



SFERS

San Francisco Employees' Retirement System

City and County of San Francisco Employees' Retirement System

RETIREMENT BOARD MEETING MINUTES

Wednesday, February 13, 2019

1145 Market Street, 6th Floor

San Francisco, CA 94103

1:00 p.m.

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 3:30 PM.

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

President

Brian Stansbury

Vice President

Wendy Paskin-Jordan

Commissioners

Leona Bridges

Carmen Chu

Al Casciato

Joseph Driscoll

Ahsha Safai

Executive Director

Jay Huish

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OPENING CALENDAR

1. Pledge of Allegiance

2. Roll Call	Commissioner Leona Bridges	1:30 PM
	Commissioner Al Casciato	1:10 PM
	Commissioner Carmen Chu	1:10 PM
	Commissioner Driscoll	1:10 PM
	Vice President Wendy Paskin-Jordan	1:10 PM
	Commissioner Ahsha Safai	1:40 PM
	President Brian Stansbury	1:10 PM

3. 021319-03 Action Item CLOSED SESSION

Commissioner Stansbury called for public comment on the Board going into closed session.

There were no comments and public comment was closed.

The Board entered closed session at 1:15 PM

The following individuals were present for the closed session: Commissioners Bridges , Casciato, Chu, Driscoll, Paskin-Jordan, Safai, Stansbury; Jay Huish, Executive Director; Caryn Bortnick, Deputy Executive Director; William J. Coaker, Chief Investment Officer; Kurt Braitberg, Managing Director, Public Markets; David Francl, Managing Director, Absolute Returns, Anna Langs, Managing Director of Asset Allocation, Risk Management, and Innovative Solutions; Tanya Kemp, Interim Managing Director for Private Markets; Andrew Collins, Director of ESG Investing; Victoria Owens, Ed Comerford, Justin Lo, Bo Williamson, Han Pham, Chris Chow, Senior Portfolio Managers; Alo Martins, Mark Coleman, Dennis Esselsagoe, Kien Trinh, Security Analysts; Anil Goteti, Sean Kim, Investment Fellows; Darlene Armanino, Board Secretary; Robert Bryan, Molly Nordale, Deputy City Attorneys; Kelly Jensen, Anita Ng, Anelise Hohl, Marc Cardillo, Craig Beach, Cambridge Associates; Allan Martin, Dan Hennessy, Tim O'Connell, NEPC.

Commissioner Safai left the meeting at 3:10 PM

Closed Session ended at 4:10 PM

Meeting recessed: 4:10 PM – 4:30 PM

The Board returned to open session at 4:30 pm

Action: Moved by Commissioner Bridges, seconded by Commissioner Driscoll not to disclose discussions held in closed session under San Francisco Administrative Code Section 67.12(a).

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury
Absent: Commissioner Safaí

4. 021319-04 General Public Comment - Not earlier than 3:30 PM

Commissioner Stansbury called for General Public Comment.

There were no comments and General Public Comment was closed.

5. 021319-05 Action Item Approval of the Minutes of the January 9, 2019 Meeting

Documents provided to the Retirement Board prior to the current meeting: Draft Minutes of the January 9, 2019 Retirement Board Meeting

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Commissioner Driscoll requested that future Minutes reflect what was said by him in further detail.

Action: Moved by Commissioner Bridges, seconded by Commissioner Paskin-Jordan to approve the Minutes of the January 9, 2019 meeting.

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury
Absent: Commissioner Safaí

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. 021319-06a	Action Item	Consent Calendar
021319-06b	Action Item	Voluntary Retirement Board List No. 8-18
021319-06c	Action Item	Decisions of Hearing Officers
Emanuel Andreas	9163 Transit Operator	Ordinary Disability Retirement

Effective Date: 8/1/17	MTA	Granted
Alice A. Bronson Effective Date: 3/29/17	1630 Account Clerk Human Services	Ordinary Disability Retirement Granted
Deirdre Darley Effective Date: 4/1/17	1956 Sr. Purchaser Administrative Services	Ordinary Disability Retirement Granted
Anthony A. Garibaldi Effective Date: 10/24/15	H20 Lieutenant, Fire Suppression Fire	Industrial Disability Retirement Denied
Alysa L. Hammons Effective Date: PERS	8304 Deputy Sheriff Sheriff	Cal-PERS - Disability Retirement Certified
Annette M. Hopkins Effective Date: 2/21/17	9163 Transit Operator MTA	Ordinary Disability Retirement Granted
Glen M. Kojimoto Effective Date: 6/29/15	H30 Captain, Fire Suppression Fire	Industrial Disability Retirement Granted
Santiago Montoya Effective Date: 9/17/18	9163 Transit Operator MTA	Ordinary Disability Retirement Granted
Patrick K. Moran Effective Date: 7/1/16	H2 Firefighter Fire	Industrial Disability Retirement Denied
Octavio J. Ruiz Effective Date: 11/1/18	3616 Library Technical Assistant I Public Library	Ordinary Disability Retirement Granted
Alfred K. Wong Effective Date: 1/13/18	Q4 Police Officer III Police	Industrial Disability Retirement Granted
021319-06d	Action Item	Petition for Rehearing
Anthony A. Garibaldi Effective Date: 10/24/15	H20 Lieutenant, Fire Suppression Fire	Industrial Disability Retirement Denied
021319-06e	Action Item	Travel Requests

Request travel approval for Commissioner Leona Bridges to attend the NASP-Southern California Day of Education in Private Equity Conference for Trustees and Staff, March 28, 2019, Los Angeles, CA and the NASP-USAID Investment Partnership (MiDA) Third Annual Delegation Trip to Africa, March 30 – April 6, 2019, Kenya and South Africa.

Request travel approval for Commissioner Leona Bridges to attend the Milken Institute 2019 Global Conference, April 28 – May 1, 2019, Beverly Hills, CA.

021319-06f	Discussion Item	Retirement Board Member Reports and Comments
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Action: This is a discussion only item.

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

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Paskin-Jordan to approve the Consent Calendar.

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury
Absent: Commissioner Safaí

President Stansbury called the following Items out of calendar order: Item #14, 15, 16, 17, 9, 7, 8

14. 021319-14	Action Item	Review and Approval of July 1, 2019 Basic Cost of Living Adjustment
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Documents provided to the Retirement Board prior to the current meeting: Staff memorandum and reports

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

Ms. Brazelton reported that the San Francisco Charter §A8.526-2 provides that on each July 1, cost of living adjustments will be made to SFERS retirement allowances for all Miscellaneous retirees, for Safety retirees who retired under San Francisco Charter §A8.586, A8.588, A8.597, A8.598, A8.601, A8.602, A8.604 and A8.605, for all Sheriff's Department retirees who retired under San Francisco Charter §A8.606, A8.607, and A8.608, and for all Miscellaneous Safety retirees who retired under San Francisco Charter §A8.609 and A8.610 based on the percentage increase (or decrease) in the San Francisco-Oakland-Hayward Consumer Price Index for the preceding calendar year (measured from December to December). The cost of living adjustment is calculated by rounding the percentage increase or decrease to the nearest one percent, and any annual increase is limited to a maximum of 2%.

The San Francisco-Oakland-Hayward CPI had a 4.499% increase from 277.414 in December 2017 to 289.896 in December 2018, which is 4% when rounded to the nearest one percent. Based on a (rounded) 4% increase for calendar year 2018, Charter §A8.526-2 provides that all qualified SFERS

members who retired on or before July 1, 2019 will receive a 2% cost of living increase (Basic COLA) payable effective July 1, 2019. In addition, the 2% difference between the (rounded) 4% increase for 2018 and the 2% Basic COLA granted July 1, 2019 will be credited to the COLA Bank for all members who retired prior to July 2, 2019.

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Bridges to approve a Charter A8.526-2 cost of living (Basic COLA) increase of 2% payable effective July 1, 2019 for all qualified SFERS retirees who retired prior to July 2, 2019.

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury

Absent: Commissioner Safaí

15. 021319-15 Action Item Determination and Approval of Credited Interest Rate for Fiscal Year 2019-20

Documents provided to the Retirement Board prior to the current meeting: Staff memorandum and Credited Interest Rate Policy

Janet Brazelton, Actuarial Services Coordinator, presented an oral and written report on this item. The Plan's credited interest rate is set each July 1 under the Retirement Board's Credited Interest Rate Policy using the average yields for 5-year CDs published on Bankrate.com during the previous calendar year, subject to a minimum of 4% and a maximum of the actuarial assumption for return on assets as provided in San Francisco Administrative Code section 16.37-1. Under the Policy, average yields are rounded to the nearest 0.25%.

Ms. Brazelton reported that the average yield for 5-year CDs after rounding during Calendar Year 2018 was 1.25% which is 0.25% higher than the average yield during Calendar Year 2017. She reported that as the 2018 average yield for 5-year CDs was less than the minimum 4% provided for in the Charter, the Plan's credited interest rate will remain at 4.0% effective July 1, 2019.

As required under Policy, retirement staff has completed the analysis in accordance with the Credited Interest Rate Policy and Cheiron, the Retirement Board's consulting actuarial firm, has reviewed and approved staff's analysis and recommendation.

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Chu 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, 2019.

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury
Absent: Commissioner Safaí

16. 021319-16 Action Item Review and Adoption of July 1, 2018 Actuarial Valuation Report and presentation of Employer Contribution Rate Stress Test Projections

Documents provided to the Retirement Board prior to the current meeting: Staff memorandum, July 1, 2018 Funding Actuarial Valuation Results and July 1, 2018 Actuarial Valuation Report

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

Bill Hallmark and Anne Harper of Cheiron presented the results of the SFERS annual actuarial valuation as of July 1, 2018. This valuation forms the basis for the calculation of the fiscal year 2019-20 employer and employee contribution rates.

Cheiron reported that they added a new section of the report to fulfill the requirements of Actuarial Standard of Practice No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions. This new section of the report expands the discussion of risk including impacts of changes in unfunded liability and stress testing.

Highlights of the Cheiron presentation included:

- Increase of \$2.2 billion in market value of Trust assets to \$24.6 billion
- Increase of \$1.6 billion in Actuarial Liability to \$27.3 billion – approximately 60% of the Actuarial Liability is attributable to retired members currently receiving benefits
- Increase in market value funding ratio from 87% to 90%
- The required employer contribution rate, before cost-sharing, increased to 25.19% - approximately 21.78% after cost-sharing adjustments
- No change to cost-sharing adjustments for active members – average member contributes 11% of covered pay in member contributions

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

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Chu to adopt the July 1, 2018 actuarial valuation report.

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury
Absent: Commissioner Safaí

17. 021319-17 Action Item Adoption of Employer Contribution Rates for Fiscal Year 2019-20

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

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

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Casciato, seconded by Commissioner Bridges to adopt Employer Contribution Rate of 25.19% for Fiscal Year 2019-20

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury

Absent: Commissioner Safaí

Commissioner Paskin-Jordan left the meeting at 5:00 pm

9. 021319-09 Action Item Recommendation to Terminate LSV Asset Management

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

Kurt Braitberg, Managing Director, Public Markets, presented an oral and written report on this item.

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

Commissioner Driscoll asked that media inquiries about this termination are responded to by either Bill Coaker, CIO or Jay Huish, Executive Director, or refer them to Staff's memo.

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Driscoll, seconded by Commissioner Casciato to terminate the LSV International Large Cap Value Strategy

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Stansbury

Absent: Commissioners Paskin-Jordan, Safaí

INVESTMENT CALENDAR

President Stansbury called Item Nos. 7 and 8 together.

7. 021319-07 Discussion Item Proxy Voting Report for Calendar Year 2018

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

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

Staff's report provided summary level information on how the Retirement System has voted its proxies across two broad proxy proposal classifications:

- a. Management Proposals – this includes the election of directors, appointment of auditors and reorganizations/mergers; and
- b. Shareholder Proposals – this includes corporate governance, social, and environmental topics

In calendar year 2018, the Retirement System received over 2,130 proxies – with the majority arriving between March and June. The System also received approximately 262 Japanese company proxies in June and 466 European and Canadian proxies between March and July.

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

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Commissioner Paskin-Jordan returned to the meeting at 5:10 pm

8. 021319-08 Action Item Review and Approval of Proxy voting Guidelines for Calendar Year 2019

Documents provided to the Retirement Board prior to the current meeting: Staff Memorandum and Draft SFERS Proxy Voting Guidelines 2019

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

Mr. Collins reported that each year they review the Proxy Voting Guidelines, working with Institutional Shareholder Services (ISS), SFERS' Proxy Consultant, and makes recommendations for modifications. Staff and ISS are recommending a total of 10 changes to SFERS' 2019 Proxy Voting Guidelines.

Andrew Lindberg, Proxy Consultant, ISS, discussed board gender diversity and shareholder resolutions on core social issues.

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

Commissioner Driscoll thanked Mark Coleman on preparing the report and confirmed with staff that Andrew Collins would be handling proxy voting efforts moving forward.

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

Action: Moved by Commissioner Driscoll, seconded by Commissioner Bridges to move that the San Francisco Employees' Retirement System approve the Proxy Voting Guidelines for 2019

Ayes: Commissioners Bridges, Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury

Absent: Commissioner Safaí

10. 021319-10 Discussion Item Chief Investment Officer Report

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

William J. Coaker, Chief Investment Officer, presented an oral and written report on this item. Mr. Coaker announced that January was the best January in 30 years and reported that our Plan is designed to earn high long-term returns, and to provide better returns in down markets both through asset allocation and manager selection.

SFERS has posted positive returns this fiscal year of 1.01%, even as public equity has posted negative returns of -5.01%. Private Equity has returned 11.02%, backed by a strong IPO market as well as strong revenue and profit growth among privately held companies. Real Assets and Private Credit have also posted solid returns of 6.04% and 5.70%, respectively. Returns in all three asset classes have been boosted by strong manager selection.

Mr. Coaker reported that recently the senior investment staff formed an internal investment committee - the "Portfolio Management Group (PMG)." The PMG is meeting twice a month.

Closed Session Disclosures:

BFAM Asian Opportunities Fund, LP

At its meeting on December 12, 2018 the Retirement Board approved in closed session an additional investment of up to \$125 million in BFAM Asian Opportunities Fund, LP. by San Francisco Absolute Return Investors II, LP ("SFARI II"). The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Safai, Stansbury
Noes: None
Absent: Commissioner Bridges

SFERS's additional investment of \$50 million in BFAM Asian Opportunities Fund, LP. closed on January 1, 2019.

This investment is classified as a Multi-Strategy investment within SFERS' absolute return portfolio and is SFERS' second investment with BFAM via share class B of SFARI II.

More information about the firm is available at: <http://www.bfam-partners.com/>

Blackstone Real Estate Partners IX L.P.

At its meeting on December 12, 2018, the Retirement Board approved in closed session an investment of up to \$100 million in Blackstone Real Estate Partners IX L.P. The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Safai, Stansbury
Absent: Commissioner Bridges

SFERS' commitment of \$100 million closed on January 15, 2019. SFERS' investment in Blackstone Real Estate Partners IX L.P. is classified as a real estate investment within SFERS' Real Assets portfolio and is SFERS' sixth investment with the Blackstone Real Estate Group.

More information about the firm is available at www.blackstone.com.

Eclipse Fund III, L.P.

At its meeting on January 9, 2019, the Retirement Board approved in closed session an investment of up to \$25 million in Eclipse Fund III, L.P. The investment was approved by the following vote:

Ayes: Commissioners Bridges, Chu, Driscoll, Makras, Paskin-Jordan
Noes: None
Absent: Commissioners Safai, Casciato, Stansbury

SFERS' investment of \$25 million in Eclipse Fund III, L.P. closed on January 10, 2019.

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

More information about Eclipse Ventures is available at <http://eclipse.vc/>.

Fortress Credit Opportunities Fund V (A) L.P.

At its meeting on December 12, 2018, the Retirement Board approved in closed session an investment of up to \$75 million in Fortress Credit Opportunities Fund V (A) L.P. The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Safai, Stansbury

Absent: Commissioner Bridges

SFERS' commitment of \$75 million closed on December 31, 2018. SFERS' investment in Fortress Credit Opportunities Fund V (A) L.P. will be classified as a credit opportunities investment within SFERS' Private Credit portfolio.

More information about the firm is available at <https://www.fortress.com/>.

Fortress Lending Fund I (A) L.P.

At its meeting on December 12, 2018, the Retirement Board approved in closed session an investment of up to \$50 million in Fortress Lending Fund I (A) L.P. The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Safaí, Stansbury

Absent: Commissioner Bridges

SFERS' commitment of \$50 million closed on December 31, 2018. SFERS' investment in Fortress Lending Fund I (A) L.P. will be classified as a senior debt investment within SFERS' Private Credit portfolio.

More information about the firm is available at <https://www.fortress.com/>.

Kimmeridge Energy Net Profits Interest Fund V, LP

At its meeting on December 12, 2018, the Retirement Board approved in closed session an investment of up to \$50 million in Kimmeridge Energy Net Profits Interest Fund V, LP ("Kimmeridge V"). The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Stansbury

Noes: Commissioner Safai

Absent: Commissioner Bridges

SFERS' commitment of \$40 million closed on January 29, 2019. SFERS' investment in Kimmeridge V is classified as a natural resources investment within the Real Assets portfolio and is SFERS' first investment with Kimmeridge.

More information about the firm is available at <http://kimmeridge.com>.

LAV Biosciences Fund V, L.P.

At its meeting on December 12, 2018, the Retirement Board approved in closed session an investment of up to \$75 million in LAV Biosciences Fund V, L.P. The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Safaí, Stansbury

Noes: None

Absent: Commissioner Bridges

SFERS' investment of \$40 million in LAV Biosciences Fund V, L.P. closed on January 18, 2019.

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

More information about Lilly Asia Ventures is available at <http://www.lillyasiaventures.com/>.

Cerberus Global NPL Fund, L.P.

At its meeting on December 12, 2018, the Retirement Board approved in closed session an investment of up to \$50 million in Cerberus Global NPL Fund, L.P. The investment was approved by the following vote:

Ayes: Commissioners Casciato, Chu, Driscoll, Paskin-Jordan, Safaí, Stansbury

Absent: Commissioner Bridges

SFERS' commitment of \$50 million closed on February 5, 2019. SFERS' investment in Cerberus Global NPL Fund, L.P. is classified as a real estate investment within SFERS' Real Assets portfolio and is SFERS' sixth investment with Cerberus Capital Management.

More information about the firm is available at www.cerberus.com.

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

Commissioner Driscoll requested that staff update the monthly performance report provided in the CIO Report to incorporate tracking error and information ratio data along with the strategy benchmark and excess return information currently provided on the report.

Allan Martin, NEPC, stated that at the March 2019 Board meeting, he will be reporting that SFERS was the best performing public fund in the country on a one year and five-year basis. Mr. Martin congratulated the Board and staff on that accomplishment.

Commissioner Stansbury called for public comment.

There were no comments and public comment was closed.

DEFERRED COMPENSATION PLAN CALENDAR

President Stansbury called Items Nos. 11 and 12 together

11. 021319-11 Discussion Item Review SFDCP Investment Performance for Second Half of

2018

Documents provided to the Retirement Board prior to the current meeting: Staff memorandum, Callan presentation and Investment Measurement Service Q4 Report

Diane Chui Justen, Deferred Compensation Manager, presented a verbal and written report on this item.

President Stansbury called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

12. 021319-12 Discussion Item SFDCP Manager Report

Documents provided to the Retirement Board prior to the current meeting: Deferred Compensation Manager Report, Seminar Results and Quarterly Activity Report

Diane Chui Justen, Deferred Compensation Manager, presented a verbal report which included on the following updates:

- Marketing/Communications: successful "Lunch and Learn" in October 2018
- Recordkeeper transition – staff commenced negotiations with Voya on January 30 with target for transition completion by August 2019

Ms. Chui Justen also reported that the Stable Value Credit rate will be 2.42% for 2019Q1 and new 2060 and 2065 Target Date Funds will be launched in April.

President Stansbury called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

ADMINISTRATION CALENDAR

President Stansbury moved Item #13 to the next Board meeting

13. 021319-13 Discussion Item Travel Expense Report for the Quarter ended December 31, 2018

President Stansbury called Item No. 19

19. 021319-19 Discussion Item Executive Director's Report

Documents provided to the Retirement Board prior to the current meeting: Executive Director's Report

Administrative Update:

- Statements of Economic Interests - Form 700 filings due Tuesday, April 2, 2019
- Ethics and Sunshine Training – Declaration Form filings due Monday, April 1, 2019
- Cheiron contract extension – through May 2020
- Cambridge contract extension – through January 2020
- Executive Search Firm RFQ posted January 28, 2019

Mr. Huish also reported that, through an audit of retroactive Supplemental COLA payments made to the post-1996 retirees in accordance with the POB decision, staff identified over 90 retirees who were disability retirees with actual retirement dates prior to 1996, but with service pension qualification dates (QSR dates) after 1996. When staff reviewed the POB Court Order and Charter, it was determined that these disability retirees qualify for the same treatment as given to post-1996 retirees. Staff processed and distributed retroactive Supplemental COLA payments in accordance with the POB Court Order to the identified disability retirees in January.

Mr. Huish also reported that SFDCP was recently notified of a data breach by Prudential, the SFDCP Recordkeeper. A total of 42 SFDCP forms were stolen from a field representative's car. All impacted SFDCP members and beneficiaries have received the required notifications related to this limited incident.

President Stansbury called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

President Stansbury called Item No. 18

18. 021319-18 Discussion Item Personnel Committee Report

Documents provided to the Retirement Board prior to the current meeting: Personnel Committee Report

Commissioner Joseph Driscoll presented a verbal and written report on this item.

The Personnel Committee met on Wednesday, January 23, 2019. At the meeting the Personnel Committee:

- Approved the Minutes of the August 15, 2018 Personnel Committee Meeting;

- Discussed mid-year performance evaluation for Actuarial Services Coordinator;
- Discussed performance evaluation for Executive Director; and
- Reviewed and discussed Executive Director Succession Plan and Request for Qualification for Executive Search firm.

President Stansbury called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

President Stansbury called Item No. 20

20. 021319-20 Discussion Item Retirement Board Member Good of the Order

Retirement Board members may request that any matter be calendared at a future meeting. All such requests shall be calendared in a reasonable time. (Board Operations Policy ¶124.) 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 Driscoll asked that Board meetings start time be changed to accommodate many items on calendar moving forward.

President Stansbury directed staff to explore ways to provide members with written confirmation of their retirement benefit entitlements rather than oral explanations from retirement counselors.

President Stansbury called for public comment.

There were no comments and public comment was closed.

Action: This is a discussion only item.

21. 021319-21

Adjournment

Having no further business, the Board adjourned the meeting at 5:45 PM



Respectfully submitted,
Jay Huish, Executive Director