



MINUTES
RETIREE HEALTH TRUST FUND BOARD
CITY AND COUNTY OF SAN FRANCISCO
30 Van Ness Avenue, Suite 3000
San Francisco, CA 94102

MEETING
MONDAY SEPTEMBER 21, 2009
8:30 AM

RETIREE HEALTH TRUST FUND BOARD MEMBERS

Jose Cisneros
Carol Cypert
Clare Murphy
Benjamin Rosenfield
Edward Walsh

Pledge of Allegiance

Roll Call:

Jose Cisneros	8:30
Carol Cypert	8:30
Clare Murphy	8:30
Benjamin Rosenfield	8:35
Edward Walsh	8:30

REGULAR CALENDAR

1. Approval of the Minutes of the May 12, 2009 Board Meeting

Moved by Commissioner Walsh, seconded by Commissioner Cisneros to Approve the Minutes of the May 12, 2009 Board meeting as amended.

Action: Approved by the following vote:

Ayes: Cisneros, Cypert, Murphy, Rosenfield, Walsh

2. Review and Approval of a Statement of Incompatible Activities, including possible decision to postpone action to the next meeting

Clare Murphy, President and Erik Rapoport, Deputy City Attorney, presented and oral and written report on this item.

The Board engaged in a question and answer session.

Moved by Commissioner Cypert, seconded by Commissioner Walsh to Approve the Statement of Incompatible Activities as Amended.

Action: Approved by the following vote:

Ayes: Cisneros, Cypert, Murphy, Rosenfield, Walsh

3. Review and Approval of Proposed Budget

Clare Murphy, President and Ben Rosenfield, Vice-President presented an oral and written report on this item.

In response to a question from Commissioner Walsh, Commissioner Rosenfield confirmed that the external audit is an annual expense. An auditor will be selected by the Controller's Office.

Commissioner Cypert noted that the proposed budget assumes 2.6% interest earnings. Commissioner Rosenfield noted that the Board could discuss investment options at a future meeting.

The Board engaged in a question and answer session.

Moved by Commissioner Walsh, seconded by Commissioner Cypert to Approve the Proposed Budget.

Action: Approved by the following vote:

Ayes: Cisneros, Cypert, Murphy, Rosenfield, Walsh

4. Discussion of GASB/Trust Reporting Requirements

Clare Murphy, President and Ben Rosenfield, Vice-President presented an oral and written report on this item.

Commissioner Rosenfield noted that payroll contribution reports are available, and recommended that they be provided to the Board on a quarterly basis.

Erik Rapoport, Deputy City Attorney, noted that a GASB 45 report is required every two years. Ms. Murphy noted that the Board would be responsible for selection of a vendor to conduct the study. Staff can prepare a Request for Proposals or amend an existing contract with a current vendor. Mr. Rapoport noted that the study would have to be completed by the end of the fiscal year.

The Board engaged in a question and answer session.

Mr. Rapoport agreed to gather additional information on the current vendor and report back at a future meeting. Ms. Murphy recommended the Board schedule a meeting in late October to review this item.

This was a discussion only item.

5. Discussion of the Process for Selection of Outside Counsel

Erik Rapoport, Deputy City Attorney, presented an oral report on this item.

In response to a question from Commissioner Walsh, Mr. Rapoport noted that the City's Attorney's office does not retain subject matter experts in this area of trust and tax law and therefore recommends the selection of outside counsel. Mr. Rapoport is currently gathering information on firms with subject matter expertise.

Mr. Rapoport and Commissioner Rosenfield noted that the City Attorney's office has authority under the Charter to select outside counsel.

The Board engaged in a question and answer session.

Ms. Murphy noted that the ultimate structure of the trust was not yet resolved, and noted that the firm would need to assist in the preparation of appropriate trust documents. Commissioner Rosenfield noted that the trust documents should be in place by June 30, 2010.

The Board set their next meeting for Monday, October 19th at 8:30.

This was a discussion only item.

6. Adjournment

There being no further business, the Board adjourned its meeting at 9:17.

Respectfully submitted,

Clare M. Murphy
President, Retiree Health Care Trust Fund Board