelection should not resort to “us against them.” Protect Our Benefits has gone on record as to their distaste of this method of politics, which is disingenuous at best.

One hopes that by Feb. 3 all this will be over, the right person will be elected, and we can move on to our looming very real problems. If you have been keeping up with city news you’ve noticed that the attack is on, not only on the retirees but also the actives. Municipalities are reneging on promises they made years ago, using terms for your retirement funds as “a giant ponzie scheme,” or “Bernie Madoff inspired.”

Recently, there has been a lot of confusing statements circulating; not only with the trustee election, but also queries about POB’s mission.

We are: “A volunteer, political action committee dedicated to protecting the health and retirement of all city and county retirees. We value the importance of effectiveness through informing and organization. We also honor individual POB members’ ideas through a democratic process. We strive to earn each other’s respect as we are more effective when we work in support of one another’s efforts and ideas.”

Health Service Director Catherine Dodd will be retiring on or about March 15. POB wishes her all the best, and looks forward to working in collaboration with her replacement.

As always, POB will keep you informed of new developments as they arise. For updates, please visit [protectourbenefits.org](http://protectourbenefits.org) or Facebook.

More than ever, “United we stand, divided we fall.”

## Jan. 17 Board Meeting Actions

- Accepted Treasurer’s Report.
- Postponed motion of John Madden’s proposal until a board meeting when he is in attendance.

## 2017 RECCSF Board Nominations

*In February, nominations will be open for the following positions:*

Secretary    Bonnie Bompert, *incumbent*  
Treasurer    George Lau, *incumbent*  
Sergeant at Arms    Leo Martinez, *incumbent*  
Hospitality Chair    Vacant  
Program Chair    Vacant

### Five board positions

*Incumbents:*    Brian Cunningham  
                      Thomas Dang  
                      Adlai “AJ” Jew  
                      Herb Meiberger  
                      Sheila Mullen (editor, *News & Views*)

## Looking to connect with City and County of San Francisco retirees currently residing in or near Tucson, Arizona!

Are you interested in starting a local Tucson RECCSF chapter?

If so, please forward your contact information to Priscilla at [priswatt910@comcast.net](mailto:priswatt910@comcast.net) or (520) 638-8626.

*We look forward to hearing from you!*

## We need member photos!

Since our general membership meetings are now scheduled bi-monthly, our editor will welcome personal photos of our members—at work or play—to be published in *News & Views* in non-meeting months.

Just be sure to include captions with member name and activity description, and email to [sheilamullen@mac.com](mailto:sheilamullen@mac.com).

Images suitable for publication will be printed as space allows.

## Eat Well

*Submitted by Ray Favetti*

I read in the *UC Berkeley Wellness Letter* some great ideas on how to “eat well, be well,” and I would like to share them with you.

- Keep portions moderate, especially when you eat out.
- Eat a variety of foods to balance your diet.
- Focus on high-fiber foods that contain “good” carbohydrates that are filling, nutritious and low in calories. Fiber slows down the absorption of carbohydrates, so that they have less effect on blood sugar.
- Eat lots of produce, fruits and vegetables. If you have to snack, leave the crackers and chips alone and substitute fruit or veggies.
- Eat whole grains such as whole wheat, oats and brown rice.
- Limit your intake of refined carbohydrates such as white bread and regular pasta. Limit your intake of sugary items that are empty calories.
- Emphasize good (unsaturated) fats such as found in olive oil, fish, nuts, avocados and vegetable oils.
- Limit saturated fats that boost LDL (bad) cholesterol. Choose lean meats, skinless poultry and nonfat or low fat dairy products
- Avoid trans fats. Read the label on products. If any ingredient listed is hydrogenated or partially hydrogenated, it is a trans fat.
- Cut down on sodium. Stop and think when you are about to put salt on your food or add to a dish when you are cooking.
- Drink alcohol in moderation. Excess alcohol consumption could lead to health problems.

## Membership and Subscriptions

for retired city employees as of July 31, 2015

Membership application: [www.sfretirees.org](http://www.sfretirees.org); email: [reccsf@att.net](mailto:reccsf@att.net).

- \$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](mailto:sheilamullen@mac.com), or

Sheila Mullen, editor, RECCSF office, 3915 Irving St., San Francisco, CA 94122-1294

Telephone: 1 (415) 681-5949, Fax: 1 (415) 681-5398





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### *News & Views*

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Sheila Mullen, Editor  
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### **RECCSF Officers:**

Claire Zvanski, President  
Mary Anne McGuire-Hickey,  
First Vice President  
Linda Tabor-Beck,  
Second Vice President  
Secretary, Bonnie Bompert  
George Lau, Treasurer  
Leo Martinez, Sergeant-at-Arms

### *Executive Board Meeting*

**Tuesday, February 21,  
9 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*

#### **March Deadline:**

☛ Friday, February 17, 5:30 p.m.  
Please email your submissions to:  
[sheilamullen@mac.com](mailto:sheilamullen@mac.com).  
Letters to the editor and opinion pieces are welcome.  
All submissions subject to further editing.

### *Visit our Web site:*

[sfretirees.org](http://sfretirees.org)

**RECCSF office  
email address:**  
[reccsf@att.net](mailto:reccsf@att.net)

## **Upcoming General Membership Meeting**

**Wednesday, February 8**  
Nominations for new RECCSF  
officers and board members  
*Speaker from the Institute on Aging.*

