



# SFERS

San Francisco Employees' Retirement System

## San Francisco City and County Employees' Retirement System

GOVERNANCE COMMITTEE

MINUTES

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**Wednesday, November 6, 2024**

1145 Market Street, 6th Floor

San Francisco, CA 94103

1:00 PM

Members of the Committee will attend this meeting in-person. Members of the public attending the meeting in person will have an opportunity to provide public comment on every item. In addition to in-person public comment, members of the public may provide public comment remotely by phone. The Board will hear remote public comment on each agenda item in the order that commenters add themselves to the queue to comment on the item.

### **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*

### **GOVERNANCE COMMITTEE MEMBERS**

Joseph Driscoll, Chair

A.J. Thomas

Shruti Gandhi

Alison Romano, CEO & CIO

## Governance Committee Meeting

**PUBLIC COMMENT CALL-IN: 415-655-0001**

**Access Code: 2662 072 3605**

### 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 **[2662 072 3605]**, press '#' 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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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, Board Secretary, at (415) 487-7012. Written reports or background materials for calendar items are available for public inspection and are available online at <https://mysfers.org/about-sfers/retirement-board/>.

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**(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](mailto:sotf@sfgov.org)

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**OPENING CALENDAR**

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|---------------------|-----------------------|---------|
| <b>1. Roll Call</b> | Commissioner Driscoll | 1:00 PM |
|                     | Commissioner Gandhi   | Absent  |
|                     | Commissioner Thomas   | 1:00 PM |

**2. 110624-02 General Public Comment**

Commissioner Driscoll called for General Public Comment.

There were no comments from the public, and General Public Comment was closed.

**3. 110624-03 Action Item Approval of the Minutes of the October 18, 2023 Governance Committee Meeting**

Documents provided to the Governance Committee prior to the current meeting: Draft Minutes of the October 18, 2023 Governance Committee Meeting.

Chair Driscoll called for Public Comment.

There were no comments from the public, and Public Comment was closed.

**Action:** Moved by Commissioner Thomas, seconded by Commissioner Driscoll, to approve Minutes of the October 18, 2023 Governance Committee Meeting.

Ayes: Commissioners Bridges, Driscoll

Absent: Commissioner Gandhi

**4. 110624-04 Action Item Amend Service Provider Selection Policy**

Documents provided to the Governance Committee prior to the current meeting: Staff Memorandum, Service Provider Selection Policy – Redlined.

Alison Romano, CEO & CIO, proposed the following amendments to the Service Provider Selection Policy:

- To provide clarification on services providers related to the Deferred Compensation unit
- To further clarification on investment management related service providers related to the Defined Benefit Plan

The Committee engaged in a question and answer session.

Chair Driscoll recommended to the Board for approval revisions to the Service Provider Selection Policy with the following amendment to #15: Adding Target Date Fund Glidepath Manager.

Chair Driscoll called for Public Comment.

There were no comments from the public, and Public Comment was closed.

**Action:** Moved by Commissioner Thomas, seconded by Commissioner Driscoll, to recommend to the Board the revisions to the Service Provider Selection Policy with amendment to #15 adding “Target Date Fund Glidepath Manager.

Ayes: Commissioners Bridges, Driscoll

Absent: Commissioner Gandhi

**5. 110624-05 Discussion Item Report on Governance Monitoring**

Documents provided to the Governance Committee prior to the current meeting: Staff Memorandum, Fiduciary Governance Report – Nossaman, Year in Review: Terms of Reference in Monitoring Responsibilities, Governance Background.

Alison Romano, CEO & CIO, Ashley Dunning, Nossaman and Cecilia Mangoba, Deputy City Attorney, presented an oral and written report on Governance monitoring and presented on governance-related activities of the SFERS Board and Committees during fiscal year 2024 and discussed governance opportunities and challenges.

The Committee engaged in a question and answer session.

Chair Driscoll called for Public Comment.

There were no comments from the public, and Public Comment was closed.

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

Chair Driscoll called break at 2:48 PM and returned at 2:55 PM

**6. 110624-06 Discussion Item Proposal to amend Board meeting schedule**

Documents provided to the Governance Committee prior to the current meeting: Staff Memorandum

Alison Romano, CEO & CIO, reported that the frequency of Board and committee meetings should align with the fiduciary responsibilities of the Board and ensure appropriate governance.

Ms. Romano presented an illustrative Board meeting calendar to the Committee which contemplates 7 meetings per year, rather than 12 which provided the Governance Committee an understanding of how the Board could continue to address all the requisite topics with fewer meetings.

It was recommended that the Governance Committee consider reducing the number of Board meetings conducted each year from 7 meetings per year, rather than 12 and noted that Committees would continue to meet at a frequency consistent with their respective Terms of Reference. Any change to the meeting schedule would require an amendment to the Board Terms of Reference.

The Committee engaged in a question and answer session.

Chair Driscoll called for Public Comment.

President Heldfond expressed his approval of the recommendation and encouraged Committee to present proposal to all Board members.

There were no further comments from the public, and Public Comment was closed.

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

**7. 110624-07 Discussion Item Governance Committee Member Good of the Order**

Chair Driscoll called for Public Comment.

Chair Driscoll commented on issue of Risk Tolerance which will serve as a guardrail for the CIO.

There were no comments from the public, and Public Comment was closed.

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

**8. 110624-08 Adjournment**

Having no further business, the Committee adjourned the meeting at 3:24 PM.