



SFERS

San Francisco Employees' Retirement System

City and County of San Francisco Employees' Retirement System

RETIREMENT BOARD MEETING

MINUTES

Wednesday, June 9, 2021

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 1:45 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. The Retirement Board meeting will be streamed live on SFGovTV (www.sfgovtv.org/sfersLIVE) and the public will be able to provide public comment during the meeting by live call-in. The public may listen to the meeting "live" by dialing **415-655-0001** and using **Access Code: 187 636 6566** and will be able to provide public comment during the meeting by live 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. Written public comments are limited to 150 words or less [Admin. Code § 67.16]

Public comments submitted by 5:00 p.m. PST, Monday, June 7, 2021 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
Joseph Driscoll
Shruti Gandhi
Scott Heldfond
Ahsha Safaí
Brian Stansbury

Jay Huish, Executive Director

Retirement Board Meeting

PUBLIC COMMENT CALL-IN: 415-655-0001

Access Code: **187 636 6566**

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 [**187 636 6566**], 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.

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(Chapter 67 of the San Francisco Administrative Code)

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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

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OPENING CALENDAR

1. **Roll Call**

Commissioner Leona Bridges	1:00 PM
Commissioner Al Casciato	1:00 PM
Commissioner Joseph Driscoll	1:00 PM
Commissioner Shruti Gandhi	1:00 PM
Commissioner Scott Heldfond	1:00 PM
Commissioner Ahsha Safai	Absent
Commissioner Brian Stansbury	1:05 PM

2. **Communications**

Announcement regarding instructions to follow for the teleconference Retirement Board Meeting.

3. **060921-03 Action Item CLOSED SESSION**

President Bridges announced that the Retirement Board would be going into Closed Session.

President Bridges called for public comment on the Board going into Closed Session.

There were no callers and public comment was closed.

The Board entered closed session at 1:05 PM

(a) The following individuals were present for the closed session to consider the employment of Executive Director: President Leona Bridges

The following individuals participated in the closed session to consider the employment of Executive Director via teleconference: Commissioners Casciato, Driscoll, Gandhi, Heldfond, Stansbury.

(b) The following individuals were present for the closed session re Possible Recommendation and/or Action on Sale and Purchase of Particular, Specific Pension Fund Investment under California Government Code Section 54956.81: President Leona Bridges; Jay Huish, Executive Director; Darlene Armanino, Board Secretary.

The following individuals participated in the closed session re Possible Recommendation and/or Action on Sale and Purchase of Particular, Specific Pension Fund Investment under California Government Code Section 54956.81 via teleconference: Commissioners Casciato, Driscoll, Gandhi, Heldfond, Stansbury; William Coaker, CIO; Caryn Bortnick, Deputy Executive Director; Anna Langs, Managing Director, Asset Allocation, Risk Management and Innovative Solutions; Kurt Braitberg, Managing Director, Public Markets; Tanya Kemp, Managing Director, Private Markets; David Francl, Managing Director for Absolute Return; Han Pham, Director, Public Equity; Chris Chow, Director, Real Assets, Andrew Collins, Director, ESG; Justin Lo, Alo Martins, Eunice McHugh, Senior Portfolio Managers; Adrienne von Schulthess, Chris Terrazzano, Patrick Li, Kien Trinh, Brady Jewett, Jiada Tu, Dennis Esselsagoe,

Investment Analysts; Karen Perez, Investment Management Assistant; Ba Do, Investment Operations Manager; Robert Bryan, Molly Nordale, Tran Ly, Deputy City Attorneys; Allan Martin, NEPC; Anita Ng, Kelly Jensen, Cambridge.

The Board ended Closed Session at 2:05 PM

The Board returned to Open Session at 2:15 PM

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Casciato seconded by Commissioner Heldfond, not to disclose any discussions held in Closed Sessions 3 (a) and 3 (b) under San Francisco Administrative Code Section 67.12(a).

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Stansbury

Absent: Commissioners Safai

4. 060921-04 General Public Comment – Not earlier than 1:45 PM

President Bridges called for General Public Comment.

Email received from John Stenson for General Public Comment:

YOUR NEW SFERS BOARD MEMBER SHRUTI GANDI IS VERY
KNOWLEDGEABLE ABOUT HIGH RISK INVESTING.
I HOPE WHEN IT COMES TO INVESTING IN HEDGE FUNDS
Ms GANDI DOES NOT GO ALONG TO GET ALONG.

YOU SHOULD DIVEST FROM HEDGE FUNDS FOR THE SAME REASONS
VERY LARGE PUBLIC PENSION FUNDS LIKE CALPERS / THE STATE OF NEW JERSEY AND NEW YORK CITY ARE
DIVESTING FROM THEM.

P.S.--YOU SHOULD ALSO STOP CALLING HEDGE FUNDS ABSOLUTE RETURN INVESTMENTS.

WITH BEST REGARDS FROM JOHN STENSON
A 46 YEAR MEMBER OF SFERS.

There were no callers and General Public Comment was closed.

5. 060921-05 Action Item Approval of the Minutes of the May 12, 2021 Retirement Board Meeting

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the May 12, 2021 Retirement Board Meeting

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Casciato, to approve Minutes of the May 12, 2021 Retirement Board Meeting.

Ayes: Commissioners Bridges, Casciato, Driscoll, Ghandi, Heldfond, Stansbury

Absent: Commissioners Safai

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. 060921-06	Action Item	Consent Calendar
060921-06b	Action Item	Voluntary Retirement Board List No. 12-20
060921-06c	Action Item	Decisions of Hearing Officers
Sherri L Anderson Effective Date: 04/01/18	6130 Safety Analyst MTA	Ordinary Disability Retirement/Stip Granted
Frank C Cuffe Effective Date: 06/29/18	H2 Firefighter Fire	Industrial Disability Retirement/Stip Granted
Alice Dicroce Effective Date: 10/31/18	Q52 Sergeant III Police	Industrial Disability Retirement/Stip Granted
Mario Garay Effective Date: PERS	8304 Deputy Sheriff Sheriff	Cal-PERS – Disability Retirement Certified

Christine E Hanson Effective Date: 05/01/20	2591 Health Program Coordinator II Dept of Public Health	Ordinary Disability Retirement Granted (VR – 01/11/18)
Christopher A Kim Effective Date: PERS	8304 Deputy Sheriff Sheriff	Cal-PERS – Disability Retirement Certified
Diane S Kim Effective Date: 01/06/13	1426 Sr. Clerk Typist Human Services	Ordinary Disability Retirement/Stip Granted
Jack Knox Effective Date: 05/01/20	9163 Transit Operator MTA	Ordinary Disability Retirement/Stip Granted
Zark A Perkins Effective Date: 06/01/19	7514 General Laborer Dept of Public Works	Ordinary Disability Retirement Granted (VR – 06/29/19)
Ray B Salvador Effective Date: 04/07/18	Q4 Police Officer III Police	Industrial Disability Retirement/Stip Granted
Brittany A Smith Effective Date: 11/23/19	H3 EMT/Paramedic/Firefighter Fire	Industrial Disability Retirement Granted

060921-06d

Action Item

Travel Requests

060921-06e

Discussion Item

**Retirement Board Member Reports
and Comments**

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

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Driscoll, to approve Consent Calendar.

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Stansbury

Absent: Commissioner Safai

INVESTMENT CALENDAR

7. 060921-07 Discussion Item Investment Committee Report

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

Commissioner Heldfond, Chair of the Investment Committee and William Coaker, CIO reported on the educational presentation made by Staff on the World Bank report: the Evolution of the Canadian Pension Model-Practical Lessons for Building World-Class Organizations.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

8. 060921-08 Discussion Item Report on Investment Performance of the Retirement Fund for the Quarter Ended March 31, 2021

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

William Coaker, CIO, and Allan Martin, NEPC, presented an oral and written report on this item.

NEPC reported that for the quarter ended March 31, 2021, the Retirement Fund was valued at \$32.0 Billion. The net of fee total returns for the quarter and the trailing one-year were 5.03% and 29.63%, respectively.

Mr. Martin provided a detailed review of the market environment as well as risk and return information at the Total Fund and Asset Class levels.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

09. 060921-09 Discussion Item Chief Investment Officer Report

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

William Coaker, CIO, presented an oral and written report.

Anna Langs, Asset Allocation, Risk Management and Innovative Solutions, provided an update on new features to the CIO Report: Cash and Leverage Offset was introduced to report credit facility, liquidity and leverage.

CIO Coaker reported that in May 2021 SFERS investments returned 3.54%. He reported that the May return was boosted by the markup from a large IPO, enabling SFERS Private Equity portfolio to post a one-month gain of 11.44%. Real Assets and Private Credit books also posted strong one-month returns of 2.08% and 2.22%, respectively. CIO Coaker reported that pricing in Private Credit has gradually recovered post the COVID-19 write-downs, and as the economy has improved post-COVID a surge in prices in natural resources and real estate has enabled SFERS Real Assets book to recently recover as well. Public Equity and Fixed Income portfolios gained 0.54% and 0.48% in May, respectively.

Board approved investments:

Crayhill Principal Strategies Fund II LP

At its meeting on May 12, 2021, the Retirement Board approved in closed session an investment of up to \$70 million in Crayhill Principal Strategies Fund II LP. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond

Absent: Commissioners Safaí, Stansbury

SFERS' investment of \$70 million in Crayhill Principal Strategies Fund II LP closed on May 25, 2021. This investment is classified as a global specialty finance investment within SFERS' Private Credit portfolio and is SFERS' first investment with Crayhill Capital Management.

More information about Crayhill Capital Management is available at www.crayhill.com.

Controlled Environment Foods Fund II, LLC

At its meeting on April 14, 2021, the Retirement Board approved in closed session an investment of up to \$50 million to Controlled Environment Foods Fund II, LLC ("CEFF II"). The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Stansbury

Absent: Commissioner Safaí

SFERS' commitment of \$40 million to CEFF II closed on May 13, 2021. SFERS' investment in CEFF II is classified as a Natural Resources investment within the Real Assets portfolio and is SFERS' first investment with Equilibrium Capital.

More information about the firm is available at <https://eq-cap.com/>.

Hellman & Friedman Capital Partners X, L.P.

At its meeting on March 10, 2021, the Retirement Board approved in closed session an investment of up to \$50 million in Hellman & Friedman Capital Partners X, L.P. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Stansbury
Absent: Commissioner Safaí

SFERS' investment of \$50 million in Hellman & Friedman Capital Partners X, L.P. closed on May 10, 2021. The investment is classified as a mega buyout investment within SFERS' Private Equity portfolio and is SFERS' ninth investment with Hellman & Friedman.

More information about Hellman & Friedman is available at <https://hf.com>.

Insight Partners XII, L.P. and Insight Partners XII Buyout Annex Fund, L.P.

At its meeting on April 14, 2021, the Retirement Board approved in closed session an investment of up to \$100 million to be allocated between Insight Partners XII, L.P. and Insight Partners XII Buyout Annex Fund, L.P. The investments were approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Safaí, Stansbury
Absent: None

SFERS' investment of \$50 million in Insight Partners XII, L.P. and \$25 million in Insight Partners XII Buyout Annex Fund, L.P. closed on May 14, 2021.

These investments will be classified as Growth Equity within SFERS' Private Equity portfolio.

More information about Insight Partners is available on <https://www.insightpartners.com/>.

Milestone Real Estate Investors V, LP

At its meeting on February 10, 2021, the Retirement Board approved in closed session an investment of up to \$50 million to Milestone Real Estate Investors V, LP ("MREI V"). The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Safaí
Absent: Commissioner Stansbury

SFERS' commitment of \$40 million to MREI V closed on May 17, 2021. SFERS' investment in MREI V is classified as a Real Estate investment within the Real Assets portfolio and is SFERS' first investment with The Milestone Group.

More information about the firm is available at <https://www.milestonegp.com/>.

TA XIV-A, L.P.

At its meeting on March 10, 2021, the Retirement Board approved in closed session an investment of up to \$100 million to TA XIV-A, L.P. and TA Select Opportunities II-A, L.P. The investment was approved by the following votes:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Stansbury

Absent: Commissioner Safaí

SFERS' total investment of \$80 million in TA XIV-A, L.P. closed on May 27, 2021.

This fund is classified as a Growth Equity investment within SFERS' Private Equity portfolio.

More information about TA Associates is available on <https://www.ta.com/>.

Vida Ventures III, L.P.

At its meeting on May 12, 2021, the Retirement Board approved in closed session an investment of up to \$35 million to Vida Ventures III, L.P. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Safaí

Absent: Commissioner Stansbury

FERS' total investment of \$35 million closed on May 21, 2021.

This fund is classified as a Venture Capital investment within SFERS' Private Equity portfolio.

More information about Vida Ventures is available on <https://vidaventures.com/>.

Tiverton AgriFinance II, LP

At its meeting on April 14, 2021, the Retirement Board approved in closed session an investment of up to \$50 million in Tiverton AgriFinance II, LP. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Stansbury

Absent: Commissioner Safaí

SFERS' investment of \$50 million in Tiverton AgriFinance II, LP closed on June 4, 2021. This investment is classified as a Specialty Finance investment within SFERS' Private Credit portfolio and is SFERS' first investment with Tiverton.

More information about Tiverton is available at <https://tiverton.ag/>.

PAG Loan Fund V L.P.

At its meeting on April 14, 2021, the Retirement Board approved in closed session an investment of up to \$125 million in PAG Loan Fund V L.P. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Stansbury

Absent: Commissioner Safai

SFERS' investment of \$125 million in PAG Loan Fund V L.P. closed on June 3, 2021. This investment is classified as a Senior Debt investment within SFERS' Private Credit portfolio and is SFERS' seventh investment with PAG.

More information about PAG is available at www.pag.com.

Primary Wave Music IP Fund 3, LP

At its meeting on April 14, 2021, the Retirement Board approved in closed session an investment of up to \$60 million to Primary Wave Music IP Fund 3, LP ("PW Fund 3") and Sidecar Fund. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Heldfond, Stansbury

Absent: Commissioner Safai

SFERS' commitment of \$50 million to PW Fund 3 closed on June 7, 2021. SFERS' investment in PW Fund 3 sits within the Real Assets portfolio and is SFERS' second investment with Primary Wave.

More information about the firm is available at <https://primarywave.com/>.

Level Equity Growth Partners V, L.P. and Level Equity Opportunities Fund 2021, L.P.

At its meeting on May 12, 2021, the Retirement Board approved in closed session an investment of up to \$40 million to be allocated between Level Equity Growth Partners V, L.P. and Level Equity Opportunities Fund 2021, L.P. The investments were approved by the following vote:

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Safai

Absent: Commissioner Stansbury

SFERS' investment of \$29 million in Level Equity Growth Partners V, L.P. and \$11 million in Level Equity Opportunities Fund 2021, L.P. closed on May 28, 2021.

These investments will be classified as Growth Equity within SFERS' Private Equity portfolio.

More information about Level Equity is available on <https://www.levelequity.com/>.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

Commissioner Driscoll asked CIO Coaker to be prepared to answer at the Investment Committee meeting whether or not we should consider immunizing the portfolio against all liabilities.

President Bridges called for public comment.

Fred Sanchez, Protect our Benefits, shared his appreciation and thanked CIO Bill Coaker and Staff for the outstanding report and being over 100% funded.

There were no additional callers and public comment was closed.

Action: This is a discussion only item.

DEFERRED COMPENSATION PLAN CALENDAR

10. 060921-10 Discussion Item SFDCP Manager Report

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum and Monthly Activity Report.

Diane Chui Justen, Deferred Compensation Director, presented an oral and written report on this item.

Ms. Chui Justen reported that the San Francisco Deferred Compensation Plan (SFDCP, or the Plan) is reaching nearly \$5 Billion in assets under management, as of April 2021. The Plan is comprised of 100% voluntary contributions that employees have chosen to defer and save for their retirement (there is no employer match). SFDCP dollars are deferred after all mandatory contributions have been made, demonstrating employee confidence in the Plan and the value of this additional benefit.

The Board reviewed and discussed the material and engaged in a question and answer session with staff covering participation rates and average account balances.

Commissioner Casciato reported that as Chair of the Deferred Compensation Committee, he has received a lot of positive feedback from members and thanked staff for their work.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

ADMINISTRATION CALENDAR

11. 060921-11 Action Item Review and Approval of SFERS Vision Statement

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

Jay Huish, Executive Director, provided an oral and written report on this item.

Mr. Huish reported that at its November 2, 2020 committee meeting, Chair Driscoll directed the Board's Fiduciary Governance Consultant, Ashley Dunning, to work with Staff to develop a SFERS Vision Statement.

At the May 3, 2021 Governance Committee meeting, Ms. Dunning presented various models for a potential vision statement and recommended that the Committee develop a short aspirational statement similar to those vision statements adopted by other California public pension plans. Ms. Dunning recommended that the SFERS Vision Statement reflect specific qualities with which the Board would like the organization to be associated and distinguished the vision statement from the "mission" of the organization.

Mr. Huish reported that the Governance Committee considered various iterations of the proposed SFERS Vision Statement and agreed to the following to be recommended to the full Board with a Committee recommendation to approve:

The Vision of the San Francisco Employees' Retirement System is to be a trusted, leading edge, financially sound, well-governed, dependable, ethical and transparent pension plan.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Heldfond, to approve SFERS Vision Statement as recommended by the Governance Committee and direct staff to publish the SFERS Vision Statement on the SFERS website and in all future SFERS publications.

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Stansbury
Absent: Commissioners Safaí

12. 060921-12 Discussion Item Educational Presentation on Fiduciary Duties

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

Jay Huish, Executive Director and Robert Bryan, Deputy City Attorney, provided an oral and written report on this item.

Mr. Huish reported that in accordance with the recommendations that the Retirement Board approved at its July 11, 2017 special meeting following the 2016 Funston Advisory Services Board performance evaluation, Board members will receive fiduciary training from Robert Bryan, Deputy City Attorney, that addresses the Board's fiduciary duties and responsibilities for both the Defined Benefit and Defined Contribution plans.

Robert Bryan, Deputy City Attorney, conducted an educational presentation on fiduciary duties.

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

13. 060921-13 Discussion Item Personnel Committee Report

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

At their meeting of May 19, 2021 the Personnel Committee:

- Approved Minutes of March 17, 2021
- Closed Session -To consider the employment of Executive Director

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

14. 060921-14 Discussion Item Governance Committee Report

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

At their meeting of May 3, 2021, the Governance Committee:

- Approved Minutes of November 2, 2020
- Provided update on Member Satisfaction Surveys
- Approved SFERS Vision Statement for referral to full Board for consideration and approval
- Approved recommended amendments to Board Communications Policy for referral to full Board for consideration and approval
- Approved certain delegation of investment decision-making authority to investment staff to be presented to full Board for consideration and approval at its July 14th Board meeting

The Board reviewed and discussed the material and engaged in a question and answer session with staff.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

15. 060921-15 Action Item Adoption of the July 1, 2020 Actuarial Funding Valuation Report

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

Janet Brazelton, Actuarial Services Coordinator, reported that the Board reviewed and discussed the July 1, 2020 actuarial funding valuation results and the employer contribution rate stress test projections at its May 12, 2021 meeting. The Board also adopted 24.41% as the employer contribution rate for fiscal year 2021-22 at the May meeting. Ms. Brazelton reported that adopting this report is the final step to close out the July 1, 2020 valuation cycle.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Casciato, to adopt the July 1, 2020 actuarial valuation report.

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Stansbury

Absent: Commissioners Safai

**16. 060921-16 Action Item Review and Approval of Governance Committee
Amendments to the following Board Policies:**

- a) Governance Committee Terms of Reference*
- b) Deferred Compensation Committee Terms of Reference*
- c) Monitoring and Reporting Policy*
- d) Executive Director Performance Evaluation Policy*
- e) Strategic Planning Policy*
- f) Board Communications Policy*

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

Jay Huish, Executive Director, reported on Retirement Board policy which requires a regular review of each of the Board policies, generally on an “at least every five years” basis.

Mr. Huish reported that, at its November 20, 2020 Committee meeting, the Governance Committee reviewed and approved the following amendments and updates to Board policies that were up for review in 2020:

- a. Governance Committee Terms of Reference – amended to reflect the Committee and Board review and approval;
- b. Deferred Compensation Committee Terms of Reference – amended to reflect the Committee and Board review and approval;
- c. Monitoring and Reporting Policy – amended to reflect new reports to be added to the policy and amended to reflect the Committee and Board review and approval;
- d. Executive Director Performance Evaluation Policy – amended “Background” section to delete reference to the now-obsolete City Pay for Performance Program, amended Policy Review cycle from three to five years, and amended to reflect the Committee and Board review and approval; and Strategic Planning Policy – amended to reflect the Committee and Board review and approval.

Mr. Huish reported that for its May 3, 2021 Governance Committee meeting, Committee Chair Driscoll requested that Staff present an update on the process for Board members to make requests for information from SFERS staff members. Based on previous Governance Committee discussions on the issue, Staff recommended to the Committee that the process be imbedded in the Board Communications Policy. Mr. Huish indicated that the proposed amendment is a new Section 14 in the policy. The Governance Committee approved the amendment to the Board

Communications Policy and voted to forward the amendments to the full Board with a Committee recommendation to approve.

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Casciato, to approve Governance Committee recommended amendments and updates to the following Board Policies:

- a) *Governance Committee Terms of Reference*
- b) *Deferred Compensation Committee Terms of Reference*
- c) *Monitoring and Reporting Policy*
- d) *Executive Director Performance Evaluation Policy*
- e) *Strategic Planning Policy*
- f) *Board Communications Policy*

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Stansbury

Absent: Commissioners Safai

17. 060921-17 Discussion Item Executive Director's Report

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

Jay Huish, Executive Director, reported that the Mayor presented the Budget on June 1st and Mr. Huish announced that the newly proposed Investment Division positions have been approved and are included in the Mayor's Budget. The final Budget and Appropriations Committee review of the department's budget is scheduled for June 23rd.

Administrative Update:

- Budget Update: Department budget hearings before the Budget and Finance Committee scheduled for June 16th and 23rd

Attachments for Informational Purposes:

- Retirement Board Forward Calendar for June 2021 to June 2022
- Request for Proposal in Progress Blackout Period
- *Public Retirement Conferences and Training Programs for SFERS Trustees – Nossaman LLP*

President Bridges called for public comment.

There were no callers and public comment was closed.

Action: This is a discussion only item.

President Bridges turned the remainder of the meeting agenda over to Vice-President Al Casciato to preside over.

Commissioner Casciato called Item Nos. 18 and 19 together.

18. 060921-18	Action Items	Election of Board President
19. 060921-19		Election of Board Vice President

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

Vice President Casciato called for nominations for the offices of President and Vice President.

President Bridges nominated Commissioner Al Casciato as President and Commissioner Ahsha Safai as Vice-President.

There were no further nominations and Vice President Casciato closed nominations.

Vice President Casciato called for public comment.

There were no callers and public comment was closed.

Action: Moved by Commissioner Bridges, seconded by Commissioner Heldfond, to elect Commissioner Al Casciato as President and Commissioner Ahsha Safai as Vice President.

Ayes: Commissioners Bridges, Casciato, Driscoll, Gandhi, Heldfond, Stansbury

Absent: Commissioner Safai

20. 060921-20	Discussion Item	Retirement Board Member Good of the Order
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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.

Vice President Casciato called for public comment.

Fred Sanchez, Protect our Benefits, thanked Commissioner Bridges for her excellence as Board President and congratulated newly-elected President Al Casciato and Vice President Ahsha Safai.

There were no additional callers and public comment was closed.

Action: This is a discussion only item.

21. 060921-21

Adjournment

Having no further business, the
Committee adjourned the meeting at 5:15 PM


Respectfully submitted,
Jay Huish, Executive Director