



Retiree Health Care Trust Fund Board

SPECIAL BOARD MEETING MINUTES

Monday, January 29, 2024

1:00 p.m.

City and County of San Francisco
SFERS Office – 1145 Market Street, 6th Floor Conference Room
San Francisco, CA 94103

RETIREE HEALTH CARE TRUST FUND BOARD MEMBERS

President

Pauline Marx

Vice President

Paul Denning

Members

Al Casciato

Katharine Petrucione

David C. Salem

Trust Administrator

Alison Romano

Disability Access

The meeting will be held at the SFERS Office, 1145 Market Street, 6th floor, 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 Kelsey Lim, Board Secretary, at (415) 487-7507 or by email at kelsey.lim@sfgov.org at least two (2) business days before the meeting.

The closest accessible BART Station is Civic Center, three blocks from City Hall. Use the Market and 8th Street exit. Accessible MUNI lines serving this location are: 5, 9, 9L, 19, 47 and the F Line to Market and 8th and the Metro stations 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 Kelsey Lim, Board Secretary, for further assistance at (415) 487-7507 or email at kelsey.lim@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 kelsey.lim@sfgov.org

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from the Clerk of 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 Kelsey Lim, Board Secretary, SFERS, 1145 Market Street, 5th Floor, San Francisco, CA 94103; telephone (415) 487-7507; or send an email with your request to kelsey.lim@sfgov.org.

Location of materials accompanying agenda items and materials distributed less than 72 hours before meeting.

Meeting materials are available for inspection and copying during regular business hours at SFERS, 1145 Market Street, 5th Floor, San Francisco, CA 94103; please ask for Sofia Millham, Board Secretary. Any materials distributed to the members of the Board within 72 hours of the meeting or after the agenda packet has been delivered to the members are available for inspection at the same location during regular office hours.

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 -2.160) 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

- **Roll Call** **Call to Order: 1:05 PM**
Al Casciato - Present
Paul Denning – Present
Pauling Marx -- Present
Katharine Petrucione - Present
David Salem – Present

- 01292024-02 **Communications & General Public Comment**

Board Secretary, Kelsey Lim, reviewed public comment procedures for both in person and teleconference.

Retired member, Richard Rothman, made a public comment. He asked the Board to provide more information about the allocation of funds from the Trust into the City Healthcare System. He is concerned that City College District is only paying the minimum and how that affects the Trust. He is requesting that the Board reach out to San Francisco Unified School District in order to explain the importance of participating in RHCTF.

- 01292024-03 Discussion Item **Initial Review of Proposed Budget FY 2024-25 and 2025-26**

Documents provided to Board prior to meeting: Minutes of the August 28, 2023 Meeting
Caryn Bortnick, SFERS Chief Operating Officer, introduced this item.

Commissioner Salem asked for further explanation on the category of “professional services” and the need for it’s high budget.

Ms. Bortnick responded that last fiscal year, SFERS Staff realized there are certain investment fees that the Trust pays via invoice. Staff identifies them as professional services. In addition, \$500,000 reserves are budgeted in case new investments are made during the fiscal year where the fees would be invoiced.

Commissioner Salem asked if there was a request for the Trust to make any budget cuts.
Ms. Bortnick replied that Staff received no notification to make budget cuts.
Commissioner Petrucione noted that the budget cuts applied only to General Fund Departments.
No Public Comment.
Action: This was a discussion item only.

- 01292024-04 Action Item **Declare Vacancies on the Retiree Health Care Trust Fund Board and Approve Election Schedule**

Documents provided to Board prior to meeting: Staff Memorandum; RHCTF Election Schedule
Action: Moved by Commissioner Casciato and seconded by Commissioner Denning to declare vacancies on the Retiree Health Care Trust Fund Board and approve election schedule.

Ayes: Casciato, Denning, Marx, Petrucione, Salem Nays: None

□ 01292024-05 Discussion Item **Good of the Order**

RHCTF Board members may request that any matter be calendared at a future meeting. All such requests shall be calendared in a reasonable time. (RHCTF Board Operations Policy ¶17.) 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.

Commissioner Salem asked if the Board receives an actuary report from the City for what it has paid towards Retiree Health Care benefits from the Trust for the fiscal year.

Additionally, Commissioner Denning asked to see what the standard healthcare obligations are from the City and perhaps a five year projection of where the Trust will be.

Caryn Bortnick, SFERS Chief Operating Officer, replied that the Board does not receive a separate report from the City, but the information should be in the City's financial report. She confirmed that she understood what the board members are requesting and would try to get the information by next RHCTF meeting, but if not, then the next regularly scheduled meeting.

Commissioner Salem commented that he would like to know how rising interest rates affect the value of the RHCTF portfolio.

Kurt Braitberg, RHCTF CIO and SFERS Managing Director of Public Markets, agreed that the topic would be weaved into the presentation at the next meeting in February.

Adjourned at 1:20 PM

Next scheduled meeting is February 12, 2024 at 1:30 PM