



SFERS

San Francisco Employees' Retirement System

City and County of San Francisco Employees' Retirement System

RETIREMENT BOARD MEETING

MINUTES

Thursday, February 16, 2023

1145 Market Street, 6th Floor

San Francisco, CA 94103

11:00 AM

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 1:30 PM.

This meeting will be held in person at the location listed above. As authorized by California Government Code Section 54953(e) and Mayor Breed's 45th Supplement to her February 25, 2020 emergency proclamation, it is possible that some members of the Retirement Board may attend this meeting remotely. In that event, those members will participate and vote by video.

Members of the public may attend the meeting to observe and provide public comment at the physical meeting location listed above or online 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: **2496 560 1238** 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, February 13, 2023 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

Joseph Driscoll

Shruti Gandhi

Scott Heldfond, Vice President

Ahsha Safaí, President

Brian Stansbury

A.J. Thomas

Alison Romano, CEO & CIO

Retirement Board Meeting

PUBLIC COMMENT CALL-IN: 415-655-0001

Access Code: 2496 560 1238

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 [**2496 560 1238**], 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	11:10 AM
	Commissioner Joseph Driscoll	11:10 AM
	Commissioner Shruti Gandhi	11:10 AM
	Commissioner Scott Heldfond	11:10 AM
	Commissioner Ahsha Safaí	11:15 AM
	Commissioner Brian Stansbury	Absent
	Commissioner A.J. Thomas	11:10 AM

2. Communications

Health and safety protocols along with building rules were read aloud.

3. 021623-03 Discussion Item CLOSED SESSION

Vice-President Heldfond announced that the Retirement Board would be going into Closed Session.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Motion made by Commissioner Thomas, seconded by Commissioner Gandhi, to move into closed session and to assert the attorney-client privilege to move into closed session to discuss 3(a) Pending Litigation, 3(b) Personnel, and 3(c) Investments.

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

Absent: Commissioner Stansbury

The Board entered Closed Session 3(a) - Discussion Item: CONFERENCE WITH LEGAL COUNSEL - Pending Litigation at 11:22 AM.

The following individuals were present for closed session 3(a) – Existing Litigation: President Safaí, Commissioners Bridges, Driscoll, Gandhi, Heldfond, Thomas; Alison Romano, CEO & CIO; Caryn Bortnick, Chief Operating Officer; Cecilia Mangoba, General Counsel; Darlene Armanino, Board Secretary (via teleconference).

The Board entered Closed Session 3(b) – Action item: Personnel at 11:33 AM.

The following individuals were present for closed session 3(b) - Personnel: President Safaí, Commissioners Bridges, Driscoll, Gandhi, Heldfond, Thomas; Alison Romano, CEO & CIO; Cecilia Mangoba, General Counsel; Ashley Dunning, Nossaman; Janet Brazelton, Actuarial Services Coordinator; Darlene Armanino, Board Secretary (via teleconference).

President Safaí left Board meeting at 11:57 AM

The Board entered Closed Session 3(c) – Action Item: Possible Recommendation and/or Action on Sale and Purchase of Particular, Specific Pension Fund Investment under California Government Code Section 54956.81 (6 investments) at 12:03 PM.

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: Commissioners Bridges, Driscoll, Gandhi, Heldfond, Safaí, Thomas; Alison Romano, CEO & CIO; Caryn Bortnick, Chief Operating Officer; Kurt Braitberg, Managing Director, Public Markets; David Francl, Managing Director, Absolute Return; Tanya Kemp, Managing Director, Private Markets; Eunice McHugh, Director, Public Markets; Andrew Collins, Director, Public Markets; Rishi Garbharran, Senior Portfolio Manager; James Kraft, Brady Jewett, Associate Portfolio Managers; Kien Trinh, Henry Toothman, Investment Officers; Cecilia Mangoba, Molly Nordale, Deputy City Attorneys.

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 via teleconference: Darlene Armanino, Board Secretary; Anna Langs, Managing Director, Asset Allocation, Risk Management and Innovative Solutions; Han Pham, Director, Public Equity; Alo Martins, Chris Terrazzano, Chris Wisdom, Jiada Tu, Associate Portfolio Managers; Dennis Esselsago, Kevin Cio, Patrick Li, Investment Officers; Tran Ly, Jessica Lo, Deputy City Attorneys; Allan Martin, NEPC; Anita Ng, Kelly Jensen, Richard Grimm, Maria Surina, Mark Mallory, Cambridge.

The Board ended Closed Session at 12:56 PM

The Board returned to Open Session at 1:30 PM

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

Patrick Monette Shaw spoke about the closed session pending litigation item that is not publicly available and asked the Board to disclose what the lawsuit is about.

There were no further callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Driscoll, not to disclose any discussions held in Closed Session under San Francisco Administrative Code Section 67.12(a).

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

Absent: Commissioner Stansbury

4. 021623-04 General Public Comment – Not earlier than 1:30 PM

In-Person public comment was called.

Fred Sanchez, Protect our Benefits, thanked the Retirement Board, Staff and Supervisor Safaí on getting unanimous support at the Board of Supervisors in passing the Supplemental COLA. Mr. Sanchez thanked Brian Stansbury who he stated was very helpful throughout the years and wished him well in his retirement.

Public comment Callers was called.

Patrick Monette Shaw urged the Board to retain dial in remote phone system for public comment after March 1st.

Sosseh Prom, State Policy Manager at African Communities Together, spoke about the effects of SFERS investment in CIM Group which has displaced and mistreated blue collar workers in Southern Towers.

Caller (name not heard) stated that he was a current tenant at Southern Towers and spoke about the increases in rent, parking, utilities going from 6% to 20% in the current housing crisis which is affecting the quality of life for all tenants and urged the Board not to invest in CIMS.

There were no further callers and public comment was closed.

5. 021623-05 Action Item Approval of the Minutes of the January 19, 2023 Retirement Board Meeting

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the January 19, 2023 Retirement Board Meeting.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Moved by Commissioner Bridges, seconded by Commissioner Heldfond, to approve the Minutes of the January 19, 2023 Retirement Board Meeting.

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

Absent: Commissioners Thomas, Stansbury

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. 021623-06	Action Item	Consent Calendar
021623-06b	Action Item	Voluntary Retirement Board List No. 08-22
021623-06c	Action Item	Decisions of Hearing Officers
Applicant - A Effective Date: 01/01/2022	Q051 Sergeant II Police	Industrial Disability Retirement Granted
Applicant – B Effective Date: 07/08/2022	Q004 Police Officer III Police	Industrial Disability Retirement Granted
Applicant – C Effective Date: 01/22/2022	Q003 Police Officer II Police	Industrial Disability Retirement Granted
Applicant – D Effective Date: TBD	Q062 Lieutenant III Police	Industrial Disability Retirement Granted (SR 12-01-18)
Applicant – F Effective Date: 12/17/2015	H002 Firefighter Fire	Ordinary Disability Retirement Granted
Applicant – G Effective Date: 07/01/2019	2453 Supervising Pharmacist Department of Public Health	Ordinary Disability Retirement Denied

Applicant – H Effective Date:TBD	Q004 Police Officer III Police	Industrial Disability Retirement Denied (SR 05-13-2017)
Applicant – I Effective Date: 05/09/2020	Q052 Sergeant III Police	Industrial Disability Retirement/Stip Granted
Applicant – J Effective Date: 06/26/2020	Q004 Police Officer III Police	Industrial Disability Retirement/Stip Granted

021623-06d

Action Item

Travel Request

Request approval for Commissioner Driscoll to attend the SDP Annual Conference Mini-Workshops, Decision Process & Leadership, March 24, 2023, virtual attendance.

021623-06e

Discussion Item

**Retirement Board Member Reports
and Comments**

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

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

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

Ayes: Commissioners Bridges, Driscoll, Gandhi, Heldfond, Safai
Absent: Commissioners Thomas, Stansbury

INVESTMENT CALENDAR

7. 021623-07 Discussion Item Proxy voting Report for Calendar Year 2022

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

Kurt Braitberg, CFA, CAIA Managing Director, Public Markets and Andrew Collins, Director of ESG Investing, presented an oral and written report on this item.

The report provided summary level information on how SFERS has voted its proxies across two broad proxy proposal classifications:

- Management Proposals – this category included the election of directors, executive compensation, appointment of auditors, and reorganizations/mergers; and
- Shareholder Proposals – this category included corporate governance, social, and environmental topics.

Additionally, commentary was provided on trends observed during the 2022 voting season and SFERS' voting practices over time. SFERS continued to utilize the proxy services provider Glass Lewis (GL) and the report provided observations that were drawn from Glass Lewis' review of the 2022 U.S. proxy season and its coverage of roughly 4,600 U.S. companies.

During the proxy season, shareholders demonstrated a growing interest in environmental and social (E&S) oversight from boards, board diversity, compensation issues, and human capital management topics. This report demonstrated that through careful and detailed analysis of proposals, proxy voting continues to be an opportunity for SFERS to support long term returns at investee companies.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: This is a discussion only item.

8. 021623-08 Action Item Proxy Voting Guidelines - 2023

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Proposed 2023 Proxy Voting Guidelines with tracked changes, Proposed Proxy Voting Guidelines "clean" without track changes.

Andrew Collins, Director of ESG Investing, presented an oral and written report on this item.

Staff recommended the following updates to the SFERS Proxy Voting Guidelines:

- General updates to the Proxy Voting Guidelines to improve presentation, clarity, and readability;

- Six (6) updates to the existing proxy voting policy for Director Elections; and
- One (1) update to the existing proxy voting policy for Shareholder Rights.

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

Commissioner Heldfond commented that the red-line version was very helpful.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Bridges, to approve the Proxy Voting Guidelines for 2023.

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

Absent: Commissioners Thomas, Stansbury

9. 021623-09 Discussion Item Chief Investment Officer's Report

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

Alison Romano, Chief Executive Officer and Chief Investment Officer, provided an investment update on Board approved investments and Plan Value.

SFERS total fund value as of end of January 31st is \$33.4B.

Board approved investments:

Blue Torch Credit Opportunities Fund III, L.P.

At its meeting on January 19, 2023, the Retirement Board approved in closed session an investment of up to \$65 million to Blue Torch Credit Opportunities Fund III, L.P. This investment was approved by the following vote:

Ayes: Commissioners Bridges, Driscoll, Gandhi, Heldfond, Safai, and Thomas

Nays: None

Absent: Commissioner Stansbury

SFERS' investment of \$65 million to Blue Torch Credit Opportunities Fund III, L.P. closed on February 2, 2023. This investment is classified as a Credit Opportunities investment within SFERS' Private Credit portfolio. This is SFERS' second investment with Blue Torch.

More information about Blue Torch is available at <https://bluetorchcapital.com/>.

Institutional Venture Partners XVIII, L.P.

At its meeting on January 19, 2023, the Retirement Board approved in closed session an investment of up to \$75 million to Institutional Venture Partners XVIII, L.P. The investments were approved by the following vote:

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

Nays: None

Absent: Commissioner Stansbury

SFERS' investment of \$50 million in Institutional Venture Partners XVIII, L.P. closed on February 3, 2023.

This investment will be classified as Venture Capital within SFERS' Private Equity portfolio.

More information about Institutional Venture Partners is available at <https://www.ivp.com>.

GGV Capital IX L.P. and GGV Capital IX Plus L.P.

At its meeting on December 15, 2022, the Retirement Board approved in closed session an investment of up to \$75 million to be allocated between GGV Capital IX L.P. and GGV Capital IX Plus L.P. The investments were approved by the following vote:

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

Nays: None

Absent: Commissioners Safaí, Stansbury

SFERS' investment of \$48 million in GGV Capital IX L.P. and \$12 million in GGV Capital IX L.P. closed on February 14, 2023.

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

More information about GGV is available on <https://www.ggvc.com/>.

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

In-Person public comment was called.

No public present, and In-Person public comment was closed.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: This is a discussion only item.

ADMINISTRATION CALENDAR

11. 021623-11 Action Item Review and Approval of Basic COLA, Effective July 1, 2023

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Exhibits A and B.

Janet Brazelton, Actuarial Services Coordinator, provided an oral and written report on this item.

It was recommended to approve a Charter A8.526-2 cost of living (Basic COLA) increase of 2% payable effective July 1, 2023 for all qualified SFERS retirees who retire prior to July 2, 2023.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

Patrick Monette Shaw thanked the Board for approving the Basic COLA effective July 1st and urged Board to divest in hedge funds.

There were no further callers and public comment was closed.

Action: Moved by Commissioner Driscoll, seconded by Commissioner Heldfond, to approve a Charter A8.526-2 cost of living (Basic COLA) increase of 2% payable effective July 1, 2023 for all qualified SFERS retirees who retire prior to July 2, 2023.

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

Absent: Commissioner Stansbury

12. 021623-12 Action Item Determination and Approval of Credited Interest Rate for Fiscal Year 2023-2024

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

Janet Brazelton, Actuarial Services Coordinator, provided an oral and written report on this item.

It was recommended to accept the credited interest rate analysis provided and approve no adjustment in the Plan's current credited interest rate of 4% effective July 1, 2023.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Moved by Commissioner Driscoll, seconded by Commissioner Heldfond, to accept the credited interest rate analysis provided and approve no adjustment in the Plan's current credited interest rate of 4% effective July 1, 2023.

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

Absent: Commissioner Stansbury

13. 021623-13 Action Item Review and adoption of the July 1, 2022 Actuarial Funding Valuation Report and presentation of Employer Contribution Rate Stress Test Projections.

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

Bill Hallmark and Anne Harper of Cheiron presented the results of the SFERS annual actuarial valuation as of July 1, 2022 which forms the basis for the calculation of the fiscal year 2023-2024 employer and employee contribution rates.

It was recommended that the Board adopt the July 1, 2022 Actuarial Valuation Report.

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

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Driscoll, to adopt the July 1, 2022 Actuarial Valuation Report.

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

Absent: Commissioner Stansbury

14. 021623-14 Action Item Adoption of Employer Contribution Rate of 18.24% for Fiscal Year 2023-24.

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, July 1, 2022 Actuarial Valuation Results, July 1, 2022 Actuarial Valuation Report.

Janet Brazelton, Actuarial Services Coordinator, provided an oral and written report on this item.

It was recommended that the Board adopt the recommended Employer Contribution Rate of 18.24% for fiscal year 2023-2024.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Driscoll, to adopt the recommended Employer Contribution Rate of 18.24% for fiscal year 2023-2024.

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

Absent: Commissioners Thomas, Stansbury

15. 021623-15 Discussion Item Personnel Committee Report of February 1, 2023

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

At their meeting on February 1, 2023, Chair Heldfond reported on the following:

- Approved Minutes of the October 15, 2021 Personnel Committee meeting
- Held a Closed Session meeting regarding Actuarial Services Coordinator Evaluation
- Held a Closed Session meeting regarding CEO & CIO Performance Evaluation

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: This is a discussion only item.

**16. 021623-16 Action Item Approval of Department Budget for FY2023-24 and
FY2024-25**

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

Alison Romano, CEO & CIO, presented an oral and written report on this item.

The Executive Management Team conducted an extensive review of the SFERS business and proposed a budget that (1) reflects the complexities and requirements of the business today, (2) enables the organization to deliver successfully on its mission and (3) mitigates risk. This budget included a proposal to add 10 FTEs in Retirement Services this next year and 8 FTEs in the following year.

The proposed FY2023-2024 department budget represents an estimated 15.8% increase over the FY2022-2023 approved budget. A significant portion of this increase is the result of estimated investment management fees, which are contractually obligated fees paid as a percent of AUM rather than flat dollar amounts. As assets increase with a market recovery, so too will fees. Excluding these SMA investment management fees, the proposed department budget represents a 7.9% increase.

The primary drivers of the increase are as follows:

- Retirement Services

- Increase in permanent salaries and benefits attributable to proposed new permanent positions (Increase in estimated expense of \$1.2 million in FY2023-2024)
- Investments
 - SMA investment management fees - Estimated increases in investment management fees attributable to increases in assets under management, assuming significant market recovery (Total fees estimated at \$74.7 million in 2023-2024)
 - Manager diligence and risk assessment – Anticipated increase in consulting fees and new operational due diligence consulting fees
 - Increase in permanent salaries and benefits attributable to 2 positions that had been approved last year
- Administrative
 - Addition of technology solution to enhance collaboration and improve efficiency of reporting (Estimated incremental expense of \$150,000 in FY2023-2024)
- Inflation
 - Fine-tuned budgeting process to reflect contractual inflation increases in service contracts, as well as expected higher costs in travel

All SFERS budget expenses are paid from the SFERS Trust and all SFDCP budget expenses are reimbursed to the department from the San Francisco Deferred Compensation Plan recordkeeper. Retirement receives no General Fund support from the City.

The City is projecting a \$200.8 million General Fund deficit for FY 2023-24 and a \$527.5 million deficit for FY 2024-25, resulting from reductions in the revenue outlook, the loss of one-time Federal funds, and continued escalating costs in both salaries and benefits, as well as in non-personnel spending. As a result, the Mayor has guided departments to reduce their General Fund support by 5% in FY 2023-24 and 8%, ongoing, in FY 2024-25.

Retirement receives no General Fund support from the City. SFERS is self-funded.

It was recommended that the Board approve Department Budget for FY2023-24 and FY2024-25

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

Commissioner Gandhi reported that the Operations Committee met on February 10, 2023. The Committee recommended to forward Department Budget for FY2023-24 and FY2024-25 to the Full Board with a Committee recommendation to approve.

Commissioner Thomas confirmed that the Operations Committee meeting had an exhaustive presentation and he was very impressed with the presentation and fully supports this motion.

Commissioners Heldfond and Driscoll fully supports this motion.

In-Person public comment was called.

Fred Sanchez, Protect our Benefits, spoke about the complexity of this budget and is in full support. Mr. Sanchez stated that SFERS is the best run department in San Francisco.

Public comment Callers was called.

There were no callers and public comment was closed.

Action: Moved by Commissioner Thomas, seconded by Commissioner Heldfond, to approve Department Budget for FY2023-24 and FY2024-25.

Ayes: Commissioners Bridges, Driscoll, Gandhi, Heldfond, Safaí, Thomas
Absent: Commissioner Stansbury

17. 021623-17 Action Item Declare Retirement Board Vacancy Effective February 14, 2023, Approve Department of Elections to Conduct Election and Approve Draft Election Schedule

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum, Draft Election Schedule, Election Notices, Administrative Code Section 16.550 – 16.564

Alison Romano, CEO & CIO, reported that Brian Stansbury resigned as a member of the Board effective February 14, 2023. Mr. Stansbury was serving as an elected employee member of the Board.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

Patrick Monette Shaw spoke about the vacancy and whether all members of the Retirement System can vote or if this seat is reserved only for public safety members to cast votes during the election.

There were no further callers and public comment was closed.

Action: Moved by Commissioner Heldfond, seconded by Commissioner Thomas, to declare a vacancy on the Retirement Board effective February 14, 2023, select Department of Elections to conduct election and approve draft election schedule subject to revision by the Department of Elections.

Ayes: Commissioners Bridges, Driscoll, Gandhi, Heldfond, Safaí, Thomas
Absent: Commissioner Stansbury

18. 021623-18 Discussion Item Discussion Regarding Whether to Permit Remote Public Comment Beginning March 1, 2023

Documents provided to the Retirement Board prior to the current meeting: None.

Alison Romano, CEO & CIO, reported that the COVID-19 public health emergency order is ending February 28, 2023 and remote public comment will not be required at policy body meetings except as a reasonable accommodation for people with disabilities. The City Administrator is working the Mayor and others on possible guidance on remote public comment.

President Safaí spoke about accommodating people's needs and stated that SFERS will ensure that SFERS has reasonable accommodations for people with disabilities.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

Patrick Monette Shaw called to express his disappointment in not answering his question on the last agenda item on the election procedures. Mr. Shaw stated the Board should have made this an action item to decide whether or not to take remote public comment and urged the Board to allow remote participation to improve our democracy.

There were no further callers and public comment was closed.

Action: This is a discussion only item.

19. 021623-19 Discussion Item Chief Executive Officer's Report

Documents provided to the Retirement Board prior to the current meeting: Chief Executive Officer's Report, Retirement Board Forward Calendar for FY2023, Request for Proposal in Progress Blackout Period, and Public Retirement Conferences.

Alison Romano, Chief Executive Officer & Chief Investment Officer, reported on the following:

- Reminded Board to complete their Form 700 by April 3, 2023.
- Announced that Commissioner Bridges has been reappointed to the Board for another year.
- Forward Board Calendar will change slightly regarding RFP public market search. The semifinalist recommendation from staff will come before the Board in March.

- Received BOS Resolution #323 Supporting Tartine Bakery Workers and Urging the San Francisco Employee Retirement System to Ensure Their Investments Support Labor Rights and Affordable Housing. This will be considered while keeping in mind Board's fiduciary duty.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

Patrick Monette Shaw called regarding election procedures and spoke about reasonable accommodations for public comment.

There were no further callers and public comment was closed.

Action: This is a discussion only item.

20. 021623-20 Discussion Item Retirement Board Member Good of the Order

Caryn Bortnick, Chief Operations Officer, spoke about the election process. Under the Charter, with respect to the Retirement System, anyone can vote, either active or retired. With regard to this election, everyone will get a ballot.

There are two elections running simultaneously:

1. Retiree Health Care Trust Fund Board election is for a retired seat. The Retirees will receive two ballots, one ballot for the Retiree Health Care Trust Fund Board and the other ballot will be for the vacancy at the Retirement System.
2. Retirement System election is for active and retired members. The active members will receive only one ballot for the Retirement System election.

President Safaí spoke about City's return to work and people needing to come back to this area to support small businesses.

Commissioner Driscoll spoke about purchasing a building in this area.

Commissioner Thomas encouraged through committee process allow staff to explore options on purchasing a building.

In-Person public comment was called.

No public present, and In-Person public comment was closed.

Public comment Callers was called.

Patrick Monette Shaw spoke about forcing public comment in person is not going to help the economy and thanked Staff for explanation of election.

There were no callers and public comment was closed.

Action: This is a discussion only item.

21. 021623-21

Adjournment

Having no further business, the Board adjourned the meeting at 4:30 PM