



**SFERS**  
San Francisco Employees' Retirement System

**City and County of San Francisco  
Employees' Retirement System**

**RETIREMENT BOARD  
MEETING CALENDAR**

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**Wednesday, February 12, 2020**

1145 Market Street, 6<sup>th</sup> Floor  
San Francisco, CA 94103

1:00 p.m.

Please take notice that the Retirement Board will begin its meeting with a closed session item. The Board will take public comment before going into closed session, limited to the topic of the closed session item. The Board will return to open session and begin the public portion of the meeting with General Public Comment, not earlier than 2:30 PM.

**MISSION STATEMENT**

*San Francisco City and County Employees' Retirement System is Dedicated to Securing, Protecting and Prudently Investing the Pension Trust Assets, Administering Mandated Benefit Programs, and Providing Promised Benefits.*

**RETIREMENT BOARD MEMBERS**

***President***

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***Vice President***

Leona Bridges

***Commissioners***

Al Casciato

Carmen Chu

Scott Heldfond

Ahsha Safai

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***Executive Director***

Jay Huish

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Materials accompanying the agenda are available for public inspection and copying at SFERS, 1145 Market Street, 7th Floor. For additional information, please contact Darlene Armanino, Executive Assistant, at (415) 487-7012.

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Sunshine Ordinance Task Force  
City Hall  
1 Dr Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94103-4689  
(415) 554-7724  
by fax at (415) 554-7854  
or by email at [sotf@sfgov.org](mailto:sotf@sfgov.org)

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#### **Lobbyist Registration and Reporting Requirements:**

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**OPENING CALENDAR**

**1. Pledge of Allegiance**

**2. Roll Call**

**3. 021220-03(a) Action Item CLOSED SESSION – January 21, 2020 Special Board Meeting**

Public Employee Performance Evaluations – Executive Director, under California Government Code Section 54957(b) and the San Francisco Administrative Code Section 67.10(b).

**Action:** Vote whether to disclose discussions held in closed session at January 21, 2020 Special Board Meeting under San Francisco Administrative Code Section 67.12(a).

**021220-03(b) Action Item CLOSED SESSION**

Possible Recommendation and/or Action on Sale and Purchase of Particular, Specific Pension Fund Investment under California Government Code Section 54956.81 (5 investments).

Public comment.

Enter closed session.

Return to open session.

**Action:** Vote whether to disclose discussions held in closed session under San Francisco Administrative Code Section 67.12(a).

**4. 021220-04 General Public Comment - Not earlier than 2:30 PM**

PUBLIC COMMENT PROCEDURES: During general public comment, members of the public shall have an opportunity to directly address the Retirement Board on items of interest to the public that are within the subject matter jurisdiction of the Retirement Board and not on the agenda. Members of the public will have an opportunity to speak on each item on the agenda when public comment is called for that item. Members of the public wishing to comment on a matter not on the agenda today may address the Retirement Board now. Public comment is limited to 2 minutes per speaker, unless the Chair specifies a different time. Members of the public who wish to provide public comment are encouraged to complete a speaker card for each agenda item for which they intend to address the Retirement Board and return the card(s) to the Commission Secretary prior to the consideration of that agenda item.

**5. 021220-05                      Action Item                      Approval of the Minutes of the January 8, 2020 Meeting**

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the January 8, 2020 Retirement Board Meeting

**Action:** Approve Minutes of the January 8, 2020 Retirement Board Meeting.

**CONSENT CALENDAR**

*All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Retirement Board and will be acted upon by a single vote of the Retirement Board. There will be no separate discussion of these items unless a member of the Retirement Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.*

<b>6. 021220-06</b>	<b>Action Item</b>	<b>Consent Calendar</b>
<b>021220-06b</b>	<b>Action Item</b>	<b>Voluntary Retirement Board List No. 8-19</b>
<b>021220-06c</b>	<b>Action Item</b>	<b>Decisions of Hearing Officers</b>
<b>Gregory L. Blatman Effective Date: 7/1/16</b>	<b>H20 Lieutenant, Fire Suppression Fire</b>	<b>Industrial Disability Retirement Granted</b>
<b>Michael A. Braun Effective Date: 2/1/18</b>	<b>7254 Automotive Machinist Sup. I Administrative Services</b>	<b>Ordinary Disability Retirement Granted</b>
<b>Gordon J. Brown Effective Date: PERS</b>	<b>8306 Sr. Deputy Sheriff Sheriff</b>	<b>Cal-PERS - Disability Retirement Certified</b>
<b>James R. Fewell Effective Date: TBD</b>	<b>H28 Lieutenant, Div. of Training (Acting) Fire</b>	<b>Industrial Disability Retirement Denied</b>
<b>Sandra S. Green Effective Date: 9/26/19</b>	<b>2430 Medical Evaluations Asst Public Health</b>	<b>Ordinary Disability Retirement Granted</b>
<b>Elia C. Lewin-Tankel Effective Date: 1/24/20</b>	<b>Q3 Police Officer II Police</b>	<b>Industrial Disability Retirement Granted</b>
<b>Mary L. Morentz</b>	<b>Q4 Police Officer III</b>	<b>Industrial Disability Retirement</b>

<b>Effective Date: 4/22/17</b>	<b>Police</b>	<b>Denied</b>
<b>Elmer C. Najarro</b> <b>Effective Date: 2/15/17</b>	<b>Q4 Police Officer III</b> <b>Police</b>	<b>Industrial Disability Retirement</b> <b>Granted</b>
<b>Tufoua G. Peleki</b> <b>Effective Date: 10/28/19</b>	<b>7308 Cable Splicer</b> <b>Dept of Technology</b>	<b>Ordinary Disability Retirement</b> <b>Granted</b>
<b>Donald J. Stocum</b> <b>Effective Date: 9/13/17</b>	<b>2578 Med. Examiner's Investigator II</b> <b>Administrative Services</b>	<b>Ordinary Disability Retirement</b> <b>Granted</b>
<b>Eduardo C. Sunga</b> <b>Effective Date: 1/11/20</b>	<b>7410 Automotive Service Worker</b> <b>MTA</b>	<b>Ordinary Disability Retirement</b> <b>Granted</b>
<b>Melanie C. Vaughn</b> <b>Effective Date: PERS</b>	<b>8306 Sr. Deputy Sheriff</b> <b>Sheriff</b>	<b>Cal-PERS - Disability Retirement</b> <b>Certified</b>
<b>Richard Wendland</b> <b>Effective Date: 6/13/18</b>	<b>H3 EMT/Paramedic/Firefighter</b> <b>Fire</b>	<b>Industrial Disability Retirement</b> <b>Denied</b>
<b>021220-06d</b>	<b>Action Item</b>	<b>Travel Requests</b>
<b>021220-06e</b>	<b>Discussion Item</b>	<b>Retirement Board Member</b> <b>Reports and Comments</b>

**Action:** This is a discussion only item.

Documents provided to the Retirement Board prior to the current meeting: Voluntary Retirement Board List, Hearing Officer Decisions

**Action:** Approve Consent Calendar.

**INVESTMENT CALENDAR**

7. **021220-07**      **Action Item**      **Update to Recommendation on Investment Restriction in Companies Operating in Sudan**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum

**Action:** Approve Updates to the Criteria for Restriction of Investment in Companies Operating in Sudan and Approve Updates to List of Restricted Companies

**8. 021220-08                      Action Item                      2020 Update to SFERS Proxy Voting Guidelines**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum

**Action:** Approve the Proxy Voting Guidelines.

**9. 021220-09                      Action Item                      Approval of Revised Guidelines for Public Equity and Fixed Income Manager Monitoring and Retention**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Guidelines for Public Equity and Fixed Income Manager Monitoring and Retention (marked), Guidelines for Public Equity and Fixed Income Manager Monitoring and Retention (unmarked)

**Action:** Approve the recommended changes to the San Francisco City and County Employees' Retirement System's Guidelines for Public Equity and Fixed Income Manager Monitoring and Retention.

**10. 021220-10                      Action Item                      Recommendation to Issue a Request for Proposals for Investment Consulting Services**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, proposed RFP for investment consulting services

**Action:** Approve recommendation to issue a Request for Proposals for investment consulting services.

**11. 021220-11                      Discussion Item                      Proxy Voting Report for Calendar Year 2019**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum

**Action:** This is a discussion only item.

**12. 021220-12                      Discussion Item                      Asset Allocation Study Kickoff: Introduction to Leverage**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, NEPC Asset Allocation Assumptions and SFERS Return Expectations, NEPC Introduction to Leverage

**Action:** This is a discussion only item.

**13. 021220-13                      Discussion Item      Chief Investment Officer Report**

Documents provided to the Retirement Board prior to the current meeting: CIO Report

**Action:** This is a discussion only item.

**DEFERRED COMPENSATION PLAN CALENDAR**

**14. 021220-14                      Action Item                      Approval of Recommended Investment Manager for the  
SFDCP's US and Global REIT Mandates**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum and Callan US and Global REIT presentation

**Action:** Approve Principal as the investment manager for the SFDCP's US and Global REIT mandates, using the CIT vehicle.

**15. 021220-15                      Action Item                      Approval of Proposed Revisions to the SFDCP Investment  
Policy Statement**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum and SFDCP Investment Policy Statement – redline and clean copy

**Action:** Approve proposed revisions to the SFDCP Investment Policy Statement.

**16. 021220-16                      Discussion Item                      Review of SFDCP Investment Performance for the Second  
Half of 2019**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Callan Presentation and Investment Measurement Service Q4 Report

**Action:** This is a discussion only item.

**17. 021220-17                      Discussion Item                      Deferred Compensation Manager Report**

Documents provided to the Retirement Board prior to the current meeting: SFDCP Manager Memorandum and Quarterly Activity Report

**Action:** This is a discussion only item.

**ADMINISTRATION CALENDAR**

- 18. 021220-18 Discussion Item Travel Expense Report for the Quarter Ended December 31, 2019**

Documents provided to the Retirement Board prior to the current meeting: Travel Expense Report for the Quarter Ended December 31, 2019

**Action:** This is a discussion only item.

- 19. 021220-19 Action Item Review and Approval of Basic COLA Effective July 1, 2020**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Exhibit A—San Francisco-Oakland-Hayward CPI – all items, all urban consumers, not seasonally adjusted, Exhibit B—COLA Bank

**Action:** Approve a Charter A8.526-2 cost of living (Basic COLA) increase of 2% payable effective July 1, 2020 for all qualified SFERS retirees who retired prior to July 2, 2020.

- 20. 021220-20 Action Item Determination and Approval of Credited Interest Rate for Fiscal Year 2020-21**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Credited Interest Rate Policy

**Action:** Accept the credited interest rate analysis provided and approve no adjustment in the Plan's current credited interest rate of 4% effective July 1, 2020.

- 21. 021220-21 Action Item Review and adoption of the July 1, 2019 Actuarial Funding Valuation Report and presentation of Employer Contribution Rate Stress Test Projections.**

**021220-21 (a) Highlights of the Actuarial Valuation Report: audio link**

**021220-21 (b) Highlights of the Actuarial Valuation Report: summary page**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Cheiron Presentation

**Action:** Adopt the July 1, 2019 actuarial valuation report.

- 22. 021220-22 Action Item Selection of Recommended Actuarial Consultant**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum

**Action:** Approve recommendation to retain Cheiron, Inc.

**23. 021220-23            Action Item            Adoption of Employer Contribution Rate of 26.90% for Fiscal Year 2020-21**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum

**Action:** Approve the recommended employer contribution rate of 26.90% for fiscal year 2020-2021.

**24. 021220-24            Action Item            Review and Approval of FY2020-21 Department Budget**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum

**Action:** Approval of FY2020-21 Department Budget.

**25. 021220-25            Discussion Item        Educational Presentation on Fiduciary Duties: Part 11 – Practice**

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, City Attorney Presentation

**Action:** This is a discussion only item.

**26. 021220-26            Discussion Item        Executive Director’s Report**

Documents provided to the Retirement Board prior to the current meeting: Executive Director’s Report

Administrative Update:

- SFERS Operations Management Dashboard – December 2019
- **Offsite Board Retreat – Wednesday, February 19, 2020; 12:00 noon; Nossaman’s Office at 50 California Street, San Francisco**
- *Statements of Economics Form 700* and Ethics and Sunshine Ordinance Training: **Filing Deadline – Wednesday, April 1, 2020**
- Department Response to Coronavirus Outbreak

**Attachments for Informational Purposes:**

- SFERS Operations Management Dashboard – December 2019
- *2020 Statement of Economic Interest Form 700* – San Francisco Ethics Commission
- Retirement Board Forward Calendar for February 2020 to January 2021
- Request for Proposal in Progress Blackout Period
- *Public Retirement Conferences and Training Programs for SFERS Trustees* – Nossaman LLP

**Action:** This is a discussion only item.

**27. 021220-27      Discussion Item      Retirement Board Member Good of the Order**

Retirement Board members may request that any matter be calendared at a future meeting. All such requests shall be calendared in a reasonable time. (Board Operations Policy ¶24.) The Board will not discuss any items requested to be calendared until a subsequent meeting when the matter is included on the agenda with the required public notice.

**Action:** This is a discussion only item.

**28. 021220-28      Adjournment**