



SFERS

San Francisco Employees' Retirement System

City and County of San Francisco Employees' Retirement System

RETIREMENT BOARD MEETING

CALENDAR

Tuesday, November 10, 2020

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 2:00 PM.

Meeting Held by Teleconference Pursuant to the Governor's Executive Order N-29-20 and the Fifth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency

During the Coronavirus Disease (COVID-19) emergency, the Retirement System's regular meeting room, 1145 Market Street, 6th Floor, is closed. Commissioners and Retirement Staff will convene remotely. Public will be able to provide public comment during the meeting by call-in. The public is encouraged to submit comments in advance of the meeting either by: (1) email to sferspubliccomment@sfgov.org or (2) recording your public comment on the Retirement System's public comment line 415-487-7020. Public comments submitted by 5:00 p.m. PST, Friday, November 6, 2020 will be included in the record.

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

Leona Bridges, President
Al Casciato, Vice President
Carmen Chu
Joseph Driscoll
Scott Heldfond
Ahsha Safaí
Brian Stansbury

Jay Huish, Executive Director

Retirement Board Meeting

PUBLIC COMMENT CALL-IN: 415-655-0001

Access Code: 146 133 7250

Providing Public Comment

- Public comment will be available on each item on this agenda. Each speaker will be allowed 2 minutes to speak. Comments or opportunities to speak during the public comment period are available via phone call by calling (415) 655-0001, access code [146 133 7250], then '#' and then '#' again.
- When connected you will hear the meeting discussions, but you will be muted and in listening mode only.
- When your item of interest comes up, dial *3 to be added to the speaker line. Best practices are to call from a quiet location, speak clearly and slowly, and turn down your television, radio or computer.

DISABILITY ACCESS

The San Francisco Employees' Retirement System is wheelchair accessible. Accessible seating is available for persons with disabilities. To obtain a disability-related modification or accommodation, including large print agendas, American Sign Language interpreters, FM sound amplification system and auxiliary aids or services, please contact Darlene Armanino at (415) 487-7012 at least two (2) business days before the meeting.

There is accessible parking in the vicinity of 1145 Market Street at Civic Center Plaza. Accessible **MUNI** lines are available at the corner of Market Street and 8th Street. The closest accessible **MUNI /BART** station is Civic Center Station.

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.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Know Your Rights Under the Sunshine Ordinance

(Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE SUNSHINE ORDINANCE TASK FORCE.

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

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Mr. Darby or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org/sunshine/>

Any materials distributed to the Retirement Board (or committee) within 72 hours of the meeting or after distribution of the agenda packet to Board (or committee) members are available for public inspection at SFERS, 1145 Market Street, 7th Floor, during regular office hours.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (San Francisco Campaign and Governmental Conduct Code sections 2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94103, telephone (415) 252-3100, fax (415) 252-3112 and web site: www.sfgov.org/ethics

Meetings are recorded by SFGovTV, the Government Channel 26. For DVD copies and rebroadcast scheduling call (415) 554-4188. Video on demand is available at: <http://sfgovtv.org>

OPENING CALENDAR

- | | | | |
|----|----------------|-------------|----------------|
| 1. | Roll Call | | |
| 2. | Communications | | |
| 3. | 111020-03 | Action Item | CLOSED SESSION |

Public comment on Closed Session items.

Public comment.

Possible Recommendation and/or Action on Sale and Purchase of Particular, Specific Pension Fund Investment under California Government Code Section 54956.81 (3 investments).

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. 111020-04** **General Public Comment – Not earlier than 2:00 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.

- | | | |
|---------------------|--------------------|--|
| 5. 111020-05 | Action Item | Approval of the Minutes of the October 14, 2020 Meeting |
|---------------------|--------------------|--|

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the October 14, 2020 Retirement Board Meeting.

Action: Approve Minutes of the October 14, 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.

6. 111020-06	Action Item	Consent Calendar
111020-06b	Action Item	Voluntary Retirement Board List No. 05-20
111020-06c	Action Item	Decisions of Hearing Officers
Edwin M. Balli (Deceased) Effective Date: PERS	8304 Deputy Sheriff Sheriff	Cal-PERS - Disability Retirement Certified
Thomas J. Cunnane Effective Date: 01/03/18	Q4 Police Officer III Police	Industrial Disability Retirement/Stip Granted
Mauricio F. Garcia Effective Date: 11/08/19	9163 Transit Operator MTA	Ordinary Disability Retirement/Stip Granted
Cristobal R. Guajardo Jr Effective Date: 04/01/19	H2 Firefighter Fire	Industrial Disability Retirement/Stip Granted
Adriana V. Harden Effective Date: PERS	8444 Deputy Probation Officer Adult Probation	Cal-PERS - Disability Retirement Certified
Scott K. Hellesto Effective Date: 08/18/19	H3 EMT/Paramedic/Firefighter Fire	Industrial Disability Retirement/Stip Granted
Dolores Johnson Effective Date: 12/01/16	7372 Stationary Engineer, Sewage Plant PUC	Ordinary Disability Retirement/Stip Granted
Susannah Prescott Effective Date: 01/01/19	9163 Transit Operator MTA	Ordinary Disability Retirement Granted (VR – 02/01/19)
Silvia Sobal Effective Date: 06/15/18	2320 Registered Nurse DPH	Ordinary Disability Retirement/Stip Granted
111020-06d	Action Item	Approve Application for Dependent Adult Child Continuation Benefits by

James Nutley, Son of Deceased Member,
James T. Nutley, Jr.

111020-06e Action Item Travel Requests

Request approval for Commissioner Carmen Chu to attend Wharton Executive Education's Investment Strategies and Portfolio Management, November 16-20, 2020, Virtual Program.

111020-06f Discussion Item Retirement Board Member Reports and Comments

Action: This is a discussion only item.

Documents provided to the Retirement Board prior to the current meeting: Voluntary Retirement Board List, Decisions, Travel Request.

Action: Approve Consent Calendar.

INVESTMENT CALENDAR

7. 111020-07 Action Item Approval of Recommended Strategic Asset Allocation

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum; Results of SFERS Retirement Board Risk Tolerance Questionnaire; Staff's Presentation "Recommendation for New Strategic Asset Allocation, NEPC's Asset-Liability Study for SFERS

Action: Approve Alternative Option 2 as SFERS new Strategic Asset Allocation.

8. 111020-08 Action Item Approval of Revised "Exhibit B - Statement of Objectives, Guidelines and Procedures" and "Appendix C – Exposure Management Including Rebalancing" for Parametric Portfolio Associates' Cash Securitization & Rebalancing Overlay Services

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum; Staff's Memorandum discussing proposed changes to the Investment Guidelines; NEPC's comments on the proposed changes to Investment Guidelines with Parametric; Redline version of Exhibit B and Appendix C of the Investment Management Agreement with Parametric Portfolio Associates; Staff's June 2017 Memorandum recommending Parametric Portfolio Associates as Cash Securitization & Rebalancing Overlay Manager; and NEPC's May 2017 Memorandum "Parametric Policy Implementation Overlay Service"

Action: Approve the recommended changes to investment guidelines with Parametric Portfolio Associates for Cash Securitization & Rebalancing Overlay Services to Exhibit B - Statement of Objectives, Guidelines and Procedures and Appendix C – Exposure Maintenance Including Rebalancing

9. **111020-09** 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

10. **111020-10** Discussion Item Deferred Compensation Manager Report

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum; SFDCP Manager Memorandum for Q3 2020; Quarterly Activity Report as of September 30, 2020; National Retirement Security Month Materials Summary; 2021 Contribution Limits Table; and Voya Website - Spanish Translation Feature

Action: This is a discussion only item.

ADMINISTRATION CALENDAR

11. **111020-11** Discussion Item Travel Expense Report for the Quarter Ended September 30, 2020

Documents provided to the Retirement Board prior to the current meeting: Travel Expense Report for the Quarter Ended September 30, 2020

Action: This is a discussion only item.

12. **111020-12** Discussion Item Executive Director's Report

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

Administrative Update:

➤ Pension & Investments article: *DOL walks back ESG language in final rule*

- Deferred Compensation Committee meeting: November 18th at 10:00 AM
- Investment Committee meeting: November 18th at 2:00 PM
- Operations Oversight Committee meeting: December 1st at 10:00 AM

Attachments for Informational Purposes:

- Pension & Investments article: *DOL walks back ESG language in final rule*
- Retirement Board Forward Calendar for November 2020 to November 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.

13. 111020-13	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 ¶124.) 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.

14. 111020-14 **Adjournment**