



Retiree Health Care Trust Fund Board

BOARD MEETING MINUTES

Rescheduled Regular Meeting

Monday, September 15, 2014

1:30 PM

City and County of San Francisco
30 Van Ness Avenue, Suite 3000
San Francisco, CA 94103

RETIREE HEALTH CARE TRUST FUND BOARD MEMBERS

President

Pauline Marx

Vice President

Ed Walsh

Members

Leo Levenson

Clare Murphy

David Salem

Disability Access

The meeting will be held at SFERS Office, 30 Van Ness Avenue, Suite 3000, San Francisco, CA 94103. The Retiree Health Care Trust Fund Board Meeting Room is wheelchair accessible. Accessible seating is available for persons with disabilities or wheelchairs. The following services are available upon request:

- American Sign Language interpreters will be available upon request.
- A sound enhancement system will be available upon request at the meeting.
- Minutes of the meeting are available in alternative formats.

If you require the use of any of these services, contact Rosanne Torre, Board Secretary, at (415) 554-7401 or by email at rosanne.torre@sfgov.org at least two (2) business days before the meeting.

The closest accessible BART Station is Civic Center, three blocks from City Hall. Accessible MUNI lines serving this location are: #42 Downtown Loop, and the #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call (415) 923-6142. There is accessible parking in the vicinity of City Hall at Civic Center Plaza adjacent to Davies Hall and the War Memorial Complex.

In order to assist the City's effort to accommodate persons with severe allergies, environmental illnesses, 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 accommodate these individuals.

Summary of Retiree Health Care Trust Fund Board Policy Regarding Public Comment

Speakers are urged to fill out a speaker card in advance, but may remain anonymous if so desired. A member of the public has up to three minutes to make pertinent public comments before action is taken on any agenda item. A member of the public may comment on any matter within the Board's jurisdiction at the designated time at the end of the meeting. Call Rosanne Torre, Board Secretary, for further assistance at (415) 554-7401 or email at Rosanne.Torre@sfgov.org.

Summary of Retiree Health Care Trust Fund Board Policies Regarding Cell Phones and Pagers

The ringing and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting.

The chair of the meeting may order the removal from the meeting room of any person(s) in violation of this rule.

The chair of the meeting may allow an expelled person to return to the meeting following an agreement to comply with this rule.

Knowing 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:

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 The Sunshine Ordinance Task Force or by printing Chapter 67 of the San Francisco Administrative Code located on the Internet at <http://www.sfgov.org/sunshine/>. To review or obtain meeting documents covered under the Sunshine Ordinance contact Rosanne Torre, Board Secretary, City Hall, Room 488, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102; telephone (415) 554-7401; or send email with your request to rosanne.torre@sfgov.org.

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 (SF Campaign & Governmental Conduct Code § 2.100) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; or web site www.sfgov.org/ethics.

CALENDAR

□ Call to Order

□ Roll Call: **Commissioner Leo Levenson 1:30 PM**
 Commissioner Pauline Marx 1:30 PM
 Commissioner Clare Murphy 1:30 PM
 Commissioner David Salem 1:30 PM
 Commissioner Ed Walsh 1:30 PM

□ 09152014-01 Action item **Annual election of a new Board President and Vice President.**

Documents provided to Board prior to meeting:

None

Election Board President: Moved by Commissioner Walsh, seconded by Commissioner Murphy to reelect Commissioner Marx as Board President for FY2014-15.

Approved by the following vote:
Ayes: Levinson, Marx, Murphy, Salem, Walsh

Election Board Vice President: Moved by Commissioner Marx, seconded by Commissioner Murphy to reelect Commissioner Walsh as Board Vice President for FY2014-15.

Approved by the following vote:
Ayes: Levinson, Marx, Murphy, Salem, Walsh

□ 09152014-02 Action item **Approval of the Minutes of the June 18, 2014 Special Board Meeting.**

Documents provided to Board prior to meeting:

Draft Minutes of the June 18, 2014 Special Board Meeting

Moved by Commissioner Walsh, seconded by Commissioner Murphy to approve the Minutes of the June 18, 2014 Special Board Meeting.

Approved by the following vote:
Ayes: Levinson, Marx, Murphy, Salem, Walsh

□ 09152014-03 Discussion item **Report on current funding status (budget) of RHCTF.**

Documents provided to Board prior to meeting:
RHCTF Status and Budget Updated August 26,
2014

Michelle Allersma, Controller's Office, presented the report. The Board had questions regarding the \$500,000 sub fund of the San Francisco Community College District (SFCCD). They requested that a pro rata share of expenses be allocated between the two trust funds. Ms. Allersma offered to meet with Ron Gerhard, Vice Chancellor of Finance and Administration for the San Francisco City College District, to find information about contributions to the Trust Fund and discuss pro rata share of expenses.

SFCCD will be asked to attend the next Board meeting.

- 09152014-04 Discussion item

Report on current investment status of RHCTF.

Documents provided to Board prior to meeting:

Office of the Treasurer & Tax Collector's
Investment Report for the Month of July 2014

Office of the Treasurer & Tax Collector provided a written report.

- 09152014-05 Action item

Approval of RHCTF Board Manual.

Documents provided to the Board prior to meeting:

Draft RHCTFB Governance Policies, including

- Introduction
- Governance Principles
- Fiduciary Policy
- Terms of Reference
- Operations Policy
- Communications Policy
- Education and Travel Policy
- Code of Conduct Policy

Matthew Podolin, Controller's Office, presented the RHCTF Board Manual. The Board reviewed the governance policies and suggested non substantive changes.

Moved by Commissioner Walsh, seconded by Commissioner Murphy to adopt the RHCTF Board Manual.

Approved by the following vote:

Ayes: Levinson, Marx, Murphy, Salem, Walsh

- 09152014-06 Action item

Approval of the Investment Policy Statement.

Documents provided to Board prior to meeting:

Draft Investment Policy Statement

Mika Malone, Meketa Investment Group, reported that there were non substantive changes made to this draft. The Board engaged in a question and answer session with Ms. Malone.

Moved by Commissioner Walsh, seconded by Commissioner Levenson to adopt the Investment Policy Statement.

Approved by the following vote:

Ayes: Levinson, Marx, Murphy, Salem, Walsh

- 09152014-07 Action item

Approval of RHCTFB Statement of Incompatible Activities.

Documents provided to Board prior to meeting:

None

Erik Rapoport, Deputy City Attorney, reported that he is working with Ethic's staff to shorten and revise the Statement of Incompatible Activities (SIA) because the Controller's staff, who support the Board, are already covered by the Office of the Controller's SIA. The SIA would solely cover the Board members. The SIA should go through the Ethics Commission Board and will be preapproved when it is presented to the RHCTF Board.

Therefore, no action was taken.

- 09152014-08 Action item

Approval of Trust Fund Agreement.

Documents provided to Board prior to meeting:

Draft San Francisco Retiree Health Care Trust Fund Agreement

Erik Rapoport, Deputy City Attorney, presented this item. The Trust Fund Agreement has been updated to reflect the changes to the Charter language based on the passage of Proposition A during the November 5, 2013 Election. The Board reviewed the Trust Fund Agreement and suggested non substantive changes.

Moved by Commissioner Murphy, seconded by Commissioner Walsh to approve the Trust Fund Agreement.

Approved by the following vote:

Ayes: Levinson, Marx, Murphy, Salem, Walsh

- 09152014-09 Discussion and Possible Action Item

Discussion and possible action regarding the Investment of RHCTF assets through the San Francisco Employees' Retirement System (SFERS).

Documents provided to Board prior to meeting:

Draft Memorandum of Understanding between the San Francisco City and County Employees' Retirement and the Retiree Health Care Trust Fund Board.

Erik Rapoport, Deputy City Attorney, gave status on where the work on this document stands and noted that it is not ready for approval.

The Board discussed at length the draft MOU and decided that it needs to be thoroughly reviewed before approval. There may be at a special meeting to include review and approval of the MOU.

The consensus of the Board was to not take action.

- 09152014-10 Action item

Approval of FY 2014 Quarter 4 administrative staff support billings.

Documents provided to Board prior to meeting:

Quarterly Billings for April 01, 2014 through June 30, 2014.

Rosanne Torre, Board Secretary, presented the billings.

Moved by Commissioner Levenson, seconded by Commissioner Murphy to approve the Quarter 4 administrative staff support billings.

Approved by the following vote:

Ayes: Levinson, Marx, Murphy, Salem, Walsh

- 09152014-11 Action item

Approve payment of costs associated with Board member education.

Documents provided to Board prior to meeting:

Conference and travel costs.

It was noted that these costs do not now need approval since they are covered under the updated Education and Travel Policy that was approved under Agenda Item 05 at this meeting.

Therefore, no action was taken.

- 09152014-12 Discussion item

List of educational opportunities.

Documents provided to Board prior to meeting:

None

Rosanne Torre reported that a membership was started for the Board with the International Foundation of Employee Benefit Plans. She will make sure the Board members receive their individual member information.

- 09152014-13 Action item

Opportunity to place items on future board agendas.

Documents provided to Board prior to meeting:

None

1. For Commissioner Walsh, Erik Rapoport said he would research if retired Board members are required to serve as Disaster Service Workers.
2. November ballot charter amendment that may affect membership of the San Francisco Redevelopment Agency.
3. San Francisco Community College District.

- 09152014-14 Discussion item

Opportunity for the public to comment on any matters within the Board's jurisdiction.

Public comments: None

- Adjournment: There being no further business, the Board adjourned its meeting at 2:16 pm.