



Retiree Health Care Trust Fund Board

AMENDED BOARD MEETING CALENDAR

Rescheduled Regular Meeting

Monday, July 29, 2013

3:00 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

Carol Cypert

Vice President

Pauline Marx

Members

Leo Levenson

Clare Murphy

Edward Walsh

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.

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Knowing Your Rights Under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

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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
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CALENDAR

- Call to Order
- Roll Call:
 - Commissioner Carol Cypert**
 - Commissioner Leo Levenson**
 - Commissioner Pauline Marx**
 - Commissioner Clare Murphy**
 - Commissioner Ed Walsh**

- **Introduction by Board President of new Board Member Clare Murphy**

- 09042012-01 Action item **Annual election of a new Board President and Vice President**
 - Documents provided to Board prior to meeting:
None
 - Public comments:
 - Action: Elect new Board President and Vice President

- 07292013-02 Action item **Approval of the Minutes of the April 22, 2013, Board Meeting**
 - Documents provided to the Board prior to meeting:
Draft Minutes of the April 22, 2013, Board Meeting
 - Public comments:
 - Action: Approve Minutes of the April 22, 2013, Board Meeting.

- 07292013-03 Discussion item **Report on current funding status (budget) of RHCTF**
 - Documents provided to the Board prior to meeting:
Retiree Health Trust Fund Status and Budget as of July 2013
 - Public comments:
 - Action: This is a discussion item only.

- 07292013-04 Discussion item **Report on current investment status of RHCTF**
 - Documents provided to the Board prior to meeting:

Investment Report for the Month of June 2013

Public comments:

Action: This is a discussion item only.

□ 07292013-05 Discussion item

John Bilmont of San Francisco Community College District (SFCCD) to discuss status of SFCCD participation in the Trust Fund

Documents provided to the Board prior to meeting:

None

Public comments:

Action: This is a discussion item only.

□ 07292013-06 Discussion item

Meketa report regarding investment consulting overview – introduction to RHCTF Board

Documents provided to the Board prior to meeting:

Initial Priorities and Timelines

Public comments:

Action: This is a discussion item only.

□ 07292013-07 Discussion item

Establishing a socially responsible investment policy

Documents provided to the Board prior to meeting:

None

Public comments:

Action: This is a discussion item only

□ 07292013-08 Action item

Approval of FY12-13 Quarterly Billings

Documents provided to the Board prior to meeting:

Quarterly Billings for April 1, 2013 to June 30, 2013

Public comments:

Action: Approve Staff Billings.

□ 07292013-09 Discussion item

Discussion of RHCTF Charter Amendment to be submitted to San Francisco Voters in November 2013.

Documents provided to the Board prior to meeting:

None

Public comments:

Action: This is a discussion item only.

- 07292013-10 Discussion item

Discussion regarding actions the Board can take with respect to active legislation, and specifically what the Board can do regarding charter amendments.

Documents provided to the Board prior to meeting:

None

Public comments:

Action: This is a discussion item only.

- 07292013-11 Discussion item

Discussion regarding obtaining staff support

Documents provided to the Board prior to meeting:

None

Public comments:

Action: This is a discussion item only.

- 07292013-12 Discussion item

Discussion regarding the next election for two RHCTF Board members in 2014

Documents provided to the Board prior to meeting:

None

Public comments:

Action: This is a discussion item only.

- 07292013-13 Action item

Approve the Commendation for Constance Hiatt who resigned from the Board on March 13, 2013

Documents provided to Board prior to meeting:

Commendation for Constance Hiatt

Public comments:

Action: Sign the Commendation.

- 07292013-14 Action item

Adoption of RHCTF Governance and Fiduciary Policies

Documents provided to Board prior to meeting:

Draft Governance Policies

Public comments:

Action: Approve the Retiree Health Care Trust Fund Governance Policies.

- 07292013-15 Action item **Request for reimbursement to Commissioner Walsh for educational conference attended at International Foundation of Employee Benefit Plans**

Documents provided to Board prior to meeting:
Reimbursement documents

Public comments:

Action: Approve the reimbursement of the educational conference.

- 07292013-16 Discussion item **Report on International Foundation of Employee Benefits Plans Educational Conference**

Documents provided to Board prior to meeting
Report on the Conference

Public comments:

Action: This is a discussion item only.

- 07292013-17 Action item **Approve payment for Board Members to attend the CIO Public Pension Plan Summit in November 2013 and the CALAPRS Roundtable on September 13, 2013**

Documents provided to Board prior to meeting
Conference Brochures and Costs

Public comments:

Action: Approve payment for cost of attendance.

- 07292013-18 Discussion item **Report on the Weinberg, Roger & Rosenfeld letter dated June 24, 2013, written on behalf of Service Employees International Union, Local 1021.**

Documents provided to Board prior to meeting:
Letter from Weinberg, Roger & Rosenfeld

Public comments:

Action: This is a discussion item only.

- 07292013-19 Discussion item **List of educational opportunities**

Documents provided to Board prior to meeting:
None

Public comments:

Action: This is a discussion item only.

- 07292013-20 Action item **Opportunity to place items on future board agendas**

Documents provided to Board prior to meeting:
None

Public comments:

Action: This is a discussion item only.

- 07292013-21 Discussion item **Opportunity for the public to comment on any matters within the Board's jurisdiction**

Public comments:

- Adjourn



Retiree Health Care Trust Fund Board

DRAFT BOARD MEETING MINUTES

Regular Meeting

Monday, April 22, 2013

3:00 PM

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30 Van Ness Avenue, Suite 3000
San Francisco, CA 94103

RETIREE HEALTH CARE TRUST FUND BOARD MEMBERS

President

Carol Cypert

Vice President

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CALENDAR

□ Call to Order

□ Roll Call:

**Commissioner Carol Cypert
Commissioner Leo Levenson
Commissioner Pauline Marx
Commissioner Ed Walsh
Commissioner – Vacant position**

□ 04222013-01

Action item

Approval of the Minutes of the January 28, 2013, Board Meeting; February 12, 2013, Special Board Meeting; and, February 14, 2013 Continued Special Board Meeting

Documents provided to the Board prior to meeting:

Draft Minutes of the January 28, 2013, Board Meeting; February 12, 2013, Special Board Meeting; February 14, 2013, Continued Special Board Meeting

Moved by Commissioner Walsh, Seconded by Commissioner Levenson to approve the Minutes of January 28, 2013, Board Meeting; February 12, 2013, Special Board Meeting; February 14, 2013, Continued Special Board Meeting.

Approved by the following vote:

Ayes: Cypert, Levenson, Marx, Walsh

□ 04222013-02

Discussion item

Report on current funding status of RHCTF

Documents provided to the Board prior to meeting:

Retiree Health Trust Fund Status and Budget as of April 04, 2013

Commissioner Levenson provided an oral and written report.

The Board engaged in a question and answer session.

Erik Rapoport to contact Department of Elections to obtain a schedule for next year's election.

The Board requested information on educational opportunities. Rosanne Torre to compile a list and send information to the Board.

This was a discussion item only.

- 04222013-03 Discussion item **Report on current investment status of RHCTF**

Documents provided to the Board prior to meeting:
Investment Report for the Month of March 2013

Commissioner Marx gave an oral and written report on this item.

The Board engaged in a question and answer session.

This is a discussion item only.

- 04222013-04 Action item **Approval of the Budget for FY13-14**

Documents provided to the Board prior to meeting:
Proposed Budget Report for FY13-14

Commissioner Levenson provided an oral and written report.

The Board engaged in a question and answer session.

Moved by Commissioner Cypert, Seconded by Commissioner Walsh to approve the FY 2013-14 budget.

Approved by the Following Vote:
Ayes: Cypert, Levinson, Marx, Walsh

- 04222013-05 Action item **Approval of FY12-13 Quarterly Billing**

Documents provided to the Board prior to meeting:
Quarterly Billings for January 1, 2013 to March 31, 2013

Rosanne Torre provided an oral and written report.

The Board engaged in a brief question and answer session.

Moved by Commissioner Walsh, Seconded by Commissioner Marx to approve the Quarterly Billings for January 1, 2013 to March 31, 2013.

Approved by the Following Vote:
Ayes: Cypert, Levinson, Marx, Walsh

- 04222013-06 Discussion item **Discussion regarding the next election for two RHCTF Board members in 2014.**
- Documents provided to the Board prior to meeting:
None
- Rosanne Torre gave a brief oral report.
- Erik Rapoport to contact the Health Service System to discuss the possibility of coordinating elections and consolidating costs.
- This is a discussion item only.
- 04222013-07 Discussion item **Discussion regarding resignation of Commissioner Constance Hiatt on March 13, 2013**
- Documents provided to Board prior to meeting:
None
- Erik Rapoport gave a brief oral report.
- Board engaged in a brief discussion and decided to create a commendation for Constance Hiatt's services. Commissioner Cypert to circulate language and Rosanne Torre to produce the commendation and circulate it for Commissioners' signatures.
- This is a discussion item only.
- 04222013-08 Action item **Discussion and possible action regarding the San Francisco Community College District's Decision to Join the Retiree Health Care Trust Fund for their Employees**
- Documents provided to the Board prior to meeting:
- 1) Retiree Health Care Trust Fund (RHCTF) Board-Resolution NO. 2013-01 - authorization to transfer \$500,000 to the San Francisco City and County Retiree Health Care Trust Fund for employees of the San Francisco Community College District
 - 2) San Francisco City College Resolution No. 120223-B2A - County Retiree Health Care Trust Fund for post-retirement health benefits for employees of the San Francisco Community College District

Erik Rapoport gave an oral and written report.

The Board engaged in a question and answer session.

The Board requested that San Francisco City College attend next Board meeting.

Moved by Commissioner Cypert to approve Resolution NO. 2013-01 - authorization to transfer \$500,000 to the San Francisco City and County Retiree Health Care Trust Fund for employees of the San Francisco Community College District, Seconded by Commissioner Walsh.

Approved by the Following Vote:
Ayes: Cypert, Levenson, Marx, Walsh

- 04222013-09 Action item

Adoption of RHCTF Governance Policies

Documents provided to Board prior to meeting:
Draft Governance Policies

Erik Rapoport gave an oral and written report on this item.

The Board reviewed and suggested changes to the draft policies, and engaged in a question and answer session.

The item is to be continued at the next Board Meeting.

No action taken.

- 04222013-10 Discussion item

Discussion of Draft Fiduciary policy

Documents provided to Board prior to meeting:
Draft Fiduciary Policy

Erik Rapoport gave an oral and written report on this item.

The Board engaged in a question and answer session.

This is a discussion item only.

- 04222013-11 Discussion item

Discussion regarding current status of contract negotiations for the investment consultant Meketa Investment Group.

Documents provided to Board prior to meeting:

None

Erik Rapoport gave an oral and written report on this item.

The Board engaged in a question and answer session.

This is a discussion item only.

□ 04222013-12 Action item

Opportunity to place items on future Board agendas

Documents provided to Board prior to meeting:

None

1. Board Resolution to commend Connie Hiatt for her service to the Retiree Health Care Trust Fund Board.
2. Board policies including fiduciary policy.
3. Assign staff position.
4. Discussion regarding what Board can do with respect to active legislation, and specifically what Board members can do regarding charter amendments.
5. Current list of educational opportunities - emailed and brought in.
6. Possible coordination of Health Services Agency and RHCTF Board elections. Find out term end date.
7. Standing new agenda item to discuss on-going legislation to be approved by the Board of Supervisors that may affect the Trust Fund.
8. San Francisco City College to attend next meeting.

This is a discussion item only.

□ 04222013-13 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 the meeting at 4:31 pm.

Retiree Health Trust Fund (RHTF) Status and Budget, updated July 16,2013, City and County of San Francisco Controller's Office

	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13			FY 2013-14	FY 2014-15
Revenues	Actuals	Actuals	Actual	Actuals	Budget	Year-to-Date as of 7/16/2013*	Last Quarter Projection	Budget Proposal	Budget Proposal
Starting Fund Balance		323,483	3,194,672	8,541,521	17,634,021	17,851,560	17,851,560	31,012,407	47,501,543
2% Employee Contribution (1)	214,928	1,903,374	3,518,030	6,140,559	6,660,000	8,822,558	8,785,151	11,000,000	14,000,000
1% Employer Contribution (1)	107,464	951,919	1,773,184	3,070,242	3,330,000	4,411,034	4,392,578	5,500,000	7,000,000
Interest Earned (2)	1,091	15,896	55,635	144,127	180,000	178,640	205,620	281,636	451,544
Total Revenue	323,483	3,194,672	8,541,521	17,896,449	27,804,021	31,263,792	31,234,907	47,794,043	68,953,087
Expenditures									
External Audit / Report	-	-	-	-	25,000	-	25,000	25,000	25,000
City Attorney-legal expenses for trust setup & ongoing costs	-	-	-	37,903	40,000	40,000	40,000	40,000	40,000
Investment Manager and Custodian expenses	-	-	-	-	125,000	-	125,000	125,000	125,000
Retirement Board Administrative Support	-	-	-	-	12,500	16,471	12,500	12,500	12,500
Education / Training	-	-	-	6,985	20,000	-	20,000	20,000	20,000
Board Election (3)	60,000	-	-	-	-	-	-	70,000	-
Total Expenditures	60,000	-	-	44,888	222,500	56,471	222,500	292,500	222,500
Ending Fund Balance	263,483	3,194,672	8,541,521	17,851,560	27,581,521	31,207,321	31,012,407	47,501,543	68,730,587

Assumptions

(1) For FY13-14 and FY 14-15, revenue forecast is based on projected % or total salaries contributing to RHCTF at approximately 19.8% and 25% respectively.

(2) For FY13-14 and FY14-15, the pool interest rate projection is based on FY12-13 6 month report, assumption of 0.72% and 0.78% respectively.

(3) Elections are held once every five years; the next one is scheduled for May 2014 with estimated cost of \$70,000. There may be another election if a board member retires/leaves before May 2014 but this cost is not budgeted.

* June Interest earned has not been posted in FAMIS yet as of 7/16/2013

Retiree Health Trust Fund Budget Supporting Data

																			Total Projected Employer Contribution	Total Projected Employee Contribution	Total Projected Contribution	Total Contribution Growth by Year	Growth of employees participate in RHCTF Contribution												
FY 2012-13 SubObj 01502 (Actual data from July to June)																																			
	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	FY 12-13																						
# of Pay Period	1.5	2	2	3	2	2	2	2	2	2	3	2.6	26.1																						
01502 RETIREE HEALTH CARE - CITY MATCH	226,999	319,661	314,618	477,885	333,945	328,202	333,000	343,331	346,632	352,394	542,328	491,453		4,410,447	6,820,894	13,231,341	44%	37%																	
City Match Amt/per pay period	151,333	159,830	157,309	159,295	166,972	164,101	166,500	171,666	173,316	176,197	180,776	189,020																							
Growth Rate	44.29%	5.62%	-1.58%	1.26%	4.82%	-1.72%	1.46%	3.10%	0.96%	1.74%	1.74%	1.74%	1.74%																						
Base salary for employees covered by RHCTF	22,699,919	31,966,050	31,461,823	47,788,471	33,394,453	32,820,158	33,300,008	34,333,116	34,663,200	35,239,400	54,232,800	49,145,300	441,044,698																						
Total CCSF salaries paid	155,201,590	216,248,335	210,902,853	320,256,544	218,671,063	208,229,788	211,014,009	211,743,177	211,430,267	208,924,049	314,497,538	277,225,951	*****																						
% Total Salaries contributing to RHCTF	14.63%	14.78%	14.92%	14.92%	15.28%	15.78%	16.21%	16.39%	16.63%	16.88%	17.14%	15.95%																							
Growth Rate		1.07%	0.92%	0.03%	2.25%	3.30%	0.12%	2.75%	1.11%	1.44%	1.49%	1.56%																							
FY 2011-12 SubObj 01502																																			
	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	FY 11-12																						
# of Pay Period	1.6	2	2	2	3	2	2	2	2	2	2	3.5	26.1																						
01502 RETIREE HEALTH CARE - CITY MATCH	157,593	203,560	204,465	211,931	333,038	226,466	229,856	237,146	245,827	253,934	399,340	367,084		3,070,242	6,140,484	9,210,726	73%	66%																	
City Match Amt/per pay period	98,496	101,780	102,233	105,968	111,013	113,233	114,929	118,573	122,914	126,967	199,670	104,681																							
Growth Rate	10.45%	3.33%	0.44%	3.65%	4.76%	2.00%	1.50%	3.17%	3.66%	3.30%	3.30%	3.30%	2.95%																						
Base salary for employees covered by RHCTF	15,759,300	20,356,000	20,446,500	21,193,100	33,303,600	22,646,600	22,965,800	23,714,600	24,562,700	25,393,400	39,934,000	36,708,400	307,024,200																						
Total CCSF salaries paid	157,863,665	199,786,733	201,204,246	201,024,880	303,978,084	198,044,401	201,496,535	197,273,763	200,736,118	198,596,257	301,549,198	270,524,061	*****																						
% Total Salaries contributing to RHCTF	9.86%	10.19%	10.16%	10.54%	10.96%	11.44%	11.41%	12.02%	12.25%	12.79%	13.24%	13.57%	11.66%																						
FY 2010-11 SubObj 01502																																			
	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	FY 10-11																						
# of Pay Period	1.7	2	2	2	2	3	2	2	2	2	2	3.4	26.1																						
01502 RETIREE HEALTH CARE - CITY MATCH	88,416	108,178	110,194	111,521	119,993	188,685	132,343	144,912	149,346	153,675	162,147	303,208		1,770,618	3,541,236	5,311,854																			
City Match Amt/per pay period	52,009	54,089	55,097	55,761	59,997	62,228	66,172	72,456	74,673	76,838	81,074	89,179																							
Growth Rate		4.00%	1.86%	1.20%	7.60%	3.72%	6.34%	9.50%	3.06%	2.90%	5.51%	10.00%	6.08%																						
Base salary for employees covered by RHCTF	8,841,600	10,817,800	11,019,400	11,152,100	11,999,300	18,668,500	13,234,300	14,491,200	14,934,600	15,367,500	16,214,700	30,320,800	177,061,800																						
Total CCSF salaries paid	167,395,929	196,578,054	194,041,363	191,186,001	192,107,067	269,499,918	185,147,389	190,848,435	191,115,506	190,546,679	191,193,494	337,124,287	*****																						
% Total Salaries contributing to RHCTF	5.28%	5.50%	5.66%	5.83%	6.29%	6.45%	6.78%	7.59%	7.81%	8.06%	8.48%	8.99%	7.01%																						
FY 2012-13 Interest (Actual data from July to August)																																			
	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	FY 12-13																						
300 INTEREST & INVESTMENT INCOME	17,336	13,844	15,438	13,585	17,982	12,997	20,022	17,547	15,219	18,308	16,362	16,204		195,363																					
Growth Rate		-20.15%	11.51%	-12.00%	32.37%	-27.72%	54.05%	-12.37%	-13.27%	20.30%	-10.63%	2.21%																							
FY 2011-12 Interest Actual																																			
	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12																							
300 INTEREST & INVESTMENT INCOME	7,346	8,032	8,972	9,829	11,258	12,617	10,732	12,424	15,478	13,662	22,675	11,102		144,127								2.71%													
Growth Rate		9.34%	11.70%	9.55%	14.54%	12.07%	-14.94%	15.77%	24.58%	-11.73%	65.97%	-51.04%	7.80%																						

**Office of the Treasurer & Tax Collector
City and County of San Francisco**



José Cisneros, Treasurer

Pauline Marx, Chief Assistant Treasurer
Michelle Durgy, Chief Investment Officer

Investment Report for the month of June 2013

July 15, 2013

The Honorable Edwin M. Lee
Mayor of San Francisco
City Hall, Room 200
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4638

The Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4638

Ladies and Gentlemen,

In accordance with the provisions of California State Government Code Section 53646, we forward this report detailing the City's pooled fund portfolio as of June 30, 2013. These investments provide sufficient liquidity to meet expenditure requirements for the next six months and are in compliance with our statement of investment policy and California Code.

This correspondence and its attachments show the investment activity for the month of June 2013 for the portfolios under the Treasurer's management. All pricing and valuation data is obtained from Interactive Data Corporation.

CCSF Pooled Fund Investment Earnings Statistics *

<i>(in \$ million)</i>	Current Month		Prior Month	
	<u>Fiscal YTD</u>	<u>June 2013</u>	<u>Fiscal YTD</u>	<u>May 2013</u>
Average Daily Balance	\$ 5,445	\$ 6,170	\$ 5,381	\$ 6,349
Net Earnings	51.98	4.18	47.80	3.97
Earned Income Yield	0.95%	0.82%	0.97%	0.74%

CCSF Pooled Fund Statistics *

<i>(in \$ million)</i>	% of Portfolio	Book Value	Market Value	Wtd. Avg. Coupon	Wtd. Avg. YTM	WAM
Investment Type						
U.S. Treasuries	14.0%	\$ 859	\$ 858	1.07%	1.02%	1,248
Federal Agencies	65.2%	4,010	4,009	1.05%	0.94%	1,011
State & Local Government						
Agency Obligations	2.3%	142	140	2.62%	0.57%	415
Public Time Deposits	0.01%	1	1	0.48%	0.48%	263
Negotiable CDs	6.1%	375	375	0.24%	0.21%	108
Medium Term Notes	6.6%	408	405	1.45%	0.44%	456
Money Market Funds	5.9%	360	360	0.03%	0.03%	1
Totals	100.0%	\$ 6,155	\$ 6,148	1.00%	0.81%	880

In the remainder of this report, we provide additional information and analytics at the security-level and portfolio-level, as recommended by the California Debt and Investment Advisory Commission.

Very truly yours,

José Cisneros
Treasurer

cc: Treasury Oversight Committee: Peter Goldstein, Joe Grazioli, Todd Rydstrom
Ben Rosenfield, Controller, Office of the Controller
Tonia Lediju, Internal Audit, Office of the Controller
Cynthia Fong, Deputy Director for Finance & Administration, San Francisco County Transportation Authority
Jessica Bullen, Fiscal and Policy Analyst
San Francisco Public Library

* Please see last page of this report for non-pooled funds holdings and statistics.

Portfolio Summary

Pooled Fund

As of June 30, 2013

<i>(in \$ million)</i>							
Security Type	Par Value	Book Value	Market Value	Market/Book Price	Current % Allocation	Max. Policy Allocation	Compliant?
U.S. Treasuries	\$ 860	\$ 859	\$ 858	99.87	13.95%	100%	Yes
Federal Agencies	3,997	4,010	4,009	99.99	65.21%	85%	Yes
State & Local Government							
Agency Obligations	137	142	140	98.53	2.28%	20%	Yes
Public Time Deposits	1	1	1	100.00	0.01%	100%	Yes
Negotiable CDs	375	375	375	100.01	6.10%	30%	Yes
Bankers Acceptances	-	-	-	-	0.00%	40%	Yes
Commercial Paper	-	-	-	-	0.00%	25%	Yes
Medium Term Notes	403	408	405	99.25	6.58%	15%	Yes
Repurchase Agreements	-	-	-	-	0.00%	100%	Yes
Reverse Repurchase/ Securities Lending Agreements	-	-	-	-	0.00%	\$75mm	Yes
Money Market Funds	360	360	360	-	5.86%	100%	Yes
LAIF	-	-	-	-	0.00%	\$50mm	Yes
TOTAL	\$ 6,134	\$ 6,155	\$ 6,148	99.89	100.00%	-	Yes

The City and County of San Francisco uses the following methodology to determine compliance: Compliance is pre-trade and calculated on both a par and market value basis, using the result with the lowest percentage of the overall portfolio value. Cash balances are included in the City's compliance calculations.

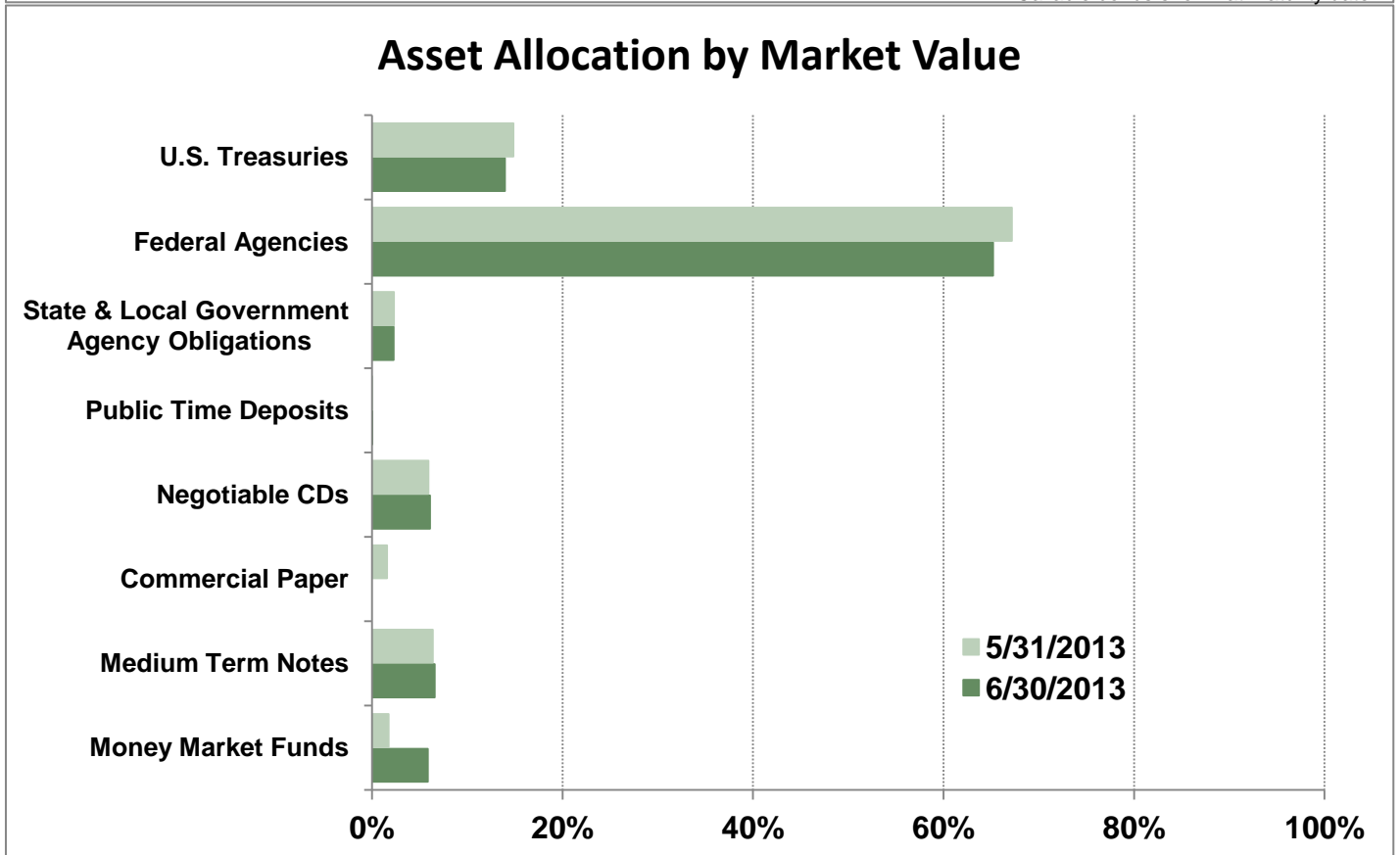
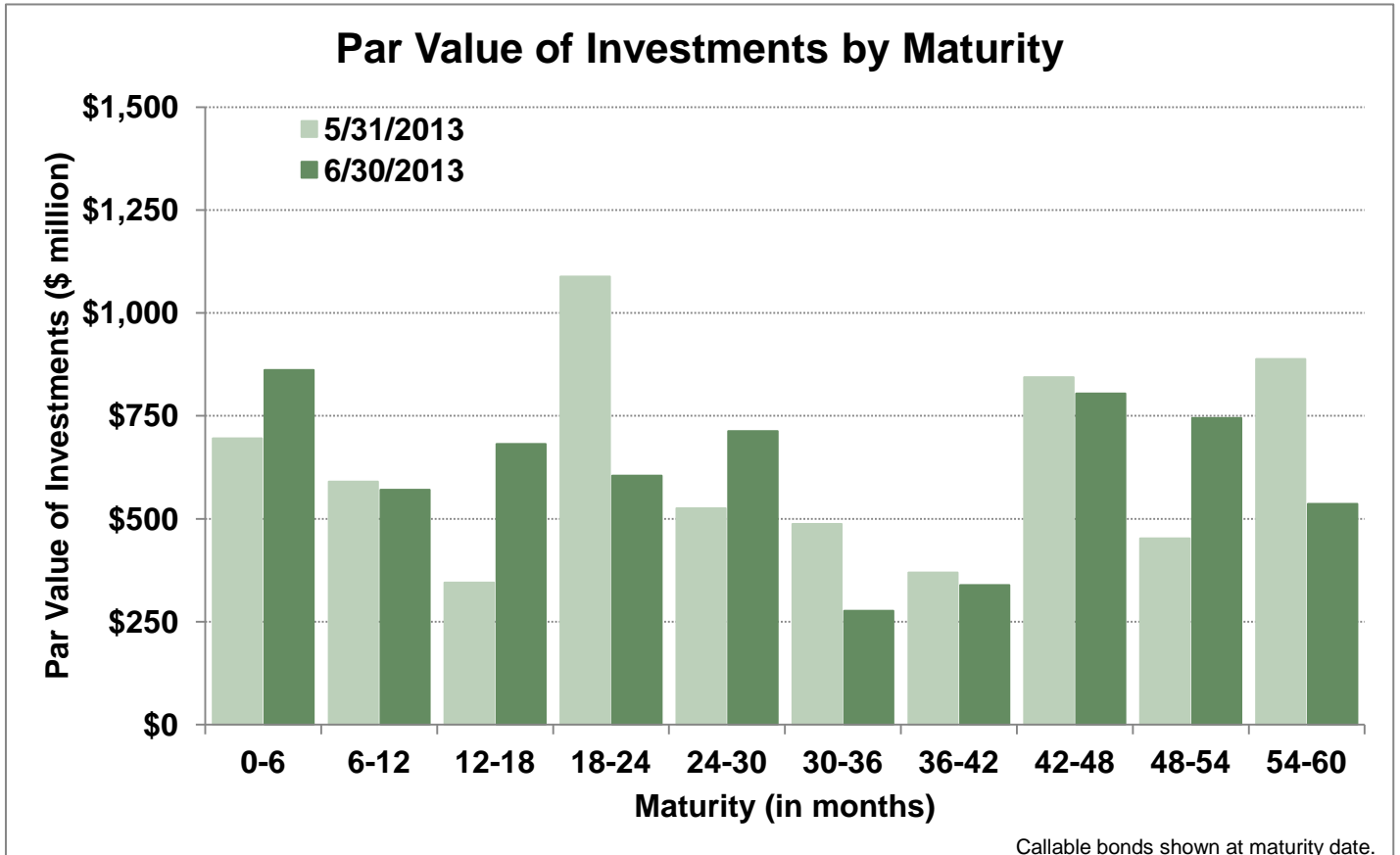
Please note the information in this report does not include cash balances. Due to fluctuations in the market value of the securities held in the Pooled Fund and changes in the City's cash position, the allocation limits may be exceeded on a post-trade compliance basis. In these instances, no compliance violation has occurred, as the policy limits were not exceeded prior to trade execution.

The full Investment Policy can be found at <http://www.sftreasurer.org/>, in the Reports & Plans section of the About menu.

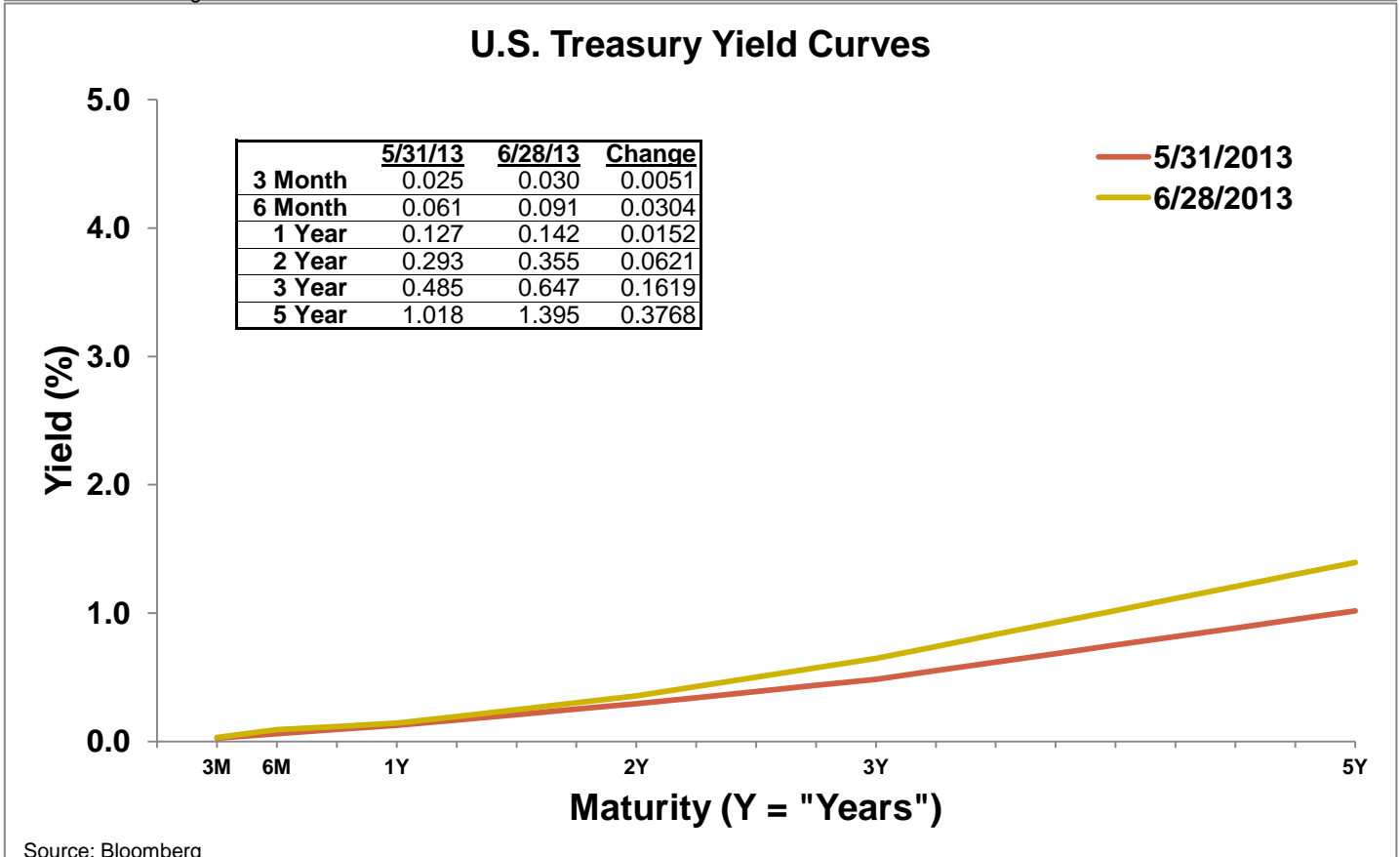
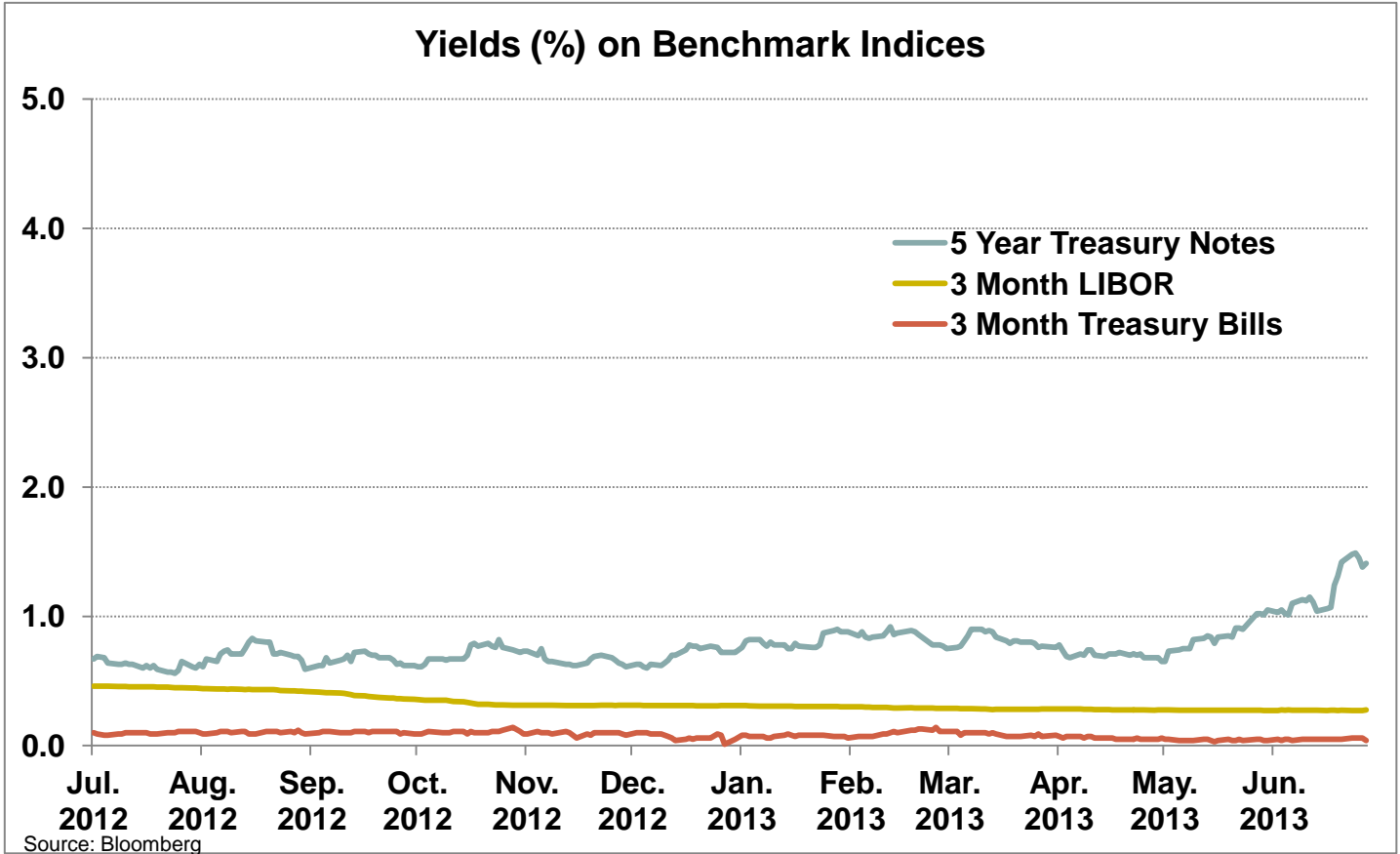
Totals may not add due to rounding.

Portfolio Analysis

Pooled Fund



Yield Curves



Investment Inventory

Pooled Fund

As of June 30, 2013

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
U.S. Treasuries	912828PQ7	US TSY NT	6/1/11	1/15/14	0.54	1.00	\$ 25,000,000	\$ 25,226,563	\$ 25,046,777	\$ 25,118,250
U.S. Treasuries	912828LC2	US TSY NT	6/1/11	7/31/14	1.06	2.63	25,000,000	26,382,813	25,472,501	25,653,250
U.S. Treasuries	912828MW7	US TSY NT	2/24/12	3/31/15	1.71	2.50	50,000,000	53,105,469	51,751,803	51,904,500
U.S. Treasuries	912828PE4	US TSY NT	12/23/11	10/31/15	2.30	1.25	25,000,000	25,609,375	25,368,741	25,461,000
U.S. Treasuries	912828PJ3	US TSY NT	12/16/10	11/30/15	2.38	1.38	50,000,000	49,519,531	49,765,871	51,062,500
U.S. Treasuries	912828PJ3	US TSY NT	12/16/10	11/30/15	2.38	1.38	50,000,000	49,519,531	49,765,871	51,062,500
U.S. Treasuries	912828PJ3	US TSY NT	12/23/10	11/30/15	2.38	1.38	50,000,000	48,539,063	49,285,332	51,062,500
U.S. Treasuries	912828RJ1	US TSY NT	10/11/11	9/30/16	3.20	1.00	75,000,000	74,830,078	74,888,933	75,510,000
U.S. Treasuries	912828SJ0	US TSY NT	3/14/12	2/28/17	3.61	0.88	100,000,000	99,695,313	99,775,016	99,750,000
U.S. Treasuries	912828SJ0	US TSY NT	3/21/12	2/28/17	3.61	0.88	25,000,000	24,599,609	24,703,201	24,937,500
U.S. Treasuries	912828SJ0	US TSY NT	3/21/12	2/28/17	3.61	0.88	25,000,000	24,599,609	24,703,201	24,937,500
U.S. Treasuries	912828SM3	US TSY NT	4/4/12	3/31/17	3.68	1.00	50,000,000	49,835,938	49,876,728	50,047,000
U.S. Treasuries	912828TM2	US TSY NT	9/17/12	8/31/17	4.11	0.63	60,000,000	59,807,813	59,838,303	58,767,000
U.S. Treasuries	912828TS9	US TSY NT	10/18/12	9/30/17	4.19	0.63	25,000,000	24,871,094	24,889,346	24,443,250
U.S. Treasuries	912828UE8	US TSY NT	1/4/13	12/31/17	4.43	0.75	50,000,000	49,886,719	49,897,786	48,918,000
U.S. Treasuries	912828UZ1	US TSY NT	5/13/13	4/30/18	4.76	0.63	50,000,000	49,561,821	49,573,962	48,320,500
U.S. Treasuries	912828UZ1	US TSY NT	5/24/13	4/30/18	4.76	0.63	75,000,000	74,128,227	74,147,255	72,480,750
U.S. Treasuries	912828UZ1	US TSY NT	5/29/13	4/30/18	4.76	0.63	50,000,000	49,184,783	49,200,205	48,320,500
Subtotals					3.36	1.07	\$ 860,000,000	\$ 858,903,346	\$ 857,950,831	\$ 857,756,500
Federal Agencies	3134G2B50	FHLMC FRN FF+23	9/1/11	9/3/13	0.00	0.32	\$ 50,000,000	\$ 49,979,500	\$ 49,998,210	\$ 50,022,500
Federal Agencies	313380NQ6	FHLB FLT NT FF+5	12/4/12	9/6/13	0.00	0.15	50,000,000	50,005,750	50,001,396	50,007,500
Federal Agencies	31315PLT4	FARMER MAC	12/6/10	12/6/13	0.44	1.25	35,000,000	34,951,700	34,993,037	35,152,950
Federal Agencies	31331J6A6	FFCB	12/23/10	12/23/13	0.48	1.30	22,000,000	21,993,125	21,998,902	22,121,000
Federal Agencies	313371UC8	FHLB	11/18/10	12/27/13	0.49	0.88	40,000,000	39,928,000	39,988,645	40,141,600
Federal Agencies	3135G0AZ6	FNMA FRN QTR T-BILL+21	3/4/11	3/4/14	0.01	0.26	25,000,000	24,985,000	24,986,633	25,020,000
Federal Agencies	3135G0AZ6	FNMA FRN QTR T-BILL+21	3/4/11	3/4/14	0.01	0.26	25,000,000	24,992,500	24,998,317	25,020,000
Federal Agencies	313379RV3	FHLB FLT NT FF+12	6/11/12	3/11/14	0.00	0.21	50,000,000	49,986,700	49,994,726	50,047,500
Federal Agencies	31398A3R1	FNMA AMORT TO CALL	11/10/10	3/21/14	0.72	1.35	24,500,000	24,564,827	24,500,000	24,701,390
Federal Agencies	31315PHX0	FARMER MAC MTN	4/10/12	6/5/14	0.92	3.15	14,080,000	14,878,195	14,424,260	14,435,238
Federal Agencies	3133XWE70	FHLB TAP	5/15/12	6/13/14	0.95	2.50	48,000,000	50,088,480	48,954,812	49,035,840
Federal Agencies	3133724E1	FHLB	12/31/10	6/30/14	1.00	1.21	50,000,000	50,000,000	50,000,000	50,487,500
Federal Agencies	3137EACU1	FHLMC BONDS	6/2/11	7/30/14	1.08	1.00	75,000,000	74,946,000	74,981,563	75,626,250
Federal Agencies	3134G2UA8	FHLMC NT	12/1/11	8/20/14	1.13	1.00	28,000,000	28,247,744	28,103,539	28,229,880
Federal Agencies	31398A3G5	FNMA EX-CALL NT	4/4/12	9/8/14	1.18	1.50	13,200,000	13,515,216	13,354,232	13,367,904
Federal Agencies	31315PRZ4	FARMER MAC MTN	4/9/13	10/1/14	1.25	0.24	18,000,000	17,997,249	17,997,802	17,987,580
Federal Agencies	3136FTFR8	FNMA FLT QTR FF+39	12/12/11	11/21/14	0.00	0.48	26,500,000	26,523,585	26,511,145	26,633,030
Federal Agencies	31331J4S9	FFCB	12/16/10	12/8/14	1.43	1.40	24,000,000	23,988,000	23,995,664	24,362,160
Federal Agencies	31331J4S9	FFCB	12/8/10	12/8/14	1.43	1.40	19,000,000	18,956,680	18,984,433	19,286,710
Federal Agencies	313371W51	FHLB	12/8/10	12/12/14	1.44	1.25	75,000,000	74,391,000	74,780,095	75,915,750
Federal Agencies	3133XVNU1	FHLB	11/23/10	12/12/14	1.43	2.75	25,400,000	26,848,308	25,917,672	26,308,050
Federal Agencies	3133XVNU1	FHLB	11/23/10	12/12/14	1.43	2.75	2,915,000	3,079,668	2,973,858	3,019,211
Federal Agencies	3133XVNU1	FHLB	12/8/10	12/12/14	1.43	2.75	50,000,000	52,674,000	50,965,560	51,787,500
Federal Agencies	313371W93	FHLB	12/15/10	12/15/14	1.45	1.34	75,000,000	75,000,000	75,000,000	76,127,250
Federal Agencies	3136FTVN6	FNMA FLT QTR FF+35	12/15/11	12/15/14	0.00	0.44	75,000,000	75,000,000	75,000,000	75,345,750
Federal Agencies	3135G0GM9	FNMA CALL NT	12/23/11	12/23/14	1.47	0.83	25,000,000	25,040,000	25,009,576	25,051,000
Federal Agencies	3135G0GM9	FNMA GLOBAL CALL	3/28/13	12/23/14	1.47	0.83	10,000,000	10,042,700	10,027,676	10,020,400
Federal Agencies	31331J6Q1	FFCB	12/29/10	12/29/14	1.48	1.72	27,175,000	27,157,065	27,168,297	27,712,793
Federal Agencies	31331J6Q1	FFCB	12/29/10	12/29/14	1.48	1.72	65,000,000	64,989,600	64,996,113	66,286,350

Investment Inventory

Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
Federal Agencies	3133EAQ35	FFCB FLT NT FF+14	9/4/12	3/4/15	0.00	0.24	100,000,000	99,924,300	99,949,229	100,152,000
Federal Agencies	3133EAJP4	FFCB FLT NT 1ML+1.5	4/30/12	4/27/15	0.07	0.21	50,000,000	49,992,600	49,995,494	50,033,500
Federal Agencies	31315PWJ4	FARMER MAC FLT NT FF+26	5/3/12	5/1/15	0.00	0.36	50,000,000	50,000,000	50,000,000	50,181,000
Federal Agencies	3133EAQC5	FFCB FLT NT 1ML+1	6/8/12	5/14/15	0.04	0.20	50,000,000	49,985,500	49,990,758	50,026,500
Federal Agencies	3133EAVE5	FFCB FLT NT 1ML+2	12/5/12	6/22/15	0.06	0.21	50,000,000	49,987,300	49,990,143	50,031,500
Federal Agencies	31315PTR0	FARMER MAC MTN CALL	4/26/13	8/28/15	2.15	0.50	20,000,000	20,020,111	20,017,982	19,978,000
Federal Agencies	3137EACM9	FHLMC BONDS	12/15/10	9/10/15	2.15	1.75	50,000,000	49,050,000	49,560,145	51,369,000
Federal Agencies	313370JB5	FHLB	12/15/10	9/11/15	2.15	1.75	75,000,000	73,587,000	74,345,334	77,067,000
Federal Agencies	31315PGT0	FARMER MAC	9/15/10	9/15/15	2.16	2.13	45,000,000	44,914,950	44,962,459	46,522,350
Federal Agencies	3133ECJB1	FFCB FLT NT QTR TBILL+16	4/16/13	9/18/15	0.01	0.21	50,000,000	50,000,000	50,000,000	49,981,500
Federal Agencies	3133ECJB1	FFCB FLT NT QTR T-BILL+16	4/24/13	9/18/15	0.01	0.21	16,200,000	16,198,073	16,198,222	16,194,006
Federal Agencies	31398A3T7	FNMA NT EX-CALL	10/14/11	9/21/15	2.18	2.00	25,000,000	25,881,000	25,497,477	25,820,000
Federal Agencies	3133EAJF6	FFCB FLT NT 1ML+2.5	11/30/12	9/22/15	0.06	0.22	27,953,000	27,941,120	27,943,586	27,970,890
Federal Agencies	31398A4M1	FNMA	12/15/10	10/26/15	2.28	1.63	25,000,000	24,317,500	24,674,506	25,619,750
Federal Agencies	31398A4M1	FNMA	12/23/10	10/26/15	2.28	1.63	40,924,000	40,924,380	41,484,700	43,041,180
Federal Agencies	3136G1LX5	FNMA NT CALL	5/15/13	11/13/15	2.36	0.32	24,610,000	24,610,000	24,610,000	24,485,227
Federal Agencies	31331J2S1	FFCB	12/15/10	11/16/15	2.34	1.50	25,000,000	24,186,981	24,607,290	25,545,750
Federal Agencies	3133ECLZ5	FFCB FLT NT MONTHLY 1ML+0	5/8/13	11/19/15	0.05	0.19	25,000,000	24,997,000	24,997,175	24,999,000
Federal Agencies	313371ZY5	FHLB	12/3/10	12/11/15	2.40	1.88	25,000,000	24,982,000	24,991,236	25,834,000
Federal Agencies	313371ZY5	FHLB	12/14/10	12/11/15	2.40	1.88	50,000,000	49,871,500	49,937,054	51,668,000
Federal Agencies	3133ECP57	FFCB FLT NT 1ML+0	5/20/13	2/10/16	0.03	0.20	50,000,000	49,987,000	49,987,548	49,989,000
Federal Agencies	313375RN9	FHLB NT	4/13/12	3/11/16	2.66	1.00	22,200,000	22,357,620	22,308,612	22,418,670
Federal Agencies	3133EAJU3	FFCB NT	4/12/12	3/28/16	2.71	1.05	25,000,000	25,220,750	25,152,815	25,261,250
Federal Agencies	31315PTF6	FAMCA FLT MTN 1ML+0	4/1/13	4/1/16	0.00	0.19	50,000,000	50,000,000	50,000,000	49,982,500
Federal Agencies	313379Z21	FHLB NT	4/18/12	4/18/16	2.77	0.81	20,000,000	19,992,200	19,994,544	20,059,800
Federal Agencies	3135G0RZ8	FNMA CALL NT	11/30/12	5/26/16	2.89	0.55	22,540,000	22,540,000	22,540,000	22,382,445
Federal Agencies	313373ZN5	FHLB	6/6/11	6/6/16	2.86	2.03	35,000,000	35,000,000	35,000,000	36,304,100
Federal Agencies	31315PB73	FAMCA NT	2/9/12	6/9/16	2.91	0.90	10,000,000	10,000,000	10,000,000	10,073,000
Federal Agencies	313771AA5	FHLB SUB NT	5/20/13	6/13/16	2.77	5.63	16,925,000	19,472,890	19,377,344	19,211,737
Federal Agencies	313771AA5	FHLB SUB NT	5/30/13	6/13/16	2.77	5.63	14,195,000	16,259,095	16,199,590	16,112,886
Federal Agencies	31315PA25	FAMCA NT	7/27/11	7/27/16	2.97	2.00	15,000,000	14,934,750	14,959,929	15,493,500
Federal Agencies	31315PA25	FAMCA MTN	3/26/13	7/27/16	2.98	2.00	14,100,000	14,781,422	14,730,876	14,563,890
Federal Agencies	31315PA25	FAMCA MTN	3/26/13	7/27/16	2.98	2.00	11,900,000	12,479,504	12,436,494	12,291,510
Federal Agencies	313370TW8	FHLB BD	10/11/11	9/9/16	3.09	2.00	25,000,000	25,727,400	25,472,506	25,915,000
Federal Agencies	3135G0CM3	FNMA NT	10/11/11	9/28/16	3.18	1.25	25,000,000	24,856,450	24,906,226	25,285,750
Federal Agencies	3134G3P38	FHLMC NT CALL	12/14/12	10/5/16	3.23	0.75	75,000,000	75,071,250	75,001,404	74,598,000
Federal Agencies	3135G0ES8	FNMA NT	12/14/11	11/15/16	3.30	1.38	50,000,000	50,309,092	50,211,964	50,687,500
Federal Agencies	313381GA7	FHLB NT	11/30/12	11/30/16	3.39	0.57	23,100,000	23,104,389	23,103,749	22,781,913
Federal Agencies	313381KR5	FHLB NT CALL	12/28/12	12/28/16	3.46	0.63	13,500,000	13,500,000	13,500,000	13,315,725
Federal Agencies	313381KR5	FHLB NT CALL	12/28/12	12/28/16	3.46	0.63	9,000,000	9,000,000	9,000,000	8,877,150
Federal Agencies	3136FTUZ0	FNMA CALL NT	12/30/11	12/30/16	3.43	1.40	50,000,000	49,975,000	49,982,512	50,186,000
Federal Agencies	3134G33C2	FHLMC NT	1/3/13	1/3/17	3.47	0.60	50,000,000	50,000,000	50,000,000	49,260,500
Federal Agencies	3133ECB37	FFCB NT	12/20/12	1/12/17	3.49	0.58	14,000,000	14,000,000	14,000,000	13,775,020
Federal Agencies	31315PWVW5	FARMER MAC MTN	5/4/12	1/17/17	3.48	1.01	49,500,000	49,475,250	49,481,340	49,426,740
Federal Agencies	3136FTL31	FNMA STEP BD CALL	4/30/12	2/7/17	3.55	0.75	30,765,000	30,872,678	30,801,723	30,817,608
Federal Agencies	3133786Q9	FHLB NT	1/10/13	2/13/17	3.55	1.00	67,780,000	68,546,456	68,458,275	67,766,444
Federal Agencies	3137EADC0	FHLMC NT	3/12/12	3/8/17	3.62	1.00	50,000,000	49,697,500	49,776,529	49,755,000
Federal Agencies	3133782N0	FHLB NT	3/12/12	3/10/17	3.63	0.88	14,845,000	14,698,035	14,706,387	14,705,605
Federal Agencies	3133782N0	FHLB NT	3/12/12	3/10/17	3.63	0.88	55,660,000	55,157,087	55,288,330	55,137,353
Federal Agencies	31315PTQ2	FARMER MAC MTN	4/10/12	4/10/17	3.69	1.26	12,500,000	12,439,250	12,454,121	12,474,875

Investment Inventory

Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
Federal Agencies	3133ECLL6	FFCB NT	4/17/13	4/17/17	3.76	0.60	10,000,000	10,000,000	10,000,000	9,779,600
Federal Agencies	3136G0CC3	FNMA STRNT	4/18/12	4/18/17	3.74	0.85	30,000,000	30,000,000	30,000,000	30,105,900
Federal Agencies	31315PUQ0	FARMER MAC MTN	4/26/12	4/26/17	3.75	1.13	10,500,000	10,500,000	10,500,000	10,439,520
Federal Agencies	3133794Y2	FHLB FIX-TO-FLOAT CALL NT	5/9/12	5/9/17	3.82	0.50	25,000,000	25,000,000	25,000,000	24,642,500
Federal Agencies	3137EADF3	FHLMC NT	5/14/12	5/12/17	3.78	1.25	25,000,000	25,133,000	25,102,885	25,035,000
Federal Agencies	3136G0GW5	FNMA STEP NT CALL	6/11/12	5/23/17	3.84	0.85	50,000,000	50,290,500	50,133,197	50,036,000
Federal Agencies	31315PZQ5	FARMER MAC MTN	12/28/12	6/5/17	3.86	1.11	9,000,000	9,122,130	9,108,183	8,936,910
Federal Agencies	3133EAUW6	FFCB FLT NT FF+22	6/19/12	6/19/17	0.00	0.32	50,000,000	50,000,000	50,000,000	50,132,000
Federal Agencies	3134G3ZN3	FHLMC CALL NT	5/21/13	7/17/17	3.87	2.00	29,000,000	29,283,037	29,223,149	29,023,490
Federal Agencies	3136G0ZA2	FNMA STEP NT	9/12/12	9/12/17	4.13	0.75	15,000,000	15,000,000	15,000,000	14,842,050
Federal Agencies	3136G0B59	FNMA STEP NT	9/20/12	9/20/17	4.16	0.70	64,750,000	64,750,000	64,750,000	63,987,893
Federal Agencies	3136G0D81	FNMA STEP NT	9/27/12	9/27/17	4.18	0.72	100,000,000	100,000,000	100,000,000	98,777,000
Federal Agencies	3136G0Y39	FNMA STEP NT	11/8/12	11/8/17	4.30	0.63	50,000,000	50,000,000	50,000,000	48,896,500
Federal Agencies	3134G44F2	FHLMC CALL MTN	5/21/13	11/21/17	4.32	0.80	50,000,000	50,000,000	50,000,000	48,547,000
Federal Agencies	3135G0RT2	FNMA NT	1/10/13	12/20/17	4.40	0.88	50,000,000	49,917,500	49,925,362	48,708,500
Federal Agencies	3135G0RT2	FNMA GLOBAL	1/29/13	12/20/17	4.39	0.88	100,000,000	99,290,740	99,351,500	97,417,000
Federal Agencies	3136G13T4	FNMA STEP NT	12/26/12	12/26/17	4.42	0.75	39,000,000	39,000,000	39,000,000	38,464,530
Federal Agencies	3136G13Q0	FNMA STEP NT	12/26/12	12/26/17	4.42	0.75	29,000,000	29,000,000	29,000,000	28,652,000
Federal Agencies	3134G32W9	FHLMC MTN CALL	12/26/12	12/26/17	4.38	1.25	33,600,000	33,991,272	33,857,510	33,258,288
Federal Agencies	3134G32W9	FHLMC MTN CALL	12/26/12	12/26/17	4.38	1.25	50,000,000	50,605,000	50,398,172	49,491,500
Federal Agencies	3134G32M1	FHLMC CALL NT	12/28/12	12/28/17	4.41	1.00	50,000,000	50,000,000	50,000,000	48,672,000
Federal Agencies	3136G1FK0	FNMA NT CALL	3/13/13	3/13/18	4.53	1.60	21,500,000	21,744,240	21,670,633	21,521,500
Federal Agencies	3136G1GG8	FNMA NT CALL	3/19/13	3/19/18	4.56	1.50	17,900,000	18,079,000	18,027,997	17,819,629
Federal Agencies	3136G1J67	FNMA NT CALL	4/9/13	4/9/18	4.61	1.50	25,000,000	25,249,000	25,192,378	24,758,500
Federal Agencies	3136G1KN8	FNMA NT CALL	4/24/13	4/24/18	4.65	1.50	50,000,000	50,903,000	50,818,885	49,786,500
Federal Agencies	3136G1K81	FNMA NT STEP	4/30/13	4/30/18	4.75	0.75	12,600,000	12,600,000	12,600,000	12,329,856
Federal Agencies	31315PZM4	FARMER MAC STEP NT	5/3/13	5/3/18	4.76	0.70	24,600,000	24,600,000	24,600,000	23,992,626
Federal Agencies	313382XK4	FHLB STEP NT	5/7/13	5/7/18	4.80	0.50	25,000,000	25,000,000	25,000,000	24,501,750
Federal Agencies	3133ECPB4	FFCB NT	5/23/13	5/14/18	4.78	0.88	10,000,000	9,936,788	9,938,191	9,666,000
Federal Agencies	313383AS0	FHLB NT CALL	5/21/13	5/21/18	4.74	1.40	50,000,000	50,374,000	50,365,602	49,498,000
Federal Agencies	3135G0WJ8	FNMA NT	5/23/13	5/21/18	4.79	0.88	25,000,000	24,787,715	24,792,280	24,161,500
Federal Agencies	3133834P3	FHLB STEP NT	5/22/13	5/22/18	4.84	0.50	50,000,000	50,000,000	50,000,000	48,772,000
Subtotals					2.35	1.05	\$ 3,997,493,000	\$ 4,009,733,895	\$ 4,006,587,697	\$ 4,009,344,253
State/Local Agencies	107889RL3	TOWNSHIP OF BRICK NJ BAN	7/26/12	7/26/13	0.07	1.00	\$ 23,915,000	\$ 24,033,858	\$ 23,923,141	\$ 23,925,283
State/Local Agencies	612574DN0	MONTEREY COMM COLLEGE DIST	5/7/13	8/1/13	0.09	0.34	255,000	255,000	255,000	254,977
State/Local Agencies	022168KZ0	ALUM ROCK ESD SAN JOSE CA	7/13/12	9/1/13	0.17	0.80	1,665,000	1,665,000	1,665,000	1,665,333
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	3/29/12	3/15/14	0.70	2.61	15,000,000	15,606,300	15,217,624	15,214,950
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	6/8/12	3/15/14	0.70	2.61	11,115,000	11,542,594	11,285,375	11,274,278
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	6/8/12	3/15/14	0.70	2.61	8,150,000	8,463,531	8,274,926	8,266,790
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	4/29/13	3/15/14	0.70	2.61	2,000,000	2,046,368	2,038,493	2,028,660
State/Local Agencies	13063A5B6	CALIFORNIA ST GO BD	5/2/12	4/1/14	0.74	5.25	2,820,000	3,044,359	2,907,946	2,918,728
State/Local Agencies	13063A5B6	CALIFORNIA ST GO BD	4/8/13	4/1/14	0.74	5.25	10,000,000	10,479,208	10,369,164	10,350,100
State/Local Agencies	13063A5B6	CALIFORNIA ST GO BD	5/3/13	4/1/14	0.74	5.25	7,270,000	7,624,897	7,568,029	7,524,523
State/Local Agencies	62451FFC9	WHISMAN SCHOOL DIST MTN VIEW	7/24/12	8/1/14	1.08	0.75	1,125,000	1,125,000	1,125,000	1,124,224
State/Local Agencies	612574DP5	MONTEREY COMM COLLEGE GO	5/7/13	8/1/14	1.08	0.43	310,000	310,000	310,000	309,402
State/Local Agencies	64966DPC7	NEW YORK CITY GO	6/7/12	11/1/14	1.30	4.75	8,000,000	8,774,720	8,431,087	8,442,720
State/Local Agencies	13063BN65	CALIFORNIA ST TAXABLE GO BD	3/27/13	2/1/15	1.58	0.85	10,000,000	10,038,000	10,032,604	10,007,800
State/Local Agencies	649791JS0	NEW YORK ST TAXABLE GO	3/21/13	3/1/15	1.66	0.39	4,620,000	4,619,176	4,619,309	4,610,206
State/Local Agencies	91412GPW9	UNIV OF CALIFORNIA REVENUE BC	3/14/13	5/15/15	1.87	0.39	5,000,000	5,000,000	5,000,000	4,975,200

Investment Inventory

Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
State/Local Agencies	612574DQ3	MONTEREY COMM COLLEGE GO	5/7/13	8/1/15	2.07	0.63	315,000	315,000	315,000	313,879
State/Local Agencies	64966GXS6	NEW YORK CITY TAXABLE GO	4/1/13	12/1/15	2.31	5.13	12,255,000	13,700,477	13,565,428	13,417,632
State/Local Agencies	13063BN73	CALIFORNIA ST TAXABLE GO BD	3/27/13	2/1/16	2.55	1.05	11,000,000	11,037,180	11,033,751	10,983,280
State/Local Agencies	612574DR1	MONTEREY COMM COLLEGE GO	5/7/13	8/1/16	3.04	0.98	2,670,000	2,670,000	2,670,000	2,646,664
Subtotals					1.11	2.62	\$ 137,485,000	\$ 142,350,668	\$ 140,606,876	\$ 140,254,628
Public Time Deposits		TRANS PACIFIC NATIONAL BANK P	2/7/13	2/7/14	0.60	0.49	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000
Public Time Deposits		BANK OF SAN FRANCISCO PTD	4/9/13	4/9/14	0.77	0.47	240,000	240,000	240,000	240,000
Public Time Deposits		FIRST NAT. BANK OF NOR. CAL. PT	4/9/13	4/9/14	0.77	0.48	240,000	240,000	240,000	240,000
Subtotals					0.72	0.48	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000
Negotiable CDs	06538F2N3	BANK OF TOKYO MITSUBISHI NY YI	6/24/13	7/1/13	0.00	0.12	\$ 125,000,000	\$ 125,000,000	\$ 125,000,000	\$ 125,000,139
Negotiable CDs	06366AAZ5	BANK OF MONTREAL YCD	5/21/13	7/22/13	0.06	0.14	50,000,000	50,000,000	50,000,000	50,001,833
Negotiable CDs	06417FAY6	BANK OF NOVA SCOTIA YCD	9/4/12	8/30/13	0.17	0.38	50,000,000	50,000,000	50,000,000	50,025,392
Negotiable CDs	96121TQW1	WESTPAC NY FLT YCD 1ML+14	3/25/13	11/21/13	0.06	0.33	50,000,000	50,033,502	50,019,879	50,036,307
Negotiable CDs	78009NMC7	RBC YCD FF+22	3/26/13	3/26/14	0.00	0.31	75,000,000	75,000,000	75,000,000	75,016,787
Negotiable CDs	78009NNK8	RBC FLT YCD 1ML+11	6/24/13	6/24/14	0.07	0.30	25,000,000	25,000,000	25,000,000	24,978,356
Subtotals					0.04	0.24	\$ 375,000,000	\$ 375,033,502	\$ 375,019,879	\$ 375,058,813
Medium Term Notes	36962G3F9	GE CAPITAL CORP MTN	3/27/13	9/20/13	0.23	5.40	\$ 3,700,000	\$ 3,795,053	\$ 3,745,606	\$ 3,741,292
Medium Term Notes	78008KNA7	RBC MTN	1/30/13	1/15/14	0.54	1.13	30,580,000	30,834,357	30,730,118	30,686,724
Medium Term Notes	46623ECT4	JP MORGAN CHASE MTN	3/13/13	1/15/14	0.53	5.38	12,345,000	12,971,629	12,786,013	12,672,019
Medium Term Notes	46623EJE0	JPMORGAN CHASE MTN	3/1/13	1/24/14	0.56	2.05	32,755,000	33,314,323	33,132,506	33,021,298
Medium Term Notes	46623EJE0	JP MORGAN CHASE MTN	3/13/13	1/24/14	0.56	2.05	2,050,000	2,085,814	2,075,371	2,066,667
Medium Term Notes	854403AA0	STANFORD UNIVERSITY MTN	4/26/13	5/1/14	0.83	3.63	6,500,000	6,720,350	6,681,044	6,667,310
Medium Term Notes	854403AA0	STANFORD UNIVERSITY MTN	4/26/13	5/1/14	0.83	3.63	5,000,000	5,169,500	5,139,265	5,128,700
Medium Term Notes	46623EJH3	JP MORGAN CHASE FLT MTN 3ML+	5/2/13	5/2/14	0.21	1.03	27,475,000	27,669,221	27,637,294	27,616,222
Medium Term Notes	36962GX41	GE CAPITAL CORP MTN	4/9/13	6/9/14	0.93	5.65	25,000,000	26,515,000	26,219,824	26,223,750
Medium Term Notes	59217EBW3	MET LIFE GLOBAL FUNDING MTN	11/13/12	6/10/14	0.93	5.13	10,000,000	10,725,948	10,435,063	10,430,800
Medium Term Notes	64952WBL6	NEW YORK LIFE MTN 3ML+0	3/27/13	7/30/14	0.08	0.30	3,000,000	3,000,630	3,000,507	3,000,690
Medium Term Notes	89233P7B6	TOYOTA MTN 3ML+17	1/28/13	12/5/14	0.18	0.44	10,000,000	10,004,700	10,003,629	10,003,500
Medium Term Notes	36962G6T6	GE FLT NT 3ML+38	1/10/13	1/9/15	0.02	0.66	25,000,000	25,000,000	25,000,000	25,045,500
Medium Term Notes	78008SVS2	RBC MTN FIX-TO-FLT	1/22/13	1/22/15	1.56	0.50	100,000,000	100,000,000	100,000,000	98,958,000
Medium Term Notes	89233P7H3	TOYOTA MTN 3ML+17	1/23/13	1/23/15	0.06	0.45	35,000,000	35,000,000	35,000,000	35,011,200
Medium Term Notes	89233P7L4	TOYOTA MTN FIX-TO-FLOAT	2/4/13	2/4/15	1.59	0.50	25,000,000	25,000,000	25,000,000	24,662,250
Medium Term Notes	89236TAG0	TOYOTA MOTOR CREDIT CORP 3M	4/12/13	4/8/15	0.02	0.42	50,000,000	50,000,000	50,000,000	49,816,000
Subtotals					0.72	1.45	\$ 403,405,000	\$ 407,806,524	\$ 406,586,240	\$ 404,751,921
Money Market Funds	61747C707	MS INSTL GOVT FUND	12/31/12	7/1/13	0.00	0.05	\$ 160,047,099	\$ 160,047,099	\$ 160,047,099	\$ 160,047,099
Money Market Funds	09248U718	BLACKROCK T-FUND INSTL	1/15/13	7/1/13	0.00	0.01	125,000,000	125,000,000	125,000,000	125,000,000
Money Market Funds	316175108	FIDELITY INSTL GOVT PORT	6/20/13	7/1/13	0.00	0.01	75,000,000	75,000,000	75,000,000	75,000,000
Subtotals					0.00	0.03	\$ 360,047,099	\$ 360,047,099	\$ 360,047,099	\$ 360,047,099
Grand Totals					2.08	1.00	\$ 6,134,150,099	\$ 6,154,595,034	\$ 6,147,518,622	\$ 6,147,933,215

Monthly Investment Earnings

Pooled Fund

For month ended June 30, 2013

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle Date	Maturity Date	Earned Interest	Amort. Expense	Realized Gain/(Loss)	Earned Income /Net Earnings
U.S. Treasuries	912828JT8	US TSY NT	\$ -	2.00	0.62	6/1/11	11/30/13	\$ 31,421	\$ 681,810	\$ (645,508)	\$ 67,723
U.S. Treasuries	912828PQ7	US TSY NT	25,000,000	1.00	0.65	6/1/11	1/15/14	20,718	(7,087)	-	13,631
U.S. Treasuries	912828LC2	US TSY NT	25,000,000	2.63	0.85	6/1/11	7/31/14	54,385	(35,886)	-	18,499
U.S. Treasuries	912828MW7	US TSY NT	50,000,000	2.50	0.48	2/24/12	3/31/15	102,459	(82,373)	-	20,086
U.S. Treasuries	912828PE4	US TSY NT	25,000,000	1.25	0.61	12/23/11	10/31/15	25,476	(12,984)	-	12,492
U.S. Treasuries	912828PJ3	US TSY NT	50,000,000	1.38	1.58	12/16/10	11/30/15	56,352	7,964	-	64,316
U.S. Treasuries	912828PJ3	US TSY NT	50,000,000	1.38	1.58	12/16/10	11/30/15	56,352	7,964	-	64,316
U.S. Treasuries	912828PJ3	US TSY NT	50,000,000	1.38	2.00	12/23/10	11/30/15	56,352	24,308	-	80,661
U.S. Treasuries	912828QF0	US TSY NT	-	2.00	0.91	3/15/12	4/30/16	35,326	646,486	(128,906)	552,906
U.S. Treasuries	912828RJ1	US TSY NT	75,000,000	1.00	1.05	10/11/11	9/30/16	61,475	2,807	-	64,282
U.S. Treasuries	912828SJ0	US TSY NT	100,000,000	0.88	0.94	3/14/12	2/28/17	71,332	5,044	-	76,376
U.S. Treasuries	912828SJ0	US TSY NT	25,000,000	0.88	1.21	3/21/12	2/28/17	17,833	6,655	-	24,488
U.S. Treasuries	912828SJ0	US TSY NT	25,000,000	0.88	1.21	3/21/12	2/28/17	17,833	6,655	-	24,488
U.S. Treasuries	912828SM3	US TSY NT	50,000,000	1.00	1.07	4/4/12	3/31/17	40,984	2,701	-	43,685
U.S. Treasuries	912828TM2	US TSY NT	60,000,000	0.63	0.69	9/17/12	8/31/17	30,571	3,187	-	33,758
U.S. Treasuries	912828TS9	US TSY NT	25,000,000	0.63	0.73	10/18/12	9/30/17	12,807	2,139	-	14,946
U.S. Treasuries	912828UE8	US TSY NT	50,000,000	0.75	0.80	1/4/13	12/31/17	31,060	1,865	-	32,926
U.S. Treasuries	912828UZ1	US TSY NT	50,000,000	0.63	0.81	5/13/13	4/30/18	25,476	7,433	-	32,909
U.S. Treasuries	912828UZ1	US TSY NT	75,000,000	0.63	0.87	5/24/13	4/30/18	38,213	15,022	-	53,236
U.S. Treasuries	912828UZ1	US TSY NT	50,000,000	0.63	0.98	5/29/13	4/30/18	25,476	14,021	-	39,496
Subtotals			\$ 860,000,000					\$ 811,902	\$ 1,297,730	\$ (774,414)	\$ 1,335,218
Federal Agencies	3134G2B50	FHLMC FRN FF+23	\$ 50,000,000	0.32	0.48	9/1/11	9/3/13	\$ 13,538	\$ 839	\$ -	\$ 14,377
Federal Agencies	313380NQ6	FHLB FLT NT FF+5	50,000,000	0.15	0.10	12/4/12	9/6/13	6,157	(625)	-	5,532
Federal Agencies	3134G2K43	FHLMC FLT NT FF+21	-	0.31	0.55	9/13/11	9/12/13	9,750	(26,197)	54,900	38,453
Federal Agencies	31315PLT4	FARMER MAC	35,000,000	1.25	1.30	12/6/10	12/6/13	36,458	1,322	-	37,780
Federal Agencies	313379QY8	FHLB FLT NT FF+9	-	0.19	0.09	11/30/12	12/20/13	2,931	5,714	(7,272)	1,373
Federal Agencies	313379QY8	FHLB FLT NT FF+9	-	0.19	0.10	12/12/12	12/20/13	5,806	9,612	(12,417)	3,002
Federal Agencies	31331J6A6	FFCB	22,000,000	1.30	1.31	12/23/10	12/23/13	23,833	188	-	24,022
Federal Agencies	313371UC8	FHLB	40,000,000	0.88	0.93	11/18/10	12/27/13	29,167	1,903	-	31,070
Federal Agencies	3135G0AZ6	FNMA FRN QTR T-BILL+21	25,000,000	0.26	0.34	3/4/11	3/4/14	5,311	411	-	5,722
Federal Agencies	3135G0AZ6	FNMA FRN QTR T-BILL+21	25,000,000	0.26	0.30	3/4/11	3/4/14	5,311	205	-	5,516
Federal Agencies	313379RV3	FHLB FLT NT FF+12	50,000,000	0.21	0.25	6/11/12	3/11/14	8,847	625	-	9,473
Federal Agencies	31398A3R1	FNMA AMORT TO CALL	24,500,000	1.35	1.27	11/10/10	3/21/14	27,563	-	-	27,563
Federal Agencies	31315PHX0	FARMER MAC MTN	14,080,000	3.15	0.50	4/10/12	6/5/14	36,960	(30,465)	-	6,495
Federal Agencies	3133XWE70	FHLB TAP	48,000,000	2.50	0.40	5/15/12	6/13/14	100,000	(82,549)	-	17,451
Federal Agencies	3133724E1	FHLB	50,000,000	1.21	1.21	12/31/10	6/30/14	50,417	-	-	50,417
Federal Agencies	3137EACU1	FHLMC BONDS	75,000,000	1.00	1.02	6/2/11	7/30/14	62,500	1,404	-	63,904
Federal Agencies	3134G2UA8	FHLMC NT	28,000,000	1.00	0.67	12/1/11	8/20/14	23,333	(7,485)	-	15,849
Federal Agencies	31398A3G5	FNMA EX-CALL NT	13,200,000	1.50	0.51	4/4/12	9/8/14	16,500	(10,661)	-	5,839
Federal Agencies	31315PRZ4	FARMER MAC MTN	18,000,000	0.24	0.26	4/9/13	10/1/14	3,638	200	-	3,838
Federal Agencies	3136FTRF8	FNMA FLT QTR FF+39	26,500,000	0.48	0.42	12/12/11	11/21/14	10,681	(658)	-	10,023
Federal Agencies	31331J4S9	FFCB	24,000,000	1.40	1.41	12/16/10	12/8/14	28,000	248	-	28,248
Federal Agencies	31331J4S9	FFCB	19,000,000	1.40	1.46	12/8/10	12/8/14	22,167	890	-	23,056
Federal Agencies	313371W51	FHLB	75,000,000	1.25	1.46	12/8/10	12/12/14	78,125	12,471	-	90,596
Federal Agencies	3133XVNU1	FHLB	25,400,000	2.75	1.30	11/23/10	12/12/14	58,208	(29,358)	-	28,851
Federal Agencies	3133XVNU1	FHLB	2,915,000	2.75	1.31	11/23/10	12/12/14	6,680	(3,338)	-	3,342
Federal Agencies	3133XVNU1	FHLB	50,000,000	2.75	1.37	12/8/10	12/12/14	114,583	(54,758)	-	59,826
Federal Agencies	313371W93	FHLB	75,000,000	1.34	1.34	12/15/10	12/15/14	83,750	-	-	83,750

Monthly Investment Earnings

Pooled Fund

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle Date	Maturity Date	Earned Interest	Amort. Expense	Realized Gain/(Loss)	Earned Income /Net Earnings
Federal Agencies	3136FTVN6	FNMA FLT QTR FF+35	75,000,000	0.44	0.44	12/15/11	12/15/14	29,704	-	-	29,704
Federal Agencies	3135G0GM9	FNMA CALL NT	25,000,000	0.83	0.77	12/23/11	12/23/14	17,188	(1,642)	-	15,546
Federal Agencies	3135G0GM9	FNMA GLOBAL CALL	10,000,000	0.83	0.58	3/28/13	12/23/14	6,875	(4,744)	-	2,131
Federal Agencies	31331J6Q1	FFCB	27,175,000	1.72	1.74	12/29/10	12/29/14	38,951	368	-	39,319
Federal Agencies	31331J6Q1	FFCB	65,000,000	1.72	1.72	12/29/10	12/29/14	93,167	214	-	93,380
Federal Agencies	3133EAQ35	FFCB FLT NT FF+14	100,000,000	0.24	0.28	9/4/12	3/4/15	19,776	2,493	-	22,269
Federal Agencies	3133EAJP4	FFCB FLT NT 1ML+1.5	50,000,000	0.21	0.22	4/30/12	4/27/15	8,684	203	-	8,888
Federal Agencies	31315PWJ4	FARMER MAC FLT NT FF+26	50,000,000	0.36	0.36	5/3/12	5/1/15	14,901	-	-	14,901
Federal Agencies	3133EANJ3	FFCB BD	-	0.50	0.54	5/1/12	5/1/15	8,333	(20,252)	163,500	151,581
Federal Agencies	3133EAQC5	FFCB FLT NT 1ML+1	50,000,000	0.20	0.22	6/8/12	5/14/15	8,558	407	-	8,965
Federal Agencies	3133EAVE5	FFCB FLT NT 1ML+2	50,000,000	0.21	0.23	12/5/12	6/22/15	8,968	410	-	9,378
Federal Agencies	31315PTR0	FARMER MAC MTN CALL	20,000,000	0.50	0.49	4/26/13	8/28/15	8,333	(968)	-	7,366
Federal Agencies	3137EACM9	FHLMC BONDS	50,000,000	1.75	2.17	12/15/10	9/10/15	72,917	16,474	-	89,391
Federal Agencies	313370JB5	FHLB	75,000,000	1.75	2.31	12/15/10	9/11/15	109,375	24,489	-	133,864
Federal Agencies	31315PGT0	FARMER MAC	45,000,000	2.13	2.17	9/15/10	9/15/15	79,688	1,397	-	81,085
Federal Agencies	3133ECJB1	FFCB FLT NT QTR TBILL+16	50,000,000	0.21	0.21	4/16/13	9/18/15	8,397	-	-	8,397
Federal Agencies	3133ECJB1	FFCB FLT NT QTR T-BILL+16	16,200,000	0.21	0.22	4/24/13	9/18/15	2,721	66	-	2,787
Federal Agencies	31398A3T7	FNMA NT EX-CALL	25,000,000	2.00	1.08	10/14/11	9/21/15	41,667	(18,380)	-	23,287
Federal Agencies	3133EAJF6	FFCB FLT NT 1ML+2.5	27,953,000	0.22	0.24	11/30/12	9/22/15	5,130	347	-	5,477
Federal Agencies	31398A4M1	FNMA	25,000,000	1.63	2.22	12/15/10	10/26/15	33,854	11,529	-	45,383
Federal Agencies	31398A4M1	FNMA	42,000,000	1.63	2.19	12/23/10	10/26/15	56,875	18,251	-	75,126
Federal Agencies	3136G1LX5	FNMA NT CALL	24,610,000	0.32	0.32	5/15/13	11/13/15	6,563	-	-	6,563
Federal Agencies	31331J2S1	FFCB	25,000,000	1.50	2.20	12/15/10	11/16/15	31,250	13,573	-	44,823
Federal Agencies	3133ECLZ5	FFCB FLT NT MONTHLY 1ML+0	25,000,000	0.19	0.20	5/8/13	11/19/15	4,065	97	-	4,162
Federal Agencies	313371ZY5	FHLB	25,000,000	1.88	1.89	12/3/10	12/11/15	39,063	294	-	39,357
Federal Agencies	313371ZY5	FHLB	50,000,000	1.88	1.93	12/14/10	12/11/15	78,125	2,115	-	80,240
Federal Agencies	3133ECP57	FFCB FLT NT 1ML+0	50,000,000	0.20	0.21	5/20/13	2/10/16	8,300	392	-	8,692
Federal Agencies	313375RN9	FHLB NT	22,200,000	1.00	0.82	4/13/12	3/11/16	18,500	(3,311)	-	15,189
Federal Agencies	3133EAJU3	FFCB NT	25,000,000	1.05	0.82	4/12/12	3/28/16	21,875	(4,580)	-	17,295
Federal Agencies	31315PTF6	FAMCA FLT MTN 1ML+0	50,000,000	0.19	0.19	4/1/13	4/1/16	8,074	-	-	8,074
Federal Agencies	3133792Z1	FHLB NT	20,000,000	0.81	0.82	4/18/12	4/18/16	13,500	160	-	13,660
Federal Agencies	3135G0RZ8	FNMA CALL NT	22,540,000	0.55	0.55	11/30/12	5/26/16	10,331	-	-	10,331
Federal Agencies	313373ZN5	FHLB	35,000,000	2.03	2.03	6/6/11	6/6/16	59,208	-	-	59,208
Federal Agencies	31315PB73	FAMCA NT	10,000,000	0.90	0.90	2/9/12	6/9/16	7,500	-	-	7,500
Federal Agencies	313771AA5	FHLB SUB NT	16,925,000	5.63	0.65	5/20/13	6/13/16	79,336	(68,247)	-	11,089
Federal Agencies	313771AA5	FHLB SUB NT	14,195,000	5.63	0.77	5/30/13	6/13/16	66,539	(55,786)	-	10,753
Federal Agencies	31315PA25	FAMCA NT	15,000,000	2.00	2.09	7/27/11	7/27/16	25,000	1,071	-	26,071
Federal Agencies	31315PA25	FAMCA MTN	14,100,000	2.00	0.63	3/26/13	7/27/16	23,500	(15,633)	-	7,867
Federal Agencies	31315PA25	FAMCA MTN	11,900,000	2.00	0.62	3/26/13	7/27/16	19,833	(13,302)	-	6,532
Federal Agencies	313370TW8	FHLB BD	25,000,000	2.00	1.39	10/11/11	9/9/16	41,667	(12,157)	-	29,510
Federal Agencies	3135G0CM3	FNMA NT	25,000,000	1.25	1.37	10/11/11	9/28/16	26,042	2,374	-	28,416
Federal Agencies	3134G3P38	FHLMC NT CALL	75,000,000	0.75	0.72	12/14/12	10/5/16	46,875	(10,530)	-	36,345
Federal Agencies	3135G0ES8	FNMA NT	50,000,000	1.38	1.25	12/14/11	11/15/16	57,292	(5,157)	-	52,134
Federal Agencies	313381GA7	FHLB NT	23,100,000	0.57	0.57	11/30/12	11/30/16	10,973	(90)	-	10,882
Federal Agencies	313371PV2	FHLB NT	-	1.63	0.57	12/6/12	12/9/16	30,807	263,986	(885,675)	(590,882)
Federal Agencies	313381KR5	FHLB NT CALL	13,500,000	0.63	0.63	12/28/12	12/28/16	7,031	-	-	7,031
Federal Agencies	313381KR5	FHLB NT CALL	9,000,000	0.63	0.63	12/28/12	12/28/16	4,688	-	-	4,688
Federal Agencies	3136FTU20	FNMA CALL NT	50,000,000	1.40	1.41	12/30/11	12/30/16	58,333	411	-	58,744
Federal Agencies	3134G33C2	FHLMC NT	50,000,000	0.60	0.60	1/3/13	1/3/17	25,000	-	-	25,000
Federal Agencies	3133ECB37	FFCB NT	14,000,000	0.58	0.58	12/20/12	1/12/17	6,767	-	-	6,767

Monthly Investment Earnings

Pooled Fund

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle Date	Maturity Date	Earned Interest	Amort. Expense	Realized Gain/(Loss)	Earned Income /Net Earnings
Federal Agencies	31315PWW5	FARMER MAC MTN	49,500,000	1.01	1.02	5/4/12	1/17/17	41,663	432	-	42,094
Federal Agencies	3136FTL31	FNMA STEP BD CALL	30,765,000	0.75	0.68	4/30/12	2/7/17	19,228	(4,985)	-	14,243
Federal Agencies	3133786Q9	FHLB NT	67,780,000	1.00	0.72	1/10/13	2/13/17	56,483	(15,380)	-	41,103
Federal Agencies	3137EADC0	FHLMC NT	50,000,000	1.00	1.13	3/12/12	3/8/17	41,667	4,981	-	46,647
Federal Agencies	3133782N0	FHLB NT	14,845,000	0.88	1.08	3/12/12	3/10/17	10,824	2,417	-	13,242
Federal Agencies	3133782N0	FHLB NT	55,660,000	0.88	1.06	3/12/12	3/10/17	40,585	8,272	-	48,857
Federal Agencies	31315PTQ2	FARMER MAC MTN	12,500,000	1.26	1.36	4/10/12	4/10/17	13,125	998	-	14,123
Federal Agencies	3133ECLL6	FFCB NT	10,000,000	0.60	0.60	4/17/13	4/17/17	5,000	-	-	5,000
Federal Agencies	3136G0CC3	FNMA STRNT	30,000,000	0.85	0.85	4/18/12	4/18/17	21,250	-	-	21,250
Federal Agencies	31315PUQ0	FARMER MAC MTN	10,500,000	1.13	1.13	4/26/12	4/26/17	9,844	-	-	9,844
Federal Agencies	3133794Y2	FHLB FIX-TO-FLOAT CALL NT	25,000,000	0.50	0.50	5/9/12	5/9/17	10,417	-	-	10,417
Federal Agencies	3137EADF3	FHLMC NT	25,000,000	1.25	1.14	5/14/12	5/12/17	26,042	(2,188)	-	23,854
Federal Agencies	3136G0GW5	FNMA STEP NT CALL	50,000,000	0.85	0.73	6/11/12	5/23/17	35,417	(12,257)	-	23,159
Federal Agencies	31315PZQ5	FARMER MAC MTN	9,000,000	1.11	0.80	12/28/12	6/5/17	8,325	(2,262)	-	6,063
Federal Agencies	3133EAUW6	FFCB FLT NT FF+22	50,000,000	0.32	0.32	6/19/12	6/19/17	12,889	-	-	12,889
Federal Agencies	3134G3ZN3	FHLMC CALL NT	29,000,000	2.00	1.93	5/21/13	7/17/17	48,333	(43,821)	-	4,513
Federal Agencies	3136G0ZA2	FNMA STEP NT	15,000,000	0.75	0.75	9/12/12	9/12/17	9,375	-	-	9,375
Federal Agencies	3136G0B59	FNMA STEP NT	64,750,000	0.70	0.70	9/20/12	9/20/17	37,771	-	-	37,771
Federal Agencies	3136G0D81	FNMA STEP NT	100,000,000	0.72	0.72	9/27/12	9/27/17	60,000	-	-	60,000
Federal Agencies	3136G0Y39	FNMA STEP NT	50,000,000	0.63	0.63	11/8/12	11/8/17	26,042	-	-	26,042
Federal Agencies	3134G44F2	FHLMC CALL MTN	50,000,000	0.80	0.80	5/21/13	11/21/17	33,333	-	-	33,333
Federal Agencies	3135G0RT2	FNMA NT	50,000,000	0.88	0.91	1/10/13	12/20/17	36,458	1,371	-	37,830
Federal Agencies	3135G0RT2	FNMA GLOBAL	100,000,000	0.88	1.02	1/29/13	12/20/17	72,917	11,914	-	84,830
Federal Agencies	3136G13T4	FNMA STEP NT	39,000,000	0.75	0.75	12/26/12	12/26/17	24,375	-	-	24,375
Federal Agencies	3136G13Q0	FNMA STEP NT	29,000,000	0.75	0.75	12/26/12	12/26/17	18,125	-	-	18,125
Federal Agencies	3134G32W9	FHLMC MTN CALL	33,600,000	1.25	1.01	12/26/12	12/26/17	35,000	(21,459)	-	13,541
Federal Agencies	3134G32W9	FHLMC MTN CALL	50,000,000	1.25	1.00	12/26/12	12/26/17	52,083	(33,181)	-	18,902
Federal Agencies	3134G32M1	FHLMC CALL NT	50,000,000	1.00	1.00	12/28/12	12/28/17	41,667	-	-	41,667
Federal Agencies	3136G1FK0	FNMA NT CALL	21,500,000	1.60	1.36	3/13/13	3/13/18	28,667	(20,075)	-	8,592
Federal Agencies	3136G1GG8	FNMA NT CALL	17,900,000	1.50	1.29	3/19/13	3/19/18	22,375	(14,712)	-	7,663
Federal Agencies	3136G1J67	FNMA NT CALL	25,000,000	1.50	1.29	4/9/13	4/9/18	31,250	(20,466)	-	10,784
Federal Agencies	3136G1KN8	FNMA NT CALL	50,000,000	1.50	1.13	4/24/13	4/24/18	62,500	(37,110)	-	25,390
Federal Agencies	3136G1K81	FNMA NT STEP	12,600,000	0.75	0.75	4/30/13	4/30/18	7,875	-	-	7,875
Federal Agencies	31315PZM4	FARMER MAC STEP NT	24,600,000	0.70	0.70	5/3/13	5/3/18	14,350	-	-	14,350
Federal Agencies	313382XK4	FHLB STEP NT	25,000,000	0.50	0.50	5/7/13	5/7/18	10,417	-	-	10,417
Federal Agencies	3133ECPB4	FFCB NT	10,000,000	0.88	1.01	5/23/13	5/14/18	7,292	1,080	-	8,371
Federal Agencies	313383AS0	FHLB NT CALL	50,000,000	1.40	1.25	5/21/13	5/21/18	58,333	(6,145)	-	52,189
Federal Agencies	3135G0WJ8	FNMA NT	25,000,000	0.88	1.05	5/23/13	5/21/18	18,229	3,512	-	21,741
Federal Agencies	3133834P3	FHLB STEP NT	50,000,000	0.50	0.50	5/22/13	5/22/18	20,833	-	-	20,833
Subtotals			\$ 3,997,493,000					\$ 3,510,670	\$ (282,782)	\$ (686,963)	\$ 2,540,924

State/Local Agencies	130583ET0	CALIFORNIA SCHOOL CASH PROG	\$ -	2.00	0.26	7/2/12	6/3/13	\$ 689	\$ (589)	\$ -	\$ 100
State/Local Agencies	107889RL3	TOWNSHIP OF BRICK NJ BAN	23,915,000	1.00	0.50	7/26/12	7/26/13	19,929	(9,769)	-	10,160
State/Local Agencies	612574DN0	MONTEREY COMM COLLEGE DIST	255,000	0.34	0.34	5/7/13	8/1/13	71	-	-	71
State/Local Agencies	022168KZ0	ALUM ROCK ESD SAN JOSE CA	1,665,000	0.80	0.80	7/13/12	9/1/13	1,110	-	-	1,110
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	15,000,000	2.61	0.53	3/29/12	3/15/14	32,563	(25,404)	-	7,159
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	11,115,000	2.61	0.42	6/8/12	3/15/14	24,129	(19,888)	-	4,241
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	8,150,000	2.61	0.42	6/8/12	3/15/14	17,692	(14,583)	-	3,109
State/Local Agencies	463655GW4	IRVINE RANCH CA WTR PRE-RE	2,000,000	2.61	0.32	4/29/13	3/15/14	4,342	(3,750)	-	592
State/Local Agencies	13063A5B6	CALIFORNIA ST GO BD	2,820,000	5.25	1.04	5/2/12	4/1/14	12,338	(9,629)	-	2,708

Monthly Investment Earnings

Pooled Fund

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State/Local Agencies	13063A5B6	CALIFORNIA ST GO BD	10,000,000	5.25	0.45	4/8/13	4/1/14	43,750	(39,302)	-	4,448
State/Local Agencies	13063A5B6	CALIFORNIA ST GO BD	7,270,000	5.25	0.39	5/3/13	4/1/14	31,806	(28,916)	-	2,890
State/Local Agencies	62451FFC9	WHISMAN SCHOOL DIST MTN VIEW	1,125,000	0.75	0.75	7/24/12	8/1/14	704	-	-	704
State/Local Agencies	612574DP5	MONTEREY COMM COLLEGE GO	310,000	0.43	0.43	5/7/13	8/1/14	111	-	-	111
State/Local Agencies	64966DPC7	NEW YORK CITY GO	8,000,000	4.75	0.68	6/7/12	11/1/14	31,667	(26,501)	-	5,165
State/Local Agencies	13063BN65	CALIFORNIA ST TAXABLE GO BD	10,000,000	0.85	0.64	3/27/13	2/1/15	7,083	(1,686)	-	5,397
State/Local Agencies	649791JS0	NEW YORK ST TAXABLE GO	4,620,000	0.39	0.40	3/21/13	3/1/15	1,502	39	-	1,541
State/Local Agencies	91412GPW9	UNIV OF CALIFORNIA REVENUE BC	5,000,000	0.39	0.39	3/14/13	5/15/15	1,633	-	-	1,633
State/Local Agencies	612574DQ3	MONTEREY COMM COLLEGE GO	315,000	0.63	0.63	5/7/13	8/1/15	165	-	-	165
State/Local Agencies	64966GSX6	NEW YORK CITY TAXABLE GO	12,255,000	5.13	0.66	4/1/13	12/1/15	52,390	(44,522)	-	7,868
State/Local Agencies	13063BN73	CALIFORNIA ST TAXABLE GO BD	11,000,000	1.05	0.93	3/27/13	2/1/16	9,625	(1,071)	-	8,554
State/Local Agencies	612574DR1	MONTEREY COMM COLLEGE GO	2,670,000	0.98	0.98	5/7/13	8/1/16	2,185	-	-	2,185
Subtotals			\$ 137,485,000					\$ 295,484	\$ (225,572)	\$ -	\$ 69,912
Public Time Deposits		TRANS PACIFIC NATIONAL BANK P	\$ 240,000	0.49	0.49	2/7/13	2/7/14	\$ 96	\$ -	\$ -	\$ 96
Public Time Deposits		BANK OF SAN FRANCISCO PTD	240,000	0.47	0.47	4/9/13	4/9/14	94	-	-	94
Public Time Deposits		FIRST NAT. BANK OF NOR. CAL. PT	240,000	0.48	0.48	4/9/13	4/9/14	96	-	-	96
Subtotals			\$ 720,000					\$ 286	\$ -	\$ -	\$ 286
Negotiable CDs	60682ACJ3	MITSUBISHI UFJ YCD	\$ -	0.31	0.31	12/6/12	6/4/13	\$ 1,292	\$ -	\$ -	\$ 1,292
Negotiable CDs	06417E2P7	BANK OF NOVA SCOTIA FF+38	-	0.47	0.47	6/7/12	6/7/13	1,979	-	-	1,979
Negotiable CDs	06417FRB8	BANK OF NOVA SCOTIA YCD	-	0.19	0.19	3/22/13	6/21/13	7,917	-	-	7,917
Negotiable CDs	06538F2N3	BANK OF TOKYO MITSUBISHI NY YI	125,000,000	0.12	0.12	6/24/13	7/1/13	2,917	-	-	2,917
Negotiable CDs	06366AAZ5	BANK OF MONTREAL YCD	50,000,000	0.14	0.14	5/21/13	7/22/13	5,833	-	-	5,833
Negotiable CDs	06417FAY6	BANK OF NOVA SCOTIA YCD	50,000,000	0.38	0.38	9/4/12	8/30/13	15,833	-	-	15,833
Negotiable CDs	96121TQW1	WESTPAC NY FLT YCD 1ML+14	50,000,000	0.33	0.17	3/25/13	11/21/13	13,961	(4,170)	-	9,790
Negotiable CDs	78009NMC7	RBC YCD FF+22	75,000,000	0.31	0.31	3/26/13	3/26/14	19,688	-	-	19,688
Negotiable CDs	78009NNK8	RBC FLT YCD 1ML+11	25,000,000	0.30	0.30	6/24/13	6/24/14	1,473	-	-	1,473
Subtotals			\$ 375,000,000					\$ 70,891	\$ (4,170)	\$ -	\$ 66,721
Commercial Paper	89233GTM8	TOYOTA MOTOR CREDIT CORP CP	\$ -	0.00	0.09	5/21/13	6/21/13	\$ 5,000	\$ -	\$ -	\$ 5,000
Subtotals			\$ -					\$ 5,000	\$ -	\$ -	\$ 5,000
Medium Term Notes	36962G3F9	GE CAPITAL CORP MTN	\$ 3,700,000	5.40	0.27	3/27/13	9/20/13	\$ 16,650	\$ (15,452)	\$ -	\$ 1,198
Medium Term Notes	78008KNA7	RBC MTN	30,580,000	1.13	0.30	1/30/13	1/15/14	28,669	(20,573)	-	8,095
Medium Term Notes	46623ECT4	JP MORGAN CHASE MTN	12,345,000	5.38	0.34	3/13/13	1/15/14	55,295	(50,623)	-	4,673
Medium Term Notes	46623EJE0	JPMORGAN CHASE MTN	32,755,000	2.05	0.38	3/1/13	1/24/14	55,956	(44,709)	-	11,247
Medium Term Notes	46623EJE0	JP MORGAN CHASE MTN	2,050,000	2.05	0.35	3/13/13	1/24/14	3,502	(2,848)	-	654
Medium Term Notes	854403AA0	STANFORD UNIVERSITY MTN	6,500,000	3.63	0.27	4/26/13	5/1/14	19,635	(17,866)	-	1,769
Medium Term Notes	854403AA0	STANFORD UNIVERSITY MTN	5,000,000	3.63	0.27	4/26/13	5/1/14	15,104	(13,743)	-	1,361
Medium Term Notes	46623EJH3	JP MORGAN CHASE FLT MTN 3ML+	27,475,000	1.03	0.32	5/2/13	5/2/14	23,585	(15,963)	-	7,622
Medium Term Notes	36962GX46	GE CAPITAL CORP MTN	25,000,000	5.65	0.44	4/9/13	6/9/14	117,708	(106,690)	-	11,018
Medium Term Notes	59217EBW3	MET LIFE GLOBAL FUNDING MTN	10,000,000	5.13	0.49	11/13/12	6/10/14	42,708	(37,942)	-	4,767
Medium Term Notes	64952WBL6	NEW YORK LIFE MTN 3ML+0	3,000,000	0.30	0.29	3/27/13	7/30/14	754	(39)	-	715
Medium Term Notes	89233P7B6	TOYOTA MTN 3ML+17	10,000,000	0.44	0.41	1/28/13	12/5/14	3,706	(209)	-	3,498
Medium Term Notes	36962G6T6	GE FLT NT 3ML+38	25,000,000	0.66	0.66	1/10/13	1/9/15	13,738	-	-	13,738
Medium Term Notes	78008SVS2	RBC MTN FIX-TO-FLT	100,000,000	0.50	0.50	1/22/13	1/22/15	41,667	-	-	41,667
Medium Term Notes	89233P7H3	TOYOTA MTN 3ML+17	35,000,000	0.45	0.45	1/23/13	1/23/15	13,011	-	-	13,011
Medium Term Notes	89233P7L4	TOYOTA MTN FIX-TO-FLOAT	25,000,000	0.50	0.50	2/4/13	2/4/15	10,417	-	-	10,417

Monthly Investment Earnings Pooled Fund

<u>Type of Investment</u>	<u>CUSIP</u>	<u>Issue Name</u>	<u>Par Value</u>	<u>Coupon</u>	<u>YTM¹</u>	<u>Settle Date</u>	<u>Maturity Date</u>	<u>Earned Interest</u>	<u>Amort. Expense</u>	<u>Realized Gain/(Loss)</u>	<u>Earned Income /Net Earnings</u>
Medium Term Notes	89236TAG0	TOYOTA MOTOR CREDIT CORP 3M	50,000,000	0.42	0.42	4/12/13	4/8/15	17,680	-	-	17,680
Subtotals			\$ 403,405,000					\$ 479,786	\$ (326,657)	\$ -	\$ 153,129
Money Market Funds	61747C707	MS INSTL GOVT FUND	\$ 160,047,099	0.05	0.05	12/31/12	7/1/13	\$ 3,934	\$ -	\$ -	\$ 3,934
Money Market Funds	09248U718	BLACKROCK T-FUND INSTL	125,000,000	0.01	0.01	1/15/13	7/1/13	522	-	-	522
Money Market Funds	316175108	FIDELITY INSTL GOVT PORT	75,000,000	0.01	0.01	6/20/13	7/1/13	212	-	-	212
Subtotals			\$ 360,047,099					\$ 4,668	\$ -	\$ -	\$ 4,668
Grand Totals			\$ 6,134,150,099					\$ 5,178,686	\$ 458,549	\$ (1,461,377)	\$ 4,175,858

¹ Yield to maturity is calculated at purchase

Investment Transactions

Pooled Fund

For month ended June 30, 2013

Transaction	Settle Date	Maturity	Type of Investment	Issuer Name	CUSIP	Par Value	Coupon	YTM	Price	Interest	Transaction
Purchase	6/20/2013	7/1/2013	Money Market Funds	MS INSTL GOVT FUND	61747C707	\$ 50,000,000	0.05	0.05	\$ 100.00	\$ -	\$ 50,000,000
Purchase	6/20/2013	7/1/2013	Money Market Funds	BLACKROCK T-FUND INSTL	09248U718	25,000,000	0.01	0.01	100.00	-	25,000,000
Purchase	6/20/2013	7/1/2013	Money Market Funds	FIDELITY INSTL GOVT PORT	316175108	25,000,000	0.01	0.01	100.00	-	25,000,000
Purchase	6/21/2013	7/1/2013	Money Market Funds	MS INSTL GOVT FUND	61747C707	75,000,000	0.05	0.05	100.00	-	75,000,000
Purchase	6/21/2013	7/1/2013	Money Market Funds	BLACKROCK T-FUND INSTL	09248U718	75,000,000	0.01	0.01	100.00	-	75,000,000
Purchase	6/21/2013	7/1/2013	Money Market Funds	FIDELITY INSTL GOVT PORT	316175108	50,000,000	0.01	0.01	100.00	-	50,000,000
Purchase	6/24/2013	6/24/2014	Negotiable CDs	RBC FLT YCD 1ML+11	78009NNK8	25,000,000	0.30	0.30	100.00	-	25,000,000
Purchase	6/24/2013	7/1/2013	Negotiable CDs	BANK OF TOKYO MITSUBISHI	06538F2N3	125,000,000	0.12	0.12	100.00	-	125,000,000
Purchase	6/30/2013	7/1/2013	Money Market Funds	MS INSTL GOVT FUND	61747C707	3,934	0.05	0.05	100.00	-	3,934
Subtotals						\$ 450,003,934	0.07	0.07	\$ 100.00	\$ -	\$ 450,003,934
Sale	6/13/2013	5/1/2015	Federal Agencies	FFCB BD	3133EANJ3	\$ 50,000,000	0.50	0.54	\$ 99.89	\$ 29,167	\$ 50,136,667
Sale	6/14/2013	4/30/2016	U.S. Treasuries	US TSY NT	912828QF0	50,000,000	2.00	0.91	104.40	122,283	52,192,595
Sale	6/14/2013	12/9/2016	Federal Agencies	FHLB NT	313371PV2	52,500,000	1.63	0.57	104.16	11,849	53,809,649
Sale	6/14/2013	7/1/2013	Money Market Funds	MS INSTL GOVT FUND	61747C707	40,000,000	0.05	0.05	100.00	-	40,000,000
Sale	6/14/2013	7/1/2013	Money Market Funds	BLACKROCK T-FUND INSTL	09248U718	10,000,000	0.01	0.01	100.00	-	10,000,000
Sale	6/24/2013	11/30/2013	U.S. Treasuries	US TSY NT	912828JT8	25,000,000	2.00	0.62	103.41	32,787	25,238,842
Sale	6/24/2013	9/12/2013	Federal Agencies	FHLMC FLT NT FF+21	3134G2K43	50,000,000	0.31	0.55	99.94	5,167	50,029,567
Sale	6/24/2013	12/20/2013	Federal Agencies	FHLB FLT NT FF+9	313379QY8	25,000,000	0.19	0.09	100.05	528	25,005,278
Sale	6/24/2013	12/20/2013	Federal Agencies	FHLB FLT NT FF+9	313379QY8	45,000,000	0.19	0.10	100.05	950	45,009,500
Subtotals						\$ 347,500,000	0.84	0.44	\$ 101.49	\$ 202,730	\$ 351,422,097
Maturity	6/3/2013	6/3/2013	State/Local Agencies	CALIFORNIA SCHOOL CASH P	130583ET0	\$ 6,200,000	2.00	0.26	\$ 101.60	\$ 114,011	\$ 6,314,011
Maturity	6/4/2013	6/4/2013	Negotiable CDs	mitsubishi UFJ YCD	60682ACJ3	50,000,000	0.31	0.31	100.00	77,500	50,077,500
Maturity	6/7/2013	6/7/2013	Negotiable CDs	BANK OF NOVA SCOTIA FF+3	06417E2P7	25,000,000	0.48	0.47	100.00	32,264	25,032,264
Maturity	6/21/2013	6/21/2013	Negotiable CDs	BANK OF NOVA SCOTIA YCD	06417FRB8	75,000,000	0.19	0.19	100.00	36,021	75,036,021
Maturity	6/21/2013	6/21/2013	Commercial Paper	TOYOTA MOTOR CREDIT CORP	89233GTM8	100,000,000	0.00	0.09	99.99	7,750	100,000,000
Subtotals						\$ 256,200,000	0.21	0.20	\$ 100.04	\$ 267,546	\$ 256,459,796
Interest	6/1/2013	4/1/2016	Federal Agencies	FAMCA FLT MTN 1ML+0	31315PTF6	\$ 50,000,000	0.20	0.20	\$ 100.00	\$ 8,534	\$ 8,534
Interest	6/1/2013	12/1/2015	State/Local Agencies	NEW YORK CITY TAXABLE GO	64966GXS6	12,255,000	5.13	0.66	111.80	104,780	314,341
Interest	6/3/2013	9/3/2013	Federal Agencies	FHLMC FRN FF+23	3134G2B50	50,000,000	0.34	0.46	99.96	46,222	46,222
Interest	6/3/2013	7/1/2013	Money Market Funds	BLACKROCK T-FUND INSTL	09248U718	35,000,000	0.01	0.01	100.00	388	388
Interest	6/4/2013	3/4/2014	Federal Agencies	FNMA FRN QTR T-BILL+21	3135G0AZ6	25,000,000	0.26	0.33	99.94	17,425	17,425
Interest	6/4/2013	3/4/2014	Federal Agencies	FNMA FRN QTR T-BILL+21	3135G0AZ6	25,000,000	0.26	0.29	99.97	17,425	17,425
Interest	6/4/2013	3/4/2015	Federal Agencies	FFCB FLT NT FF+14	3133EAQ35	100,000,000	0.25	0.29	99.92	69,389	69,389
Interest	6/5/2013	6/5/2014	Federal Agencies	FARMER MAC MTN	31315PHX0	14,080,000	3.15	0.50	105.67	221,760	221,760
Interest	6/5/2013	6/5/2017	Federal Agencies	FARMER MAC MTN	31315PZQ5	9,000,000	1.11	0.80	101.36	43,568	49,950
Interest	6/5/2013	12/5/2014	Medium Term Notes	TOYOTA MTN 3ML+17	89233P7B6	10,000,000	0.45	0.43	100.05	11,605	11,605
Interest	6/6/2013	12/6/2013	Federal Agencies	FARMER MAC	31315PLT4	35,000,000	1.25	1.30	99.86	218,750	218,750
Interest	6/6/2013	6/6/2016	Federal Agencies	FHLB	313373ZN5	35,000,000	2.03	2.03	100.00	355,250	355,250
Interest	6/6/2013	9/6/2013	Federal Agencies	FHLB FLT NT FF+5	313380NQ6	50,000,000	0.16	0.13	100.01	23,153	23,153
Interest	6/8/2013	12/8/2014	Federal Agencies	FFCB	31331J4S9	24,000,000	1.40	1.41	99.95	168,000	168,000
Interest	6/8/2013	12/8/2014	Federal Agencies	FFCB	31331J4S9	19,000,000	1.40	1.46	99.77	133,000	133,000
Interest	6/9/2013	6/9/2016	Federal Agencies	FAMCA NT	31315PB73	10,000,000	0.90	0.90	100.00	45,000	45,000
Interest	6/9/2013	12/9/2016	Federal Agencies	FHLB NT	313371PV2	52,500,000	1.63	0.57	104.16	426,563	426,563
Interest	6/9/2013	6/9/2014	Medium Term Notes	GE CAPITAL CORP MTN	36962GX41	25,000,000	5.65	0.44	106.06	235,417	706,250
Interest	6/10/2013	6/10/2014	Medium Term Notes	MET LIFE GLOBAL FUNDING	59217EBW3	10,000,000	5.13	0.49	107.26	256,250	256,250
Interest	6/10/2013	2/10/2016	Federal Agencies	FFCB FLT NT 1ML+0	3133ECP57	50,000,000	0.20	0.21	99.97	5,810	8,577
Interest	6/11/2013	12/11/2015	Federal Agencies	FHLB	313371ZY5	25,000,000	1.88	1.89	99.93	234,375	234,375
Interest	6/11/2013	12/11/2015	Federal Agencies	FHLB	313371ZY5	50,000,000	1.88	1.93	99.74	468,750	468,750
Interest	6/11/2013	3/11/2014	Federal Agencies	FHLB FLT NT FF+12	313379RV3	50,000,000	0.21	0.24	99.97	31,431	31,431

Investment Transactions Pooled Fund

Transaction	Settle Date	Maturity	Type of Investment	Issuer Name	CUSIP	Par Value	Coupon	YTM	Price	Interest	Transaction
Interest	6/12/2013	12/12/2014	Federal Agencies	FHLB	313371W51	75,000,000	1.25	1.46	99.19	468,750	468,750
Interest	6/12/2013	12/12/2014	Federal Agencies	FHLB	3133XVNU1	25,400,000	2.75	1.30	105.70	349,250	349,250
Interest	6/12/2013	12/12/2014	Federal Agencies	FHLB	3133XVNU1	2,915,000	2.75	1.31	105.65	40,081	40,081
Interest	6/12/2013	12/12/2014	Federal Agencies	FHLB	3133XVNU1	50,000,000	2.75	1.37	105.35	687,500	687,500
Interest	6/12/2013	9/12/2013	Federal Agencies	FHLMC FLT NT FF+21	3134G2K43	50,000,000	0.30	0.52	99.94	42,833	42,833
Interest	6/13/2013	6/13/2014	Federal Agencies	FHLB TAP	3133XWE70	48,000,000	2.50	0.40	104.35	600,000	600,000
Interest	6/13/2013	6/13/2016	Federal Agencies	FHLB SUB NT	313771AA5	16,925,000	5.63	0.65	115.05	60,824	476,016
Interest	6/13/2013	6/13/2016	Federal Agencies	FHLB SUB NT	313771AA5	14,195,000	5.63	0.77	114.54	28,834	399,234
Interest	6/14/2013	5/14/2015	Federal Agencies	FFCB FLT NT 1ML+1	3133EAQC5	50,000,000	0.21	0.22	99.97	9,007	9,007
Interest	6/15/2013	12/15/2014	Federal Agencies	FHLB	313371W93	75,000,000	1.34	1.34	100.00	502,500	502,500
Interest	6/15/2013	12/15/2014	Federal Agencies	FNMA FLT QTR FF+35	3136FTVN6	75,000,000	0.51	0.51	100.00	90,813	90,813
Interest	6/17/2013	5/2/2014	Medium Term Notes	JP MORGAN CHASE FLT MTN	46623EJH3	27,475,000	1.03	0.32	100.71	36,164	73,900
Interest	6/18/2013	9/18/2015	Federal Agencies	FFCB FLT NT QTR TBILL+16	3133ECJB1	50,000,000	0.20	0.20	100.00	17,730	27,325
Interest	6/18/2013	9/18/2015	Federal Agencies	FFCB FLT NT QTR T-BILL+1	3133ECJB1	16,200,000	0.20	0.20	99.99	4,980	8,853
Interest	6/19/2013	6/19/2017	Federal Agencies	FFCB FLT NT FF+22	3133EAUW6	50,000,000	0.30	0.30	100.00	43,556	43,556
Interest	6/19/2013	11/19/2015	Federal Agencies	FFCB FLT NT MONTHLY 1ML+	3133ECLZ5	25,000,000	0.20	0.20	99.99	4,267	4,267
Interest	6/20/2013	12/20/2013	Federal Agencies	FHLB FLT NT FF+9	313379QY8	25,000,000	0.18	0.10	100.05	13,424	13,424
Interest	6/20/2013	12/20/2013	Federal Agencies	FHLB FLT NT FF+9	313379QY8	45,000,000	0.20	0.12	100.05	24,162	24,162
Interest	6/20/2013	12/20/2017	Federal Agencies	FNMA NT	3135G0RT2	50,000,000	0.88	0.91	99.84	194,444	218,750
Interest	6/20/2013	12/20/2017	Federal Agencies	FNMA GLOBAL	3135G0RT2	100,000,000	0.88	1.02	99.29	342,708	437,500
Interest	6/21/2013	11/21/2013	Negotiable CDs	WESTPAC NY FLT YCD 1ML+1	96121TQW1	50,000,000	0.34	0.20	100.07	14,500	14,500
Interest	6/22/2013	9/22/2015	Federal Agencies	FFCB FLT NT 1ML+2.5	3133EAJF6	27,953,000	0.22	0.24	99.96	5,324	5,324
Interest	6/22/2013	6/22/2015	Federal Agencies	FFCB FLT NT 1ML+2	3133EAVE5	50,000,000	0.22	0.23	99.97	9,308	9,308
Interest	6/23/2013	12/23/2013	Federal Agencies	FFCB	31331J6A6	22,000,000	1.30	1.31	99.97	143,000	143,000
Interest	6/23/2013	12/23/2014	Federal Agencies	FNMA CALL NT	3135G0GM9	25,000,000	0.83	0.77	100.16	103,125	103,125
Interest	6/23/2013	12/23/2014	Federal Agencies	FNMA GLOBAL CALL	3135G0GM9	10,000,000	0.83	0.58	100.43	19,479	41,250
Interest	6/26/2013	12/26/2017	Federal Agencies	FNMA STEP NT	3136G13T4	39,000,000	0.75	0.75	100.00	146,250	146,250
Interest	6/26/2013	12/26/2017	Federal Agencies	FNMA STEP NT	3136G13Q0	29,000,000	0.75	0.75	100.00	108,750	108,750
Interest	6/26/2013	12/26/2017	Federal Agencies	FHLMC MTN CALL	3134G32W9	33,600,000	1.25	1.01	101.16	210,000	210,000
Interest	6/26/2013	12/26/2017	Federal Agencies	FHLMC MTN CALL	3134G32W9	50,000,000	1.25	1.00	101.21	312,500	312,500
Interest	6/26/2013	3/26/2014	Negotiable CDs	RBC YCD FF+22	78009NMC7	75,000,000	0.32	0.32	100.00	64,917	64,917
Interest	6/27/2013	12/27/2013	Federal Agencies	FHLB	313371UC8	40,000,000	0.88	0.93	99.82	175,000	175,000
Interest	6/27/2013	4/27/2015	Federal Agencies	FFCB FLT NT 1ML+1.5	3133EAJP4	50,000,000	0.21	0.22	99.99	8,968	8,968
Interest	6/28/2013	12/28/2017	Federal Agencies	FHLMC CALL NT	3134G32M1	50,000,000	1.00	1.00	100.00	250,000	250,000
Interest	6/28/2013	12/28/2016	Federal Agencies	FHLB NT CALL	313381KR5	13,500,000	0.63	0.63	100.00	42,188	42,188
Interest	6/28/2013	12/28/2016	Federal Agencies	FHLB NT CALL	313381KR5	9,000,000	0.63	0.63	100.00	28,125	28,125
Interest	6/29/2013	12/29/2014	Federal Agencies	FFCB	31331J6Q1	27,175,000	1.72	1.74	99.93	233,705	233,705
Interest	6/29/2013	12/29/2014	Federal Agencies	FFCB	31331J6Q1	65,000,000	1.72	1.72	99.98	559,000	559,000
Interest	6/30/2013	6/30/2014	Federal Agencies	FHLB	3133724E1	50,000,000	1.21	1.21	100.00	302,500	302,500
Interest	6/30/2013	12/30/2016	Federal Agencies	FNMA CALL NT	3136FTUZ0	50,000,000	1.40	1.41	99.95	350,000	350,000
Interest	6/30/2013	7/1/2013	Money Market Funds	MS INSTL GOVT FUND	61747C707	160,043,165	0.05	0.05	100.00	3,934	3,934
Interest	6/30/2013	12/31/2017	U.S. Treasuries	US TSY NT	912828UE8	50,000,000	0.75	0.80	99.77	183,356	187,500
Subtotals						\$ 2,613,216,165	0.96	0.70	\$ 100.65	\$ 9,978,598	\$ 11,649,949

Grand Totals	9	Purchases
	(9)	Sales
	(5)	Maturities / Calls
	(5)	Change in number of positions

Non-Pooled Investments

As of June 30, 2013

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
State/Local Agencies	797712AD8	SFRDA SOUTH BEACH HARBOR	1/20/12	12/1/16	3.24	3.50	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
Subtotals					3.24	3.50	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
Money Market Funds		CITI SWEEP	6/28/13	7/1/13	0.01	0.02	\$ 87,087,915	\$ 87,087,915	\$ 87,087,915	\$ 87,087,915
Subtotals					0.01	0.02	\$ 87,087,915	\$ 87,087,915	\$ 87,087,915	\$ 87,087,915
Grand Totals					0.17	0.19	\$ 91,587,915	\$ 91,587,915	\$ 91,587,915	\$ 91,587,915

NON-POOLED FUNDS PORTFOLIO STATISTICS

(in \$ million)	Current Month		Prior Month	
	Fiscal YTD	June 2013	Fiscal YTD	May 2013
Average Daily Balance	\$ 91,451,803	\$ 91,587,766	\$ 91,439,627	\$ 91,497,131
Net Earnings	\$ 202,824	\$ 14,576	\$ 188,248	\$ 16,363
Earned Income Yield	0.22%	0.19%	0.22%	0.21%

Note: All non-pooled securities were inherited by the City and County of San Francisco as successor agency to the San Francisco Redevelopment Agency. Book value and amortized book value are derived from limited information received from the SFRDA and are subject to verification.



MEMORANDUM

To: San Francisco Retiree Health Care Trust Fund Board
From: Mika Malone, Brad Regier, Stephen McCourt
Meketa Investment Group
Date: July 29, 2013
Re: Initial Priorities and Timeline

Thank you for hiring Meketa Investment Group as investment consultant to the San Francisco Retiree Health Care Trust Fund ("RHCTF"). This memorandum outlines suggested priorities for the Board to consider, as well as a timeline for these issues. This timeline can be adjusted to meet the needs of the Board.

INITIAL FUND REVIEW AND INITIAL PRIORITIES

Upon being hired by a new client, Meketa Investment Group undertakes a comprehensive Initial Fund Review, which is designed to achieve the following objectives:

- Identify and describe the major components and characteristics essential to the long-term success of an investment pool.
- Provide a brief review of these components and their present status for the RHCTFB.
- Develop an action plan for the RHCTFB, including a priority level for each project.

Since the RHCTF is a new fund, the Initial Fund Review may be used as more of a platform or guide from which we plan to address and discuss these issues. Meketa Investment Group has identified four priority areas to be addressed over the next twelve months.

1. Create an Investment Policy Statement.
2. Conduct a custody search.
3. Set an asset allocation policy.
4. Implement the asset allocation policy.

TIMELINE

The RHCTFB currently has quarterly meetings scheduled for July, October, January, and April. In our experience, new clients often call a few special interim meetings at the beginning of a relationship, in order to accelerate the pace of work. Meketa Investment Group anticipates meeting in person with the Board up to four additional times during the first year. The table below outlines potential agenda items for currently scheduled meetings over the next year. This plan does not represent rigid time parameters, but based on our experience, it does represent a reasonable timeframe for the Board to make thoughtful decisions on the future course of the RHCTF's assets.

	Month	Board Meeting Agenda Items
Meeting 1	Jul 2013	Initial priorities and timeline
Meeting 2	Oct 2013	Initial Fund Review Investment policy statement Custody search RFP Asset class education Asset allocation policy
Meeting 3	Jan 2014	Investment policy statement Custody search finalists Asset class education Asset allocation policy Implementation plan Manager search process
Meeting 4	Apr 2014	Asset class structure Manager searches

We look forward to working with the RHCTFB. If you have any questions, please do not hesitate to contact us at (760) 795-3450.

cc: Erik Rapoport

BMR/MLM/nca

Retiree Health Care Trust Fund Board				
Administrative Support				
FY 12-13 Q4 Billings - 04/01/13 through 06/30/13				
Title	Hourly Rate including fringe benefits as of Q4 2013	Hours	Cost	
Board Secretary	\$49.84	26.25	\$ 1,308.30	
Accountant Manager	\$62.79	-	\$ -	
Accountant	\$37.58	1.00	\$ 37.58	
Web Manager	\$67.62	2.00	\$ 135.24	
Contracts Analyst	\$69.13	-	\$ -	
Contracts Manager	\$65.03	2.00	\$ 130.06	
Budget Analyst	\$57.88	4.00	\$ 231.52	
	Total		\$ 1,842.70	
Approved By:			Date Approved:	
Board President				

RESOLUTION

WHEREAS, Connie M. Hiatt was appointed to the City and County of San Francisco Retiree Health Care Trust Fund Board in December of 2010, and has announced her resignation effective March 13, 2013, and

WHEREAS, Connie M. Hiatt served on the City and County of San Francisco Retiree Health Care Trust Fund Board from December, 2010 until March, 2013, and

WHEREAS, Connie M. Hiatt served as President of the Board, during her tenure, and

WHEREAS, Connie M. Hiatt earned the utmost respect of her colleagues, as well as the admiration and appreciation of active and retired members of the San Francisco Retiree Health Care Trust Fund, and

WHEREAS, Connie M. Hiatt has epitomized and exemplified those many qualities and virtues inherent in a dedicated public trustee: loyal and faithful service; adherence to the principles of sound, prudent investment of trust funds; diligent practice of the art of public administration; and, successful discharge and fulfillment of the responsibilities required of a member of the Retiree Health Care Trust Fund Board, and

WHEREAS, Connie M. Hiatt's departure will be a loss to the San Francisco Retiree Health Care Trust Fund as she has greatly assisted the Retiree Health Care Trust Fund Board over the last two years, and

NOW, THEREFORE, BE IT RESOLVED that the Retiree Health Care Trust Fund Board and the staff of the Retiree Health Care Trust Fund hereby honor Connie M. Hiatt, and with sincere appreciation and gratitude, commend her for her dedicated and outstanding service to the San Francisco Retiree Health Care Trust Fund and Board.

This resolution was presented to and adopted by the Retiree Health Care Trust Fund Board on the 29th day of July in the year Two Thousand and Thirteen.

Carol Cypert, Commissioner

Leo Levenson, Commissioner

Pauline Marx, Commissioner

Clare Murphy, Commissioner

Edward Walsh, Commissioner

Rosanne Torre, Board Secretary

City and County of San Francisco

San Francisco
Retiree Health Care Trust Fund



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

RHCTF BOARD POLICY MANUAL



UPDATED JULY 29, 2013

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**SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND
RHCTF BOARD POLICY MANUAL
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1.1 - INTRODUCTION

The governance and management of the Retiree Health Care Trust Fund (Fund) is subject to myriad requirements set out in laws, policies and procedures. Retiree Health Care Trust Fund Board (Board) members must be familiar with these requirements to effectively and prudently carry out their duties and responsibilities. To assist Board members in gaining such an understanding, the current version of the Manual contains:

- Terms of reference, which describe the roles and responsibilities of various decision-making bodies within the Fund;
- The governance policies, which set out how the Board will generally function, and how it will carry out some of its specific responsibilities;¹
- Various statutes or parts of statutes applicable to the Fund.

This Board Governance Manual does not contain all of the laws and policy-type documents that apply to the Fund and the Board.

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¶

Deleted: Fund staff has prepared this Board Governance Manual. T

Deleted: Management trusts that Board members and staff will find the Board Governance Manual helpful and welcomes any suggestions on how it may be improved.

¹ A useful way to distinguish between *terms of reference* and *governance policies* is that terms of reference describe the duties a party is expected to carry out, while the governance policies describe *how* certain duties are to be carried out. For example, the Board's terms of reference indicate that it is expected to evaluate its own performance; the Board Self-Evaluation Policy describes the process by which the Board will evaluate its own performance.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

2.1 - GOVERNANCE PRINCIPLES OF THE RHCTF BOARD

- 1) Board members shall carry out their duties with the highest standards of ethics, integrity, and fiduciary duty.
- ~~2) Whether the Board has made prudent decisions will be judge primarily by the decision-making process the Board employed.~~
- 3) 2) The Board’s approach to governance will be proactive rather than reactive; that is, the Board will attempt to address issues of importance before they become urgent.
- 4) 3) Board and staff roles must be clear and distinct from one another; the Board’s role is to set policy and oversee the RHCTF trust f(Fund), while staff’s role is to manage-provide administrative support for the trust fFund.
- 5) 4) The Board can influence the trust fFund most effectively through the setting, monitoring, and refinement of Board policy.
- 6) 5) The Board will devote the majority of its attention to items that have the potential to significantly impact the success of the Fund.
- 7) 6) The Board shall hold itself and its members accountable for meeting high standards of fiduciary excellence.
- 8) 7) To be effective, the Board must work towards developing its own knowledge regarding managing Fund assets.
- 9) 8) The Board’s role extends equally to both investments and Fund administration.
- 10) 9) The governance of the Fund will be treated as an important and distinct function.
- 11) 10) The Board’s governance policies will be living documents.
- 12) 11) With respect to the Fund, Board members do not have power as individuals, but only as part of the Board as a whole.
- 13) 12) The role of committees is to perform in-depth discussion and review of Board business, or serve as a forum for education, and to enable the full Board to make informed final decisions in an efficient manner.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)
2.2 - RHCTF BOARD FIDUCIARY POLICY

Background and Purpose

1. The San Francisco Retiree Health Care Trust Fund Board (Board) is the governing fiduciary for the RHCTF. As such, the Board is charged with governing the RHCTF. Section 12.204 (A8.432) of the City Charter.

Policy Objectives

2. The objective of this policy is to ensure that all Board members understand their fiduciary duties.

Governing Law

3. The Board is established under Article XII of the Charter of the City and County of San Francisco (the City Charter). Section 12.204 (A8.432) of the City Charter provides in relevant part that:

The Retiree Health Care Trust Fund ("RHCTF") shall be an irrevocable trust fund established under Section A8.432. and separate from the Health Service System trust fund described in Charter Section 1.203 and A8.428, to provide a funding source to defray the cost of the City's, and other Participating Employers', obligations to pay for health coverage for retired persons and their survivors entitled to health coverage under Section A8.428. Trust assets shall be held for the sole and exclusive purpose of providing health coverage to eligible retired persons and their survivors, and to defray the reasonable expenses of administering the RHCTF, including but not limited to educational, actuarial, consulting, administrative support and accounting expenses associated with the RHCTF. Administrative costs, including but not limited to educational, actuarial and consulting expenses associated with the Retiree Health Care Trust Fund, as adopted by the board of supervisors in the annual budget, shall be paid from the Retiree Health Care Trust Fund, but only upon adoption of a resolution by the Retiree Health Trust Fund Board approving such expenses.

4. Charter Sections A8.409-7 and A8.590-8 provide that the provisions and operation of the RHCTF shall be determined pursuant to Charter Sections 12.204, A8.432, and A8.433.

Fiduciary Duties

5. Overall, as a fiduciary, the Board must exercise the care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. In addition, the Board must act in accordance with the terms of the RHCTF. The Trust Agreement

adopted on August 30, 2010 by the Board, describes the Board's specific fiduciary duties and limitations.

6. The Board must always be aware that the RHCTF was created for the sole and exclusive purpose of funding health and welfare benefits for retirees, their eligible spouses or registered domestic partners and their dependents under the Plan. No portion of the RHCTF may be used for or diverted to any purpose other than meeting the employers' obligations to provide health and welfare benefits, as well as the payment of reasonable expenses of the Trust. No portion of the principal or income of the RHCTF may revert to an employer except in the very limited circumstances consistent with the irrevocability of contributions under the Code and GASB 43 or GASB 45.
7. Administrative costs, including but not limited to educational, actuarial, legal, investment and consulting expenses associated with the RHCTF, may be paid from the RHCTF, but only upon adoption of a resolution by the Board approving such expenses.
8. Trust assets may not be used to satisfy the claims of any creditor of any employer.
9. No part of the RHCTF's net earnings may inure to the benefit of a private person. Private parties may not participate in, or benefit from, the operation of the RHCTF.
10. The Board has the exclusive authority and control over the administration and management of the RHCTF, the investment of trust assets, and disbursements from the RHCTF, pursuant to Charter Sections 12.204 and A8.432 and Trust Agreement Section 4.02.
11. The Board shall receive and accept for the purposes hereof all contributions described herein and shall hold, invest, reinvest, manage, administer, and distribute property and the increments, proceeds, earnings, and income solely to meet OPEB obligations and to fund health and welfare benefits under the RHCTF.

Powers and Duties

12. The Board has such power and authority, including discretion with respect to the exercise of that power and authority, as may be necessary, advisable, desirable, or convenient to the Board, in its sole discretion as a fiduciary subject to the provisions of the RHCTF, and consistent with Charter Sections 12.204 and A8.432, including the power and authority:
 - (a) To make regulations with respect to the RHCTF not inconsistent with the RHCTF, GASB 43 or 45, Internal Revenue Code Section 115 or applicable law, and to amend or rescind such regulations;
 - (b) To determine, consistent with the applicable laws, rules or regulations, all questions of law or fact that may arise as to any person or entity claiming rights under the RHCTF;
 - (c) Subject to and consistent with GASB 43 and 45, Internal Revenue Code Section 115 and applicable law, to construe and interpret the RHCTF and to correct any defect, supply any omission, or reconcile any inconsistency in the RHCTF;

- (d) To provide for termination of trusteeship and transfer of assets to successor trustees as permitted by law;
- (e) To employ legal counsel;
- (f) To employ and contract with actuaries, auditors, accountants, investment advisers, investment brokers, consultants, medical personnel, and other agents and employees;
- (g) To collect and disburse all investment proceeds under the RHCTF;
- (h) To provide for and promulgate all the rules, regulations, and forms that are deemed as necessary or desirable in fulfilling its purposes of assisting in funding health and welfare benefits and in maintaining proper records and accountings consistent with GASB Statement 43 and 45 and Internal Revenue Service standards;
- (i) To bring and defend actions, sue and be sued, and plead and be impleaded;
- (j) To expend funds for the reasonable expenses of the Board while engaged in the performance of their duties;
- (k) To employ insurance companies, banks, trust companies, and/or investment brokers as agents for the keeping of records and the receipt and disbursement of funds held by or due the Board;
- (l) To adopt and amend investment policies, guidelines, restrictions, and requirements;
- (m) Except as otherwise provided by regulation, or as delegated to the custodian or an investment manager, to have complete control of the management and investment of the RHCTF, and have all powers necessary or convenient to enable it to exercise such control;
- (n) To invest and reinvest funds held by the RHCTF in any investments which are legal investments under California law, and have the discretion to decide the allocation of funds among such investments. The Board shall also periodically review the portfolio to make sure the investments are diversified appropriately;
- (o) To purchase, acquire, hold, lease, sell, and convey real and personal property, and place funds held herein with banks or trust companies which have corporate trust powers, with insurance companies authorized to do business within the State of California, and do all such other acts permitted by law;
- (p) To exercise generally any of the powers of an owner with respect to all or any part of the RHCTF; and
- (q) To take all actions consistent with the RHCTF necessary or appropriate to administer or carry out the purposes of the RHCTF; provided, however, the

Board need not take any action unless in its opinion there are sufficient RHCTF assets available for the expense thereof.

Delegation to Trust Fund Administrator

13. The Board hereby delegates to the RHCTF Administrator (Administrator) the responsibility for accepting contributions to the RHCTF and remitting said contributions to the custodian.
14. The Administrator is also responsible for crediting the deposits to the appropriate sub-trust, if sub-trusts have been established. In all cases, deposits of contributions shall be treated as actually made only as of the date the funds are accepted as in good order by the Administrator.
15. The Administrator shall account for contributions, income, and payments made to or from the RHCTF.

Delegation to Others

16. The Board may from time to time delegate to an individual, committee, or organization certain of its fiduciary responsibilities under the RHCTF. Any such individual, committee, or organization shall remain a fiduciary until such delegation is revoked by the Board, which revocation may be without cause and without advance notice. Such individual, committee, or organization shall have such power and authority with respect to such delegated fiduciary responsibilities as the Board have under the RHCTF.

Limitations of Board Responsibility

17. The Board has no duties other than those expressly set forth in the Trust Agreement of August 30, 2010, and those imposed on the Board by applicable laws.
18. The Board shall be under no duty to determine whether the amount of contributions paid to the RHCTF are adequate to meet the employers' obligations for health and welfare benefits, or to collect or enforce payment of any employers' contributions.
19. The Board shall be responsible only for money and property actually received by the RHCTF.
20. The Board shall have no responsibility or duty to define the specific design of the health and welfare benefits, including but not limited to, selecting providers. Nor shall the Board be responsible for establishing, providing, administering or accounting for the health and welfare benefits.
21. The Board shall not be responsible for any particular Federal, state or local income, payroll or other tax consequence to an employer or a retiree, spouse, or dependent.
22. The Board shall not be responsible for the correctness of any determination of payments to, or disbursements from, the Trust Fund.
23. No Trustee shall have any liability for the acts or omissions of any predecessor or successor in office.

24. The Board shall have no liability for: (i) the acts or omissions of any investment manager or managers; (ii) the acts or omissions of any insurance company; (iii) the acts or omissions of any investment fund; (iv) the acts or omissions of any custodian; or (vi) the acts or omissions of any contractor, vendor, actuary or other service provider.

Publication

25. A copy of this policy will be made available to the Mayor's office upon request, for the information of candidates seeking appointment to the Board. Copies of this policy will also be made available to candidates seeking election or appointment to the Board, for their information.

Policy Review

26. The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

Policy History

The Board adopted this policy on July 29, 2013.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

RHCTF-3.1 – BOARD
Terms of Reference

Introduction

- 1) The Retiree Health Care Trust Fund Board (Board) of the City and County of San Francisco has been established under Article XII of the Charter of the City and County of San Francisco (the City Charter) and is responsible for the administration and investment of the San Francisco Retiree Health Care Trust Fund (Fund). The Board is committed to carrying out its responsibilities in a manner consistent with the highest standards of fiduciary practice. In keeping with this commitment, the Board has established these Terms of Reference to guide the manner in which it carries out its affairs.
- 2) In accordance with City Charter Sections 12.204 and A8.432, the Board shall have exclusive authority and control over the administration of the Fund, investment of trust assets, and disbursements from the trust.

Duties and Responsibilities

General

- 3) The Board shall discharge its duties with respect to the Fund with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with these matters, would use in the conduct of an enterprise of a like character and with like aims.
- 4) It is understood that, in discharging trust fund duties, the Board will at all times be supported by RHCTF staff.

Governance

- 5) The Board will approve and amend, as necessary:
 - a) The Fund's mission statement;
 - b) Rules and regulations consistent with the City Charter and ordinances¹;
 - c) Terms of Reference describing the roles and responsibilities of the Board, Board committees and the Fund's actuary; and
 - d) Policies to ensure appropriate governance practices.
- 6) The Board will:
 - a) Elect a President and Vice-President of the Board on an annual basis;
 - b) Establish standing or ad hoc committees as necessary;

¹ The Board has determined that the Board Operations Policy will set out the Board rules as per City Charter, Article IV, section 4.104(1).

- c) Appoint Board members and a chair to standing and ad hoc committees upon the recommendation of the President;
- d) Ensure that a fiduciary education program is in place to assist Board members in securing the knowledge required to properly execute their duties as fiduciaries; (see Board Education and Travel Policy, Tab 9)
- ~~e) Conduct an annual Board development exercise, wherein the Board may engage in self-assessment and discussion for the purposes of continuously developing and improving its own effectiveness as a fiduciary body; (see Board Self-Evaluation Policy, Tab 8)~~
- ~~f)e)~~ Approve travel, training and association membership requests by Board members pursuant to the Board Education and Travel Policy; and
- ~~g)f)~~ Ensure that a record of the proceedings of Board and committee meetings is maintained.²

Investments

- 7) The Board will:
 - a) Approve broad investment objectives and strategies;
 - b) Approve a written investment policy statement, and review, confirm or amend such policy at least every two (2) years;
 - c) Approve investment plans and guidelines, as required; and
 - d) Subject to a) through c) above, approve investment managers and consultants and Fund custodian.

Operations

- 8) The Board will approve an annual Budget.
- 9) The Board will:
 - a) Ensure that funding is in place to provide for the financial audit by the Controller; and
 - b) Review and accept the annual audited financial statements and external auditors' management letter, and take corrective action if required.
- 10) The Board will approve an annual report and ensure its timely distribution and filing with the Mayor, the Clerk of the Board of Supervisors, other interested parties and any other parties required by law to receive the annual report.

Human Resources

- 11) The Board may appoint and may terminate a Fund actuary.³
- 12) The Board will approve the process for the evaluation of the Fund actuary.

Communications

- 13) The Board will conduct meetings open to the public in accordance with the *San Francisco Sunshine Ordinance* (San Francisco Administrative Code, Chapter 67) and

² As required under *San Francisco Sunshine Ordinance*, Administrative Code, Chapter 67.

³ City Charter, s. 12.100.

the public meeting laws set out in the *Ralph M. Brown Act* (California Government Code Section 54950 et seq.)

Legislation and Litigation

- 14) The Board may:
- a) With legal counsel, consider and approve recommendations made by Board staff concerning settlements or other legal actions involving the Fund; and
 - b) Recommend changes to legislation that are either cost-neutral, or that are intended to facilitate more efficient benefit or investment administration.

~~15) In the event of an adverse decision in a legal action to which the Board is a party, the City Attorney shall appeal through and to the highest court for final decision unless otherwise ordered by the Board.~~

Key Appointments

~~16)~~15) The Board will establish appropriate policies to help ensure prudent and sound selection of service providers for the Board and the Fund, and will periodically monitor compliance with such policies, e.g., ~~the Service Provider Selection Policy.~~

~~17)~~16) The Board is responsible for selecting and/or ratifying the following named service providers:

- a) ~~Consulting Fund~~ actuary;
- ~~b) Legal and fiduciary counsel;~~
- ~~e)~~b) ___ Advisors on general governance-related matters;
- ~~d)~~c) ___ Fund custodian;
- ~~e)~~d) ___ Investment Consultant; and
- ~~f)~~e) Investment Managers.

Monitoring and Reporting

~~18)~~17) The Board will ensure that appropriate monitoring and reporting practices are established and documented within the Fund.

~~19)~~18) The Board will periodically monitor compliance with, and review the continued appropriateness of, the governance structure and processes of the Fund, including:

- a) Board terms of reference; and
- b) Board governance policies and rules.

~~20)~~19) The Board will monitor the performance of the Fund, consistent with the Reporting and Monitoring Policy and Board investment policies, including at a minimum:

- a) The funded status of the Fund;
- b) Fund performance relative to benchmark portfolio return;
- c) Asset class performance;
- d) Fund investment strategies;
- e) Cost effectiveness of investment program; and
- f) Compliance with investment policies.

~~21)~~20) The Board will monitor the effectiveness and efficiency of the administration of the Fund through a review of, at a minimum, ~~an implementation of the Strategic Plan and the~~ Annual Budget.

~~22)~~21) ~~Where a~~As needed, ~~and with assistance of Board Staff,~~ the Board will review the performance of:

a) The Fund actuary, if applicable; ~~and~~

~~a)b)~~ named service providers, as appropriate; and

~~b)c)~~ The Board itself.

~~23)~~ ~~With the assistance of Board staff, the Board will review the performance of named service providers, as appropriate.~~

History

~~24)~~22) These terms of reference were adopted by the Board on ~~April~~July ~~29~~2, 2013.

Review

~~25)~~23) The Board shall review these terms of reference at least every two (2) years.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

3.2 - PRESIDENT OF THE RHCTF BOARD

Terms of Reference

Introduction

- 1) In general, at its first regular meeting in October of each year, the Retiree Health Care Trust Fund Board (Board) shall elect one of its members President, and that member shall hold office for a term ending the first meeting in October of the next succeeding year, or until a successor has been elected.

Duties and Responsibilities

- 2) The President will exercise the powers and will perform the duties and functions as specified herein:
 - a) Recommend to the Board the appointment of Board members and a chair to each standing or ad hoc board committee by the following Board meeting after the President is elected;
 - b) Preside at all Board meetings, ensuring that such meetings are conducted in an efficient manner and in accordance with the *San Francisco Sunshine Ordinance* (Administrative Code, Chapter 67), the public meeting laws set out in the *Ralph M. Brown Act* (California Government Code Section 54950 et seq.) and the principles embodied in *Robert's Rules of Order, Revised*;
 - c) Act as the spokesperson for the Board;
 - d) Work to ensure that the Board discharges its duties and responsibilities as set forth in its terms of reference, the Bylaws and the Board's governance policies; and
 - e) Support the committee chairs in the exercise of their duties.

History

- 3) These terms of reference were adopted by the Board on ~~April~~July 29~~2~~, 2013.

Review

- 4) The Board shall review these terms of reference at least every two (2) years.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

**3.3 - VICE PRESIDENT OF THE RHCTF BOARD
TERMS OF REFERENCE**

Introduction

- 1) In general, at its first regular meeting in October of each year, the Retiree Health Care Trust Fund Board (Board) shall elect one of its members Vice-President, and that member shall hold office for a term ending the first meeting in October of the next succeeding year, or until a successor has been elected.

Duties and Responsibilities

- 2) The Vice-President will exercise the powers, and will perform the duties and functions, as specified herein:
 - a) Assume the duties of the President when the President is absent, or when the President shall designate the Vice-President to act; and
 - b) Temporarily act for the President in the event of death, resignation, removal from office or permanent disability of the President.
- 3) When acting for the President, the Vice-President shall have all of the powers of the President and shall assume all of the duties of the President.

History

- 4) These terms of reference were adopted by the Board on ~~April~~July 22~~9~~, 2013.

Review

- 5) These terms of reference shall be reviewed by the Board at least every two (2) years.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

4.1 - RHCTF BOARD OPERATIONS POLICY

Purpose

- 1) This Retiree Health Care Trust Fund Board (Board) Operations Policy is intended to set out the manner in which the Board will carry out its affairs and includes guidelines addressing, among other things, the appointment of officers, the establishment of committees and the conduct of meetings.
- 2) The Board shall exercise its authority, functions, powers and duties in accordance with Charter Sections 4.100 – 4.104, 12.204, A8.432 and A8.432-1; with applicable provisions of the Administrative Code of the City and County of San Francisco as enacted by ordinances of the Board of Supervisors; and in accordance with Board rules, resolutions and policies as it may adopt from time to time.

Policy Guidelines

Board Composition

- 3) In accordance with Charter Section 12.204, the Board shall consist of five (5) trustees, one of whom shall be appointed by the City Controller, one of whom shall be appointed by the City Treasurer, one of whom shall be appointed by the Executive Director of the San Francisco Employees Retirement System, and two of whom shall be elected from among active employee and retired members of the City's Health Service System. [Charter Section 12.204]
- 4) The term of office of each elected member shall be five (5) years, unless the elected member has been elected to complete the unexpired term of office of a resigned or deceased member. In that event, the newly elected member shall serve only that portion of the unexpired term of office.
- 5) Election of President and Vice President:
 - a) At its first regular meeting in ~~October~~July of each year, the Board shall elect one of its members President and one of its members Vice President, and each shall hold office for a term ending the regular meeting of the Board in ~~October~~July of the next succeeding year, or until a successor has been elected;
 - b) The Vice President shall assume the duties of the President when the President is absent, or when the President shall designate the Vice President to act;
 - c) In the event of the death, resignation, removal from office, or permanent disability of the President, the Vice President shall temporarily act for the President. The Board shall elect a President at its next Board meeting, and if

necessary a Vice President, to serve until the normal expiration of the term of the succeeded President; and

- d) The Board shall ensure that the office of President will alternate from an appointed to an elected member.
 - e) The term of office for the President and Vice-President shall be one year, and the offices of the President and Vice-President shall be subject to a two- term limit.
- 6) Election of Employee Members:

The elected members shall serve a term of office of five (5) years, commencing on the date of their election, unless the elected members have been elected to complete the unexpired term of office of a resigned or deceased member. In that event, the newly elected member shall serve only that portion of the unexpired term of office.

Board Committees

- 7) Based on the recommendations of the President, the Board will:
 - a) approve the establishment of standing and ad hoc committees; and
 - b) annually approve the members and chairs of standing and ad hoc committees.
- 8) With the exception of committees of the whole, committees shall be comprised of two (2) Board members, one of whom shall be the committee chair.
- 9) The term of office for chairs of standing committees shall be limited to one year, and there shall be no limit to the number of terms for which a committee chair may serve.
- 10) Members and chairs of ad hoc committees shall serve until the dissolution of the committee.
- 11) In the absence of a committee chair, the committee chair may designate in advance another committee member to act as chair for a particular meeting, failing which the remaining committee members shall designate one of themselves to act as chair for such meeting.
- 12) In the event of a vacancy on any standing or ad hoc committee, the President shall at the next Board meeting recommend to the Board a replacement for its approval.

Meetings of the Board and Committees

Board Meetings - Time and Location

- 13) Regular Meetings:
 - a) Regular meetings shall be held on the 4th Monday of July, October, January and April at 3:00 PM, in the San Francisco Employees' Retirement System Board Meeting Room, 30 Van Ness Ave, Suite 3000, or at other date, time, or place as the Board may designate; and

- b) When a Regular Meeting day falls on a holiday, the Board shall designate another day for its meeting.
14. Board meetings will be conducted in accordance with the *Ralph M. Brown Act* (Governance Code Section 54950 et seq.) and the *San Francisco Sunshine Ordinance* (San Francisco Administrative Code Chapter 67).

Teleconferencing

15. Board members may not participate by teleconference in Board or committee meetings.
16. Advisors and other vendors may only participate by teleconference ~~only~~ in open session agenda items at Board and committee meetings.

Calendar, Meeting Materials, and Minutes

17. Calendar:
- a) Board members may request that any matter be calendared. All such requests shall be calendared within a reasonable period of time.
 - b) Only items that have been calendared will be heard by the Board at any meeting. The Board may consider emergency items provided they have been noticed in writing at least 24 hours in advance of the Board meeting, consistent with the *Ralph M. Brown Act*.
 - c) A request that a calendared item be heard out of order shall be presented at the start of the meeting to the President, stating the reason for the request. The President shall decide if the request shall be granted.
 - d) All calendared matters to be postponed shall be announced at the start of the meeting, except that any Board member or any interested party may, during the course of a meeting, request postponement of an action. The President shall approve or reject any request to postpone an action being considered by the Board at its meeting.
18. Meeting Materials:
The Board shall receive an advance calendar no later than the Friday preceding the next scheduled meeting.
19. Minutes:
- a) Board staff shall record in the minutes the time and place of each Board meeting, the names of the Board members present, all official acts of the Board, and the votes of the members; and
 - b) The minutes shall be written and presented for correction and approval within a reasonable time.

Board Resolutions

20. In carrying out the Board's authority, functions, powers, and duties, ~~as specified in paragraph 2 of this policy~~, the Board may, from time to time, enact and adopt resolutions which are not specifically provided for in its rules, and which are not in conflict with existing sections of the Charter and the Administrative Code.

21. The term "resolution" shall mean any action of the Board which prescribes or defines Board policy in written form.
22. The Board shall enact and adopt resolutions in accordance with the following procedures:
 - a) At any regular or special Board meeting, any Board member may move the adoption of a resolution which may be stated orally or in writing;
 - b) Board staff will be responsible for performing, or causing to be performed, all necessary research and analysis to support resolutions prior to their adoption by the Board;
 - c) Prior to its adoption, the proposed resolution shall be prepared by Board staff in proper format, and shall thereafter be forwarded to the City Attorney for approval as to format and legality. The proposed resolution shall thereafter be presented to the Board for action; and
 - d) An adopted resolution shall be signed and dated by the Board President and Board Secretary.
23. All adopted resolutions shall be numbered in orderly sequence and shall be retained by Board staff. Said resolutions shall be readily accessible to the public.

Legislation

24. The Board may, at its discretion, act upon or consider any legislation affecting the Fund. Legislation shall include, but not be limited to, proposed charter amendments, ordinances or resolutions of the Board of Supervisors, and bills, resolutions, propositions, or constitutional amendments pending or emanating from the California State Legislature or the Congress of the United States. Action on any legislation being considered by the Board shall require at least three affirmative votes.
25. Any Board member may request Board action on legislation pertaining to, or affecting, the Fund; provided, however, that prior to the Board determining an official position on said legislation, the Board shall secure from the staff a report which shall reflect, if possible, arguments for and against the legislation, together with any other information or data relevant to the legislation.
26. Whenever the Board determines an official position on legislation pending before a legislative body or a committee thereof, Board staff shall communicate said position in writing or orally, or both, to said legislative body or committee thereof.
27. Whenever the Board determines an official position on legislation pending before the electorate, Board staff may communicate said position to any source or entity, which may have an interest in or which may promulgate or publicize the Board's official position.

Quorum and Rules of Order

28. The majority of all the members of the Board shall constitute a quorum. The Board may only act by a majority of the members present at a meeting so long as a quorum is in attendance.

29. The majority of the members of each committee shall constitute a quorum, and committees may act by a majority of the members present at a committee meeting, provided a quorum is in attendance.
30. Except as otherwise provided herein, or otherwise agreed to by the Board, *Robert's Rules of Order*, in its latest revision, shall govern the Board on its proceedings.
31. Each member of the Board present at a meeting must vote for or against any particular action put before him unless excused from voting by a motion adopted by a majority of the members present. [Charter Section 4.100 – 4.104]
32. A motion by any Board member shall require a second.
33. Each Board member's vote shall be recorded by name.
34. Tie Vote
 - a) A tie vote on a negative motion – the motion is lost, but the matter or request remains before the Board for action; and
 - b) A tie vote on an affirmative action – the motion is lost and the matter or request before the Board is denied.

~~35. Requests for rulings on moot, or hypothetical, questions will not be permitted by the Board.~~

Public Comment

~~36.~~35. Members of the public shall have an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board, including items being considered at the meeting. Members of the public may address the Board for up to ~~five~~three minutes.

Severability

~~37.~~36. If any policy, section, paragraph, sentence, clause, or phrase of this policy is declared unconstitutional or void for any reason, such declaration shall not affect the validity of the remaining portions of the policy. The Board hereby declares that it would have prescribed and adopted this policy, and each section, paragraph, sentence, clause and phrases hereof, irrespective of the fact that any one or more sections, paragraphs, sentences, clauses, or phrases shall be declared unconstitutional or void. The titles assigned to policies and sections are for reference purposes only, and shall not be considered a substantive part of this policy. If there is any conflict between the provisions of this policy and the Charter, or the Administrative Code of the City and County of San Francisco, the Charter or the Administrative Code language shall govern.

~~38.~~37. For purposes of Charter Section 4.104 (1), this Board Operations Policy shall be deemed to constitute the Board rules. The Board may amend this Board Operations Policy at any time. Any proposed amendment shall be posted for at least ten (10) days and calendared for Board hearing at least one week prior to a Board meeting in accordance with Charter Section 4.104.

Policy Review

~~39.~~38. The Board shall review this policy at least every two (2) years to ensure that it remains relevant and appropriate.

Policy History

40. This policy was adopted by the Board on ~~April~~July ~~29~~29, 2013.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF)

4.2 - RHCTF BOARD COMMUNICATIONS POLICY

Introduction & Objectives

- 1) This policy establishes guidelines for Retiree Health Care Trust Fund Board (Board) member communications. The guidelines are intended to:
 - a) Ensure efficient and effective communications among Board members, staff, service providers, and stakeholders;
 - b) Serve and protect the interests of the City and County of San Francisco, the Retiree Health Care Trust Fund (Fund) Participating Employers, and Health Service System members and beneficiaries through consistent and accurate communication; and
 - c) Maintain the credibility of the Fund and its reputation for professionalism and integrity.
- 2) Nothing in this policy is to be construed in such manner as to prevent Board members from respectfully expressing personal opinions about matters relating to the Fund or otherwise exercising their right of free expression. When Board members communicate personal opinions about matters pertaining to the Fund, they are expected to disclose to their audience that they are expressing a personal opinion.

Definitions

- 3) Throughout this policy, the term *communication* shall refer to all forms of communication including written, oral, or electronic communication.

Guidelines

Communication with Board Members and Staff

- 4) Board members shall communicate in a respectful, honest, and constructive manner during all Board and committee meetings, and in all interactions with staff.

External Communications – Spokesperson

- 5) Only a spokesperson designated by the Board may communicate on behalf of the Board. The President shall serve as the spokesperson for the Board, although the Board President may designate other Board members, Board staff or the Board Secretary to serve as a spokesperson in specific instances.
- 6) In carrying out their duties, spokespersons shall:
 - a) Confer with the Board, the City Attorney and/or Board staff as appropriate prior to engaging in official communications;
 - b) Communicate only official positions of the Board, and not make unilateral commitments on the part of the Board; and

- c) Promptly inform the Board and Board staff of any sensitive or high profile issues discussed with the media or other stakeholders.

External Communications – Supporting Board Decisions

- 7) All attempts by Board members to create, change, or influence policies of the Board should be carried out in their capacity as Board members, and in meetings of the Board or its committees.
- 8) The Board recognizes the right of Board members to express publicly their disagreement with pending or actual policies or decisions of the Board. The Board expects, however, that Board members will do so in an open, constructive, and professional manner, and that Board members shall nevertheless abide by such policies or decisions to the extent they believe they are consistent with their fiduciary duties.

External Communications – To Health Service System members and beneficiaries and members of the Public

- 9) The Board does not intend to unduly restrain communication by Board members with Health Service System members and beneficiaries and members of the public. However, the Board also recognizes that Board members are generally not qualified to communicate technical details concerning the Fund and its investments, and that providing inaccurate or incomplete information ~~to Health Service System members~~ may cause confusion or harm to the Fund, and may lead to litigation against the Board and the Fund.

Accordingly, Board members shall exercise judgment and discretion whenever communicating with Health Service System members and beneficiaries or members of the public, and shall be aware of, and comply with, the following guidelines intended to protect the City, the Fund, Board members, and, most importantly, Health Service System members and beneficiaries:

- a) Board members may communicate general information or simple, factual, information to Health Service System members and beneficiaries only where there is no risk of detrimental reliance or a risk of communicating inaccurate or conflicting information to Health Service System members and beneficiaries;
- b) Board members who, in their capacity as members of the Board, wish to meet with groups of two or more Health Service System members, beneficiaries, or stakeholders for the purposes of conducting a meeting, presentation, or similar exchange shall:
 - i. Inform the Board and, when possible, arrange for Board staff to be present at the meeting to help ensure all communications accurately reflect the policies, positions, or benefit provisions of the Board;
 - ii. Provide the Board with copies of any written materials the Board member intends to distribute at the meeting; and
 - iii. Disclose to the meeting participants that the Board member is not authorized nor qualified to provide advice on matters related to current or prospective benefit provisions of the Health Service System, or the funding of such benefit provisions.
- c) To help ensure the accuracy of material prepared by Board members for oral, electronic, or written communication or publication purposes and thereby preserve

the credibility of Fund, and its reputation for integrity and professionalism, Board members shall submit all such materials to the Board prior to communicating them or submitting them for publication.

External Communications – Service Providers

- 10) Board members agree to abide by the “no contact” provisions pertaining to service providers, as specified in the relevant Request for Proposals (RFP).
- 11) In addition to abiding by the no contact provisions referenced above, where the communication has not been offered to all Board members, Board members agree to inform the Board in a timely fashion of any significant communications they have had pertaining to the business of the Fund with any service providers, investment consultants, investment managers, and/or other consultants or advisors retained by the Fund.¹

Board Member Referrals to Management

- 12) It is understood that Board members are often contacted by external parties, (e.g., plan members, investment managers, labor groups, and the media,) in connection with benefit issues, investment products, or other retirement-related matters; and that such contact can occur in any number of social, professional, or educational settings, including conferences and symposiums. In cases where an external party requests information or action from a Board member that is material in nature, the Board member shall refer the matter in writing to the Board President for consideration or action. Alternatively, the Board member may verbally refer such matters to Board staff, and staff shall provide the referring Board member with an email or other written confirmation of the referral. Staff shall provide the Board with a semi-annual report indicating the status of material Board member referrals, if such referrals have occurred.

External Communications – Conferences

- 13) When speaking at a conference, seminar, panel discussion or similar event that has been authorized by the Board, Board members are expected to:
 - a) Communicate honestly, professionally, and with decorum;
 - b) Accurately reflect the practices, policies, and positions of the Fund;
 - c) Refrain from stating or implying any position or policy on the part of the Fund that has not been officially adopted by the Board; and
 - d) Clearly disclose when stating a personal opinion or position.

External Communications – Other Capacities

- 14) The Board recognizes that Board members may from time-to-time need to communicate with stakeholders of the Fund in a capacity other than as a Board member (for example, in their capacity as a member of an employee group, or a member of a retiree association). Nothing in this policy shall prevent such communication. In such situations, however, Board members shall clearly indicate that they are not operating in their capacity as Board members.

¹ An example of significant communications would be discussions with a service provider about any products and services offered by the service provider.

Non-Public Information

- 15) Board members agree not to disclose any non-public information concerning the property, operations, policies, affairs, or interests of the Board or the Fund to which Board members are privy by virtue of their position.

Policy Review

- 16) This policy shall be reviewed by the Board at least every two (2) years.

History

- 17) This policy was adopted by the Board on ~~April~~July 29, 2013.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND
4.4 - RHCTF BOARD CODE OF CONDUCT

Background and Purpose

- 1) As fiduciaries of a public trust, Retiree Health Care Trust Fund Board (Board) members are required to discharge their duties with respect to the Retiree Health Care Trust Fund (Fund) solely to provide a funding source to defray the cost of the City's, and other Participating Employers', obligations to pay for health coverage for retired persons and their survivors entitled to health coverage under Section A8.428. [Charter Section 12.204]. Board members are further expected to discharge their duties with the utmost honesty and integrity.
- 2) In accordance with San Francisco Charter Section's 12.204 and A8.432, the Board has sole and exclusive fiduciary responsibility over the assets of the Fund.
- 3) The Board is bound by various statutes regarding conflicts of interest, financial disclosure, and prohibited practices including the San Francisco *Conflict of Interest Code* (San Francisco Campaign and Governmental Conduct Code, Article III, Chapter I) and *Ethics Provisions* (San Francisco Charter, Appendix C).¹
- 4) To facilitate meeting the above standards and statutes, the Board has established this Code of Conduct to further guide how the Board and individual Board members are expected to conduct themselves when discharging their duties.

Guidelines

General

- 5) Board members agree:
 - a) To demonstrate decorum, honesty, integrity, professionalism and ethical behavior in all aspects of their Board duties and in their relations with fellow Board members, staff, service providers, and other constituents;
 - b) To recognize that the Board's role is to focus on administering the statutory provisions of the Fund as established through the political and collective bargaining processes, Board members shall generally refrain from advocating legislative changes unless such changes are cost-neutral or intended to facilitate effective administration of the Fund;
 - c) To actively prepare for each meeting by thoroughly reading all meeting materials in advance;

¹ The San Francisco *Conflict of Interest Code* adopts the State of California's Conflict of Interest Code, Regulation 18730 of the California *Fair Political Practices Commission*.

- d) To attend and participate in all Board meetings, unless unable to do so for reasons beyond their control;
- e) To pay undivided attention and to refrain from using electronic communication devices during Board and committee meetings; and
- f) To recognize that individual trustees and staff have various commitments on their time, and that the business of the Board must therefore be carried out in the most efficient manner possible, consistent with the Board's fiduciary duties.

Compliance with Laws, Policies and Rules

- 6) Board members agree:
 - a) To become familiar with and abide by the laws pertaining to the Fund and the Board, particularly:
 - i. Article XII of the San Francisco Charter;
 - ii. The San Francisco *Conflict of Interest Code* (San Francisco Campaign and Governmental Conduct Code, Article III, Chapter 1);
 - iii. The San Francisco *Ethics Provisions* (San Francisco Charter, Appendix C);
 - iv. Relevant sections of the *Ralph M. Brown Act* (California Government Code, Section 54950 et seq.); and
 - v. Relevant sections of the *San Francisco Sunshine Ordinance* (San Francisco Administrative Code, Chapter 67).
 - b) To fulfill their fiduciary role in accordance with the governance principles and policies adopted by the Board;
 - c) To abide by all other Board policies and rules;
 - d) To the extent it is consistent with their fiduciary duties, to abide by and be respectful of all decisions of the Board, even if they may not have supported or voted in favor of the decisions during Board deliberations;
 - e) To continually work to promote a necessary degree of cohesion among Board members, staff, and service providers for the benefit of the Fund, the City, the Participating Employers, and Health Service System members and beneficiaries;
 - f) To work openly, honestly, and professionally when seeking to change Board policies or practices; and
 - g) To enforce this Code of Conduct when it is apparent that a Board member has committed a breach.

Enforcement Provisions

- 7) The President, in presiding over Board meetings, will enforce and attempt to rectify any breaches of this Code that may occur during Board meetings. Similarly, committee chairs will enforce and attempt to rectify any breaches of this Code that may occur in the course of a Board committee meeting.

- 8) Any Board member may petition the Board to investigate potential violations of this Code. Such petitions shall be submitted to the Board's designated legal counsel in the City Attorney's Office in writing or by electronic mail, and shall include any supporting information or evidence.
- 9) The City Attorney's Office may submit the petition to outside legal counsel. Outside legal counsel shall then inform each Board member and relevant staff of the petition within three business days of receipt of the petition and then undertake all responsibilities assigned herein to legal counsel. Alternatively, depending on the severity of the alleged breach, the City Attorney's Office may determine not to involve outside legal counsel and will, instead, assume responsibility for informing each Board member and relevant staff of receipt of the petition and for undertaking all responsibilities assigned herein to legal counsel.
- 10) Upon being informed by legal counsel of the petition, staff shall place the matter of the petition on the agenda for discussion and action at the next regularly scheduled Board meeting and shall inform the Board member who is the subject of the petition of his or her right to address the petition at said Board meeting.
- 11) Legal counsel will investigate the petition to determine if there are grounds for disciplinary actions, as provided for in this Code of Conduct, paragraph 13, and provide recommendations to the Board at its next regularly scheduled Board meeting.
- 12) The Board shall address the petition in open session. At such time, the Board will read the petition into the record, review any supporting materials or evidence, and hear from the Board member in question, and any other party recognized by the President. If the petition is made against the President, then the Board shall designate the Vice-President to act in his or her place for purposes of considering and addressing the petition.
- 13) Upon consideration of the factual circumstances and completion of the discussion, the Board may, by resolution:
 - a) Dismiss the matter, where the Board believes there is insufficient substance to the allegation, or whether the matter is resolved to the Board's satisfaction;
 - b) Find that there has been a violation of this Code and identify the supporting facts. The Board will explain to the offending Board member how the violation adversely impacts the Board and the System. The Board may also:
 - i. Ask the offending Board member to rectify past actions, if possible, or refrain from similar actions in future;
 - ii. Request that the offending Board member undertake special educational or counseling initiatives that may be of assistance to the Board member in addressing the matter;
 - iii. Remove the offending Board member from the position of President, Vice-President, or committee chair, or from any Board committee assignment the Board member may hold;

- iv. Bar the offending Board member from serving as President, Vice-President, or committee chair, or from serving on a Board committee, for a specified period of time; or
- v. Move for censure (see Appendix for censure procedures).

Policy Review

- 14) The Board shall review this policy at least every two (2) years to ensure that it remains relevant and appropriate.

Policy History

- 15) The Board adopted this policy on ~~April~~July 29, 2013.

Appendix
Procedures for Censure of a Board Member

- 1) Censure shall be defined as an official rebuke, an expression of strong disapproval, harsh criticism or condemnation.
- 2) As established by the City Attorney, the Board's legal counsel, a Fund trustee is held to a prudent expert standard, and is generally expected to maintain higher moral, ethical and professional standards than the average person. Accordingly, the following non-exhaustive list shall include grounds for censure:
 - a) False and/or misleading communications;
 - b) Slanderous and/or libelous communications;
 - c) Unauthorized communications relating to the Fund;
 - d) Unprofessional conduct;
 - e) Convicted illegal acts; and
 - f) Adjudicated civil acts.
- 3) Censure is a serious matter and shall not be used as a tool for harassment; any allegation must be supported by evidence, not hearsay.

Procedure for Censure

- 4) In a separate motion, the Board shall vote on whether cause for censure exists, and a super majority of the Board shall be required to decide the matter. If cause is not found, the matter is ended.
- 5) If the Board votes in favor of censure,
 - a) Within three business days of the meeting, Legal Counsel shall draft a censure letter which, by separate paragraphs, shall include:
 - i) To whom the censure is being applied;
 - ii) The definition of censure;
 - iii) The allegation;
 - iv) The findings of fact;
 - v) The final Board action; and
 - vi) That inquiries in writing are to be addressed to Board staff.
 - b) Within two business days, the non-censured Board members shall review the censure letter;
 - c) Legal counsel shall, within two business days, review any edits made to the censure letter by the non-censured Board members;
 - d) The Board will finalize the censure letter within one business day of legal counsel completing the above revision; and

- e) Staff will then prepare the censure letter on Fund stationery, sign and distribute it within one business day of the Board finalizing the letter.
- 6) The censure letter shall be mailed, via U.S. Post, to the following parties:
 - a) Each member of the Board;
 - b) San Francisco Ethics Commission President;
 - c) Mayor of San Francisco;
 - d) Each member of the Board of Supervisors;
 - e) San Francisco City Attorney; and
 - f) The media including, at a minimum, the San Francisco Chronicle, San Francisco Examiner, Pensions and Investments magazine and the San Francisco Retirement Newsletter.
- 7) The censure letter shall also be posted on the Fund's web site.
- 8) Prior to mailing the censure letter, Fund staff will provide advance notice by telephone to each of the following:
 - a) Mayor of San Francisco;
 - b) President of the Board of Supervisors;
 - c) San Francisco Ethics Commission President; and
- 9) Fund staff shall maintain a log of all inquiries received in connection with the censure letter, including the name and title of any individual making an inquiry, and the date and nature of the inquiry.



SAN FRANCISCO RETIREE HEALTH CARE TRUST FUND (RHCTF) BOARD
4.3 - BOARD EDUCATION AND TRAVEL POLICY

Preamble

- 1) The San Francisco Retiree Health Care Trust Fund Board's (Board) fiduciary duties of loyalty, skill, care and diligence extend across all facets of plan administration. Accordingly, in order to satisfy their fiduciary duties and mitigate the risk of legal liability to the San Francisco Retiree Health Care Trust Fund (Fund) and the Board personally, Board members acknowledge the need to acquire and maintain a level of knowledge of all significant facets of the Fund appropriate for prudent policy determination. The Board as a whole will encourage its members to secure the necessary knowledge as required by this policy, and monitor the member's compliance with this policy.
- 2) This policy statement is to be implemented in compliance with the relevant provisions of the City Charter and in harmony with existing philosophy, objectives, policies, rules and guidelines previously approved by the Board.

Policy Objectives

- 3) The objectives of this policy are to:
 - a) Ensure that all Board members are provided with adequate opportunity and assistance to acquire the knowledge they need to effectively carry out their fiduciary duties;¹
 - b) Serve as a guide to raise awareness among prospective Board members of the importance of fiduciary education and of the level of commitment to such education that is expected of Board members; and
 - c) To facilitate travel by Board members for the purposes of obtaining fiduciary education on matters relevant to the Fund.

Assumptions

- 4) Each Board member brings unique skills and experience to the Board, and possesses differing amounts of knowledge in the area of pension plan and fund administration.
- 5) No single method of educating Board members is optimal. Instead, a variety of methods may be necessary and appropriate.

Policy Guidelines

General Provisions

- 6) Board members agree to develop and maintain an adequate level of knowledge and understanding of relevant issues pertaining to the administration of the Fund throughout their terms on the Board.

¹ The scope of this policy is limited to the education of the members of the Board.

- 7) Board members agree to pursue appropriate education across a range of areas, rather than limiting their education to particular areas, including:
 - a) Governance and fiduciary duty;
 - b) Investment policy and asset allocation;
 - c) Actuarial policies and funding;
 - d) Technology; and
 - e) Regulatory and legal issues.

Specific topics within these general areas are identified in Appendix 1 of this policy for reference purposes.
- 8) Appropriate educational tools for Board members include, but are not limited to:
 - a) External conferences, seminars, workshops, roundtables, courses or similar vehicles;
 - b) Association meetings or events;
 - c) In-house educational seminars or briefings;
 - d) Relevant periodicals, journals, textbooks or similar materials; and
 - e) Electronic media.
- 9) On an ongoing basis, the Board Secretary will identify appropriate educational opportunities and include details of such in Board meeting information packages for Board members' consideration. Conferences and seminars recommended by the Board Secretary should include an average of at least 5 hours of substantive educational content per day if they require overnight lodging or other significant travel-related expenses. Board members are also encouraged to suggest educational vehicles that may provide value to the Board, including memberships in associations that are directly related, and narrowly tailored, to the performance of Board member duties.
- 10) Board members will attempt to meet the following minimum goals:
 - a) To secure, over time, a useful level of understanding in each of the topic areas listed in paragraph 7 above;
 - b) To attend at least one conference annually, which includes an average of at least 5 hours of substantive educational content per day of the conference. In accordance with paragraph a) above, Board members are encouraged to attend conferences, on occasion, that address topics other than investments. (Recommended conferences are listed in Appendix 2 of this policy); and
 - c) Participate in any in-house educational seminars or briefings that may be organized from time to time.

Orientation Program

- 11) An orientation program, covering the general topic areas outlined in paragraph 7 above, will be developed by the Board Secretary for the benefit of new Board members. The aim of the orientation program will be to ensure that new Board members are in a position to contribute fully to Board and committee deliberations and effectively carry out their fiduciary duties as soon as possible after joining the Board.

- 12) Prior to attending their first meeting of the Board as a Board member, new Board members will endeavor to attend a meeting of the Board or a standing committee as an observer.
- 13) As part of the orientation process, new Board members will, within 45 days of their election or appointment to the Board:
 - a) Be briefed by the Board Secretary on the history and background of the Fund;
 - b) Be oriented by the Board President on current issues before the Board;
 - c) Be briefed on their fiduciary duties, conflict of interest guidelines, *The Brown Act*, the *Sunshine Ordinance* and other pertinent legislation; and
 - d) Be provided with:
 - i. Board Member Reference Manual (the contents of which are listed in Appendix 4 of this policy);
 - ii. A listing of recommended educational opportunities; and
 - iii. Other relevant information and documentation deemed appropriate by the Board Secretary.
- 14) Within 30 days of being appointed or elected to the Board, new Board members must complete a *Statement of Economic Interests, Form 700*. The Board Secretary will provide new Board members with the necessary assistance in properly completing the Statement.
- 15) The Board Secretary will review and, if necessary, update all orientation material as needed. It is the responsibility of Board members to maintain their Board Member Reference Manuals by ensuring that they contain the most up-to-date materials. A master copy of the Board Member Reference Manual will be made available by the Board Secretary for Board members' use.

Education Needs Assessment

- 16) The Board Secretary will annually conduct a formal education needs assessment of the Board to determine education topics of interest to board members as well as board members' preferences regarding training methods, e.g., preferred training vehicles; and length, timing, and location of in-house training. The results of the assessment, along with a recommended Board Education Plan, will be presented to the Board for review.

Attendance at Conferences & Association Meetings

- 17) Approval for attendance and reimbursement of travel expenses in connection with conferences, seminars and association meetings will be in accordance with the provisions set out in Appendix 5 of this policy.
- 18) Each board member is generally limited to six (6) seminars or conferences per fiscal year that require travel outside of the nine (9) Bay Area counties (defined in Appendix 5, Section 4). No more than one (1) conference may involve travel to a destination outside North America. North America is defined as the United States of America and its territories, Canada and Mexico. Board members may request board approval to attend any number of conferences held within the nine (9) Bay Area counties.
- 19) In cases where attendance at a particular conference is limited:
 - a) The Board will, by majority vote, select those members who are authorized to attend;
 - b) Designate the remaining interested members as alternate attendees, who may attend in the event the members originally selected are unable to attend; and

- c) In authorizing attendance, the Board will give priority to those Board members who have not previously attended the conference or seminar in question, so as to carry out the Board's intent to distribute conference and seminar opportunities on a fair and equitable basis.
- 20) The Board Secretary will retain and catalogue all relevant conference materials submitted to the Board Secretary by Board members. Where appropriate, the Board Secretary may distribute copies to board and staff members.
- 21) No more than two (2) members of the Board are authorized to meet together for business purposes unless there is appropriate public notice of the meeting. However, ~~more than three~~ or more Board members may attend educational conferences, seminars, and social activities, provided that such Board members act in accordance with the *Brown Act* and the *Sunshine Ordinance*.

Reporting

- 22) Board members will inform the Board Secretary, for information purposes, of all fund-related conferences attended, whether paid for by the Fund or not.
- 23) Attendees will complete a brief written assessment of the quality and relevance of each conference attended on the Board's Conference Attendance Form. On an annual basis, the Board Secretary will review these assessments and update the list of recommended conferences as appropriate.
- 24) Upon returning from a conference, attendees shall report to the Board on information or knowledge attained at the conference for the benefit of board members who did not attend.
- 25) On an annual basis, the Board Secretary will submit a report to the Board on the educational activities of the Board. At a minimum, the report will summarize the attendance by Board members at conferences during the year.

Publication

- 26) A copy of this policy will be made available to the Mayor's office upon request, for the information of candidates seeking appointment to the Board. Copies of this policy will also be made available to candidates seeking election or appointment to the Board, for their information.

Policy Review

- 27) The Board will review this policy at least every two (2) years to ensure that it remains relevant and appropriate.

Policy History

- 28) The Board adopted this policy on ~~May~~July 29~~2~~3, 201~~2~~3.

APPENDIX 1
SPECIFIC PENSION-RELATED TOPICS

The following is a list of educational topics relating to each of the general topic areas listed in paragraph (7) of this policy. The list is intended to provide guidance to board members in identifying appropriate topics for the development of their knowledge and understanding of pension matters. The list is intended as a guideline only and is not exhaustive:

Governance and Fiduciary Duty

Fiduciary duty
Roles of the sponsor, administrator,
management and service providers
Basics of trust or fiduciary law
Effective decision-making
Roberts Rules of Order

Actuarial Policies and Funding

Role of the actuary
The actuarial process
Funding policy
Asset/liability management

Technology

Management information systems from a
governance perspective
Technology risk
Security in the technology area

Investment Policy and Asset Allocation

Asset classes and their characteristics
Historical risk and returns
Investment risk tolerance
Diversification and asset allocation
Active versus passive management
Investment/trading/execution costs
Performance measurement

Regulatory and Legal Issues

California Constitution
San Francisco City Charter
Ethics law or training
The Brown Act
The Sunshine Ordinance
Tax policy and plan qualification features
Non-tax legal requirements
Legislative updates

**APPENDIX 2
RECOMMENDED CONFERENCES AND SEMINARS**

Board members will forward information to the Board Secretary regarding conferences or seminars that have been found to be informative and beneficial. The Board Secretary will forward this information to the Board. The following recommended conference has been found to be informative and beneficial. It contains the required five (5) hours of substantive educational content per day, as required in this policy:

- CALAPRS: Principles of Pension Management, Stanford University Law School

Approval for attendance and reimbursement of travel expenses in connection with educational conferences will be in accordance with Appendix 5 of this policy, "Travel Expense Reimbursement Guidelines."

**APPENDIX 3
RECOMMENDED ASSOCIATION MEETINGS**

Board members will forward information to the Board regarding association meetings that have been found to be informative and beneficial. The Board Secretary will forward the information to the Board.

Approval for attendance and reimbursement of travel expenses in connection with association meetings will be in accordance with Appendix 5 of this policy, "Travel Expense Reimbursement Guidelines."

**APPENDIX 4
BOARD MEMBER REFERENCE MANUAL**

The Board Member Reference Manual cited in the Board Education and Travel Policy, Section 13(d)(i) shall include the following materials:

- a. Most recent ~~plan description~~ RHCTF Agreement;
- b. Most recent Annual Report;
- c. Most recent actuarial valuations s and financial statements;
- d. Names and phone numbers of the Board members, the Fund administrator and the City Actuary;
- e. Listing of current Board committee assignments;
- f. Listing of current Board service providers; and
- g. Glossary of key administration terms and definitions.

It is the responsibility of board members to maintain their Board Member Reference Manuals by ensuring that they contain the most up-to-date materials. A master copy of the Trustee Reference Manual will be made available by the Board Secretary for the use of board members.

**APPENDIX 5
TRAVEL EXPENSE REIMBURSEMENT GUIDELINES**

Travel Authorization

- 1) Each Board member is generally limited to six (6) seminars or conferences per fiscal year that require travel outside of the nine (9) Bay Area counties (defined in Section 4 below). ~~No more than one (1) conference may involve travel to a destination outside of North America, as defined in Board Education and Travel Policy Section 18.~~ Board members may request Board approval to attend any number of conferences held within the nine (9) Bay Area counties.
- 2) Attendance by Board members at seminars and conferences requiring reimbursement of expenses from the Fund requires prior approval of the Board and is subject to the limits set out in paragraph 1 above.
- 3) Attendance by Board members at association meetings, due diligence visits or other board business requiring travel outside of the nine (9) Bay Area counties also requires prior approval of the Board.
- 4) Travel within the nine (9) Bay Area counties which will require only modest expenses (e.g. mileage, parking, BART, muni, or taxi) does not require Board approval. If other expenses are involved, the same rules are applicable as for travel outside the nine (9) Bay Area counties. The nine (9) Bay Area counties, as defined by the City Controller's expense policy are: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.
- 5) The Board may ratify travel and expense reimbursement by Board members for which prior approval was not obtained for good cause explained in written communication to the Board.
- 6) The acceptance of any gifts which enable board members to attend seminars and conferences requires prior approval of the Board in strict compliance with section 18944.2 of FPPC Regulations.
- 7) Review and approval of educational travel will depend on the cost, substance and quality of the seminar or conference. As a general rule, travel to a conference or seminar outside of the nine (9) Bay Area counties should only be approved if the conference/seminar agenda contains an average of five (5) hours of substantive educational content per day. The Board may waive this requirement if the best interests of the Fund would be served by such a waiver.
- 8) The Board recognizes that Board members are often considered experts in their professional fields or as having considerable experience as a fiduciary. As such, they are often invited to speak at conferences. While the Board encourages the exchange of professional information, it must be evident that a conference or seminar as a whole would provide value to the Fund, before attendance is authorized.

Cost Of Administration

- 9) Travel expenses of Board members shall be direct costs of administration to the Fund and may not be paid through third party contracts or otherwise without

express approval of the Board. Board members shall pay special attention to reporting requirements for expenses paid or reimbursed by third parties.

Authorized Expenses

- 10) Reimbursement requests from Board members shall comply with the guidelines established by the City Controller concerning reimbursement of authorized expenses, in the same manner as applied to all other City and County officials.

Limitation On Allowance Of Time And Expenses

- 11) Allowance for time and expense shall not exceed that which is usual and reasonable as claimed by others to that precise destination. Normally when meeting, conference or seminar agendas calendar substantive content prior to 9:30 a.m., travel and arrival the evening before is authorized. When substantive content continues after 5:00 p.m., lodging for that night is authorized. Reasonable additional expenses (i.e., lodging and per diem for extra days either before or after a conference) will be reimbursed if such extension results in lower overall trip costs.

Limitation On Car Rental

- 12) Normally, Board members will be expected to use an economical means of ground transportation while on travel. Reimbursement of alternative modes of transportation will be justified for good cause, e.g., for reasons of personal safety or scheduling conflicts. Payment for fuel, parking, tolls, collision and personal property insurance will be reimbursed in cases where car rental is appropriate.

Cancellation Of Travel And Lodging Arrangements

- 13) Normally, Board members are responsible for timely cancellation of conference registration, travel and lodging arrangements made on his/her behalf which will not be used so that no costs will be incurred by the Fund.

Transportation Expense In Lieu Of Airfare

- 14) Reimbursement for transportation expense in lieu of airfare will be limited to an amount equal to the standard fare as deemed to be usual, reasonable and available at the time that travel is approved or as claimed by others to that precise destination. This limitation may be waived for good cause, such as closure of an airport or cancellation of all available flights.

Filing Claims

- 15) Claims for reimbursement of travel expenses shall be submitted within 60 days following completion of the travel for which expenses are claimed. Mileage claim forms shall be submitted at least once each quarter if expenses are claimed.

Cash Advances

- 16) Cash advances will not be allowed unless specifically approved by the Board.

Expenses For Travel Companions

- 17) Expenses of travel companions, including spouses and domestic partners, are not reimbursable by the Fund.

Quarterly Travel Reports

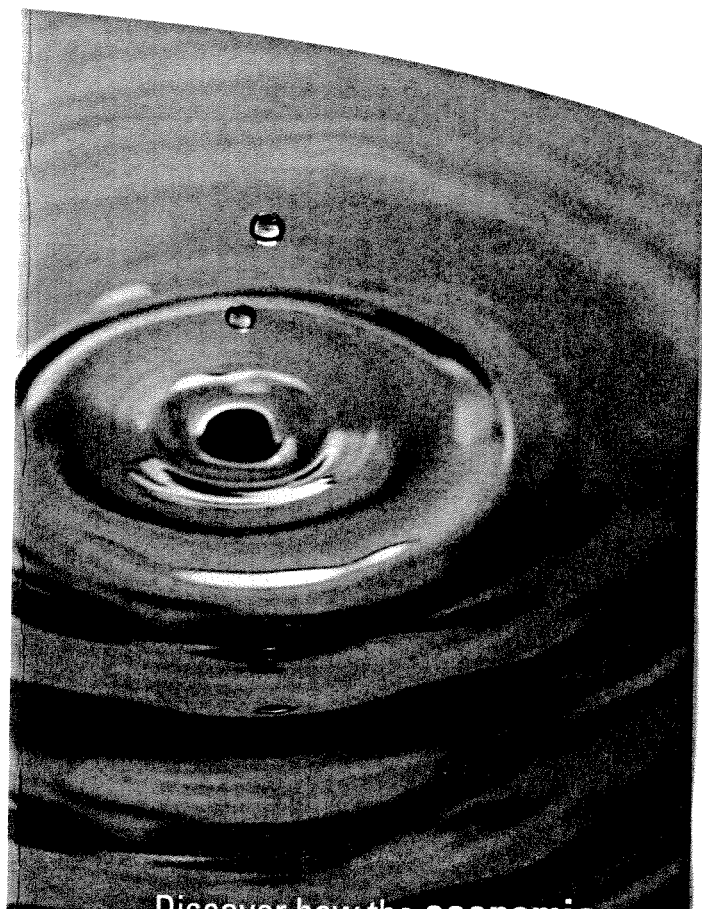
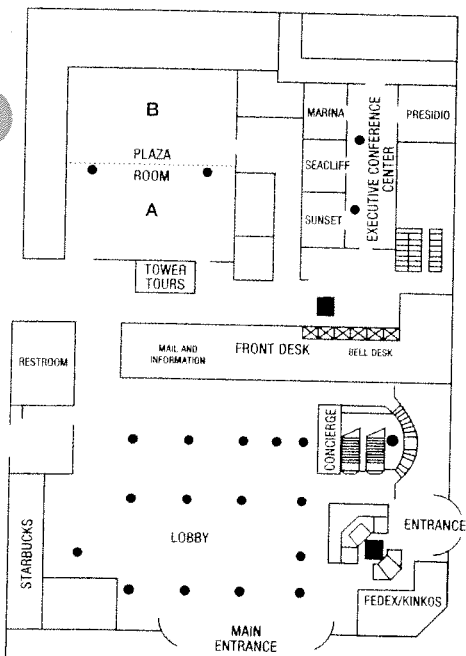
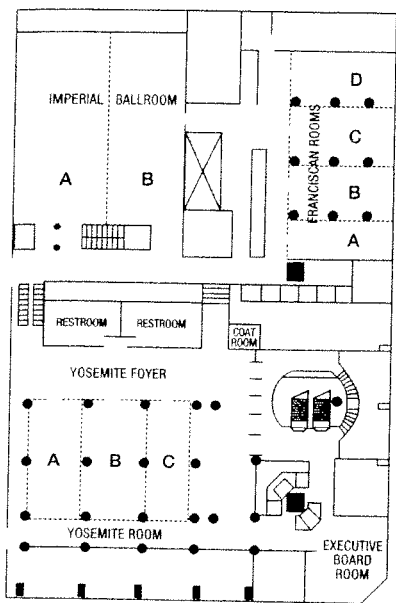
- 18) A quarterly travel expenditure report covering board member travel outside San Francisco County shall be provided to the Board. Such report shall identify the Board member, location, cost and purpose of travel.

Program at a Glance

Trustees and Administrators Institutes

June 24-26, 2013

Hilton San Francisco Union Square
San Francisco, California



Discover how the **economic,**
political and **regulatory**
environment impacts your **plans.**

International Foundation
OF EMPLOYEE BENEFIT PLANS 
Education | Research | Leadership

Sunday, June 23, 2013

4:00-6:00 p.m.
4:00-6:00 p.m.
4:00-6:00 p.m.

REGISTRATION
EXHIBIT HALL OPEN
WELCOME RECEPTION

East Lounge
Golden Gate
Golden Gate

Monday, June 24, 2013

6:30 a.m.-4:30 p.m.
6:30-7:30 a.m.
11:45 a.m.-1:15 p.m.
4:00-5:00 p.m.

REGISTRATION
CONTINENTAL BREAKFAST
LUNCH/EXHIBIT HALL OPEN
NETWORKING RECEPTION

East Lounge
Golden Gate
Golden Gate
Golden Gate

ADVANCED TRUSTEES

7:30-8:45 a.m. Continental Ballroom 5-6
Opening Session: Economic Update
(Joint Session with Administrators)
Speaker: Brian L. Beaulieu

9:00-10:15 a.m.

Continental Ballroom 5-6
Will Tait-Hartley Plans Survive the Affordable Care Act? **① ②**
(Joint Session with Administrators)
Speakers: Randy G. DeFrehn
John E. Slatery, CEBS

10:30-11:45 a.m.

Continental Ballroom 7-9
Recruiting the Next Generation of Trustees
Speakers: Michael J. Cook
William A. Martin
David C. Semerad

1:15-2:30 p.m.

Continental Ballroom 7-9
Withdrawal Liability **① ②**
Speaker: Elizabeth E. Marzo, Esq.

2:45-4:00 p.m.

Continental Ballroom 5-6
The Future of the Pension Protection Act **① ②**
Speaker: Mary Ann Dunleavy

Continental Ballroom 7-9
Delinquencies **①**
Speaker: Travis J. Ketterman

ADMINISTRATORS

7:30-8:45 a.m. Continental Ballroom 5-6
Opening Session: Economic Update
(Joint Session with Advanced Trustees)
Speaker: Brian L. Beaulieu

9:00-10:15 a.m.

Continental Ballroom 2-3
Self-Service Participant Communications **①**
Speaker: Christopher E. Beecht

10:30-11:45 a.m.

Continental Ballroom 2-3
Will Tait-Hartley Plans Survive the Affordable Care Act? **① ②**
(Joint Session with Advanced Trustees)
Speakers: Randy G. DeFrehn
John E. Slatery, CEBS

1:15-2:30 p.m.

Continental Ballroom 5-6
Health Care Update **① ②**
(Joint Session with Advanced Trustees)
Speaker: Sharon M. Goodman

2:45-4:00 p.m.

Continental Ballroom 2-3
Surviving a DOL or IRS Audit **① ②**
Speakers: David Evangelista
James W. Versocki

NEW TRUSTEES

7:30 a.m.-12:00 noon Continental Ballroom 4
Trustees' Responsibility **①**
Speaker: Peter M. Rosene

1:15-3:15 p.m.

Continental Ballroom 4
Overview of Health and Welfare Funds **① ②**
Speaker: Jackson A. Loos

3:30-4:30 p.m.

Continental Ballroom 4
Current Issues in Health and Welfare **① ②**
Speaker: Jackson A. Loos

Tuesday, June 25, 2013

6:30 a.m.-4:00 p.m.
6:30-7:30 a.m.
11:15 a.m.-1:15 p.m.

REGISTRATION
CONTINENTAL BREAKFAST
LUNCH/EXHIBIT HALL OPEN

East Lounge
Golden Gate
Golden Gate

ADVANCED TRUSTEES

7:30-8:45 a.m.

Legal and Fiduciary Update 

Speaker: Neal S. Scheiberg



Continental Ballroom 5-6

9:00-10:15 a.m.

Making Realistic Plan Assumptions 

Speakers: Jay K. Egelberg
James K. Estabrook, Esq.


Continental Ballroom 7-9

Health Insurance Exchanges  

(Joint Session with Administrators)
Speaker: Cindy Gillespie

Continental Ballroom 5-6

10:30-11:45 a.m.

Dealing With Ethical Issues  

Speaker: Andrew E. Staab

Continental Ballroom 5-6

1:15-2:30 p.m.

Understanding Alternative Investments


Speakers: Jeffrey S. Endick
David Evangelista

Continental Ballroom 5-6

Value-Based Health Care Panel Discussion 

(Joint Session with Administrators)
Speakers: Lewis E. Devendorf
Andrea D. Goldberger
Margaret C. Lemkin, Ph.D.

Continental Ballroom 7-9

Retirement Security Panel Discussion  

(Joint Session with Administrators)
Speakers: Cassandra R. Cole, Ph.D.
R. Scott Gregory
Andrew E. Staab

Continental Ballroom 2-3

2:45-4:00 p.m.

Infrastructure Investing

Speaker: Glenn Eard

Continental Ballroom 5-6

Value-Based Health Care Followup Workshop 

(Joint Session with Administrators)
Speaker: Andrea D. Goldberger

Continental Ballroom 7-9


Patient-Centered Medical Home 

(Joint Session with Administrators)
Speaker: John D. Sprandio, M.D.

Continental Ballroom 2-3

ADMINISTRATORS

7:30-8:45 a.m.

Update on Government Reporting and Disclosure 

Speakers: Paula D. Alphin
Rachel R. Parisi, CEBS

Continental Ballroom 2-3

9:00-10:15 a.m.

Health Insurance Exchanges  

(Joint Session with Advanced Trustees)
Speaker: Cindy Gillespie

Continental Ballroom 5-6

10:30-11:45 a.m.

Effective Staff Training and Development

Speaker: Moira J. Kelly



Continental Ballroom 2-3

1:15-2:30 p.m.

Value-Based Health Care Panel Discussion 

(Joint Session with Advanced Trustees)
Speakers: Lewis E. Devendorf
Andrea D. Goldberger
Margaret C. Lemkin, Ph.D.

Continental Ballroom 7-9

Retirement Security Panel Discussion  

(Joint Session with Advanced Trustees)
Speakers: Cassandra R. Cole, Ph.D.
R. Scott Gregory
Andrew E. Staab


Continental Ballroom 2-3

2:45-4:00 p.m.

Value-Based Health Care Followup Workshop 

(Joint Session with Advanced Trustees)
Speaker: Andrea D. Goldberger

Continental Ballroom 7-9


Patient-Centered Medical Home 

(Joint Session with Advanced Trustees)
Speaker: John D. Sprandio, M.D.

Continental Ballroom 2-3

NEW TRUSTEES


7:30-9:30 a.m.

Overview of Pension Funds 

Speaker: R. Scott Gregory

Continental Ballroom 4

9:45-11:45 a.m.

Current Issues in Pensions 

Speaker: R. Scott Gregory

Continental Ballroom 4

1:00-4:00 p.m.

Investing Health and Welfare and Pension Assets

Speaker: Sandy Lincoln

Continental Ballroom 4

6:30-11:45 a.m.
6:30-7:30 a.m.

Wednesday, June 26, 2013

REGISTRATION
CONTINENTAL BREAKFAST

East Lounge
Golden Gate

ADVANCED TRUSTEES

7:30-8:45 a.m.

Mental Health in the Workplace **①** **②** Continental Ballroom 5-6
(Joint Session with Administrators)

Speaker: Bill Wilkerson

9:00-10:15 a.m.

Continental Ballroom 5-6

The Latest in DB/DC/Hybrid Plans **①** **②**

Speakers: Mary Ann Dunneavy
Jay K. Egelberg

Medicare Part D Prescription Program Options **①** **②**

(Joint Session with Administrators)
Speaker: Ronald W. Laudel

10:30-11:45 a.m.

Continental Ballroom 9

Effectively Managing Your Apprenticeship and Training Fund **①**

Speaker: James W. Versocki

Construction Industry Roundtable

Speakers: Michael J. Cook
James K. Estabrook, Esq.

ADMINISTRATORS

7:30-8:45 a.m.

Mental Health in the Workplace **①** **②** Continental Ballroom 5-6
(Joint Session with Advanced Trustees)

Speaker: Bill Wilkerson

9:00-10:15 a.m.

Continental Ballroom 2-3

Electronic Administration: From Board Meetings to the Back Office

Speaker: Michael E. Davis, CEBS

Medicare Part D Prescription Program Options **①** **②**

(Joint Session with Advanced Trustees)
Speaker: Ronald W. Laudel

10:30-11:45 a.m.

Continental Ballroom 2-3

Administrators' Open Forum

Speakers: Paula D. Alphin
Christopher E. Brecht

NEW TRUSTEES

7:30-9:15 a.m.

Understanding the Fund's Financial Statements **①** Continental Ballroom 4

Speaker: Lawrence R. Beebe

9:30-11:30 a.m.

Continental Ballroom 4

Trust Fund Administration **①**

Speakers: Matthew Winkler
Corey J. Wirth, CEBS

Continuing Education Credit—Submit one yellow CE form | **①** Attorney CLE **②** Insurance CE | Note: CE for other professions can be administered based on submission of yellow forms.

Plan Now to Attend

2014 Trustees and Administrators Institutes

February 17-19, 2014

Preconference—February 16

Disney's Yacht and Beach Club Resorts
Lake Buena Vista (Orlando), Florida

June 23-25, 2014

Preconference—June 22

The Cosmopolitan of Las Vegas
Las Vegas, Nevada

RHCTFB CONFERENCE ATTENDANCE REPORT

Board Member Name: Edward F Walsh _____
 Name of Conference: Trustees and Administrators Institute _____
 Date of Conference: June 24 – June 26 _____
 Location of Conference: San Francisco – Hilton Union Square _____
 Agenda Attached: Yes

1. Rating of Conference Objectives

1 = Disagree most, 5 = Agree most	1	2	3	4	5
The Learning Objectives were clearly identified in conference materials					x
The conference was consistent with the stated Learning Objectives					x
All of the Learning Objectives were met					x

2. Rating of Presenters/Workshops

1 = Disagree most, 5 = Agree most	1	2	3	4	5
Appears to be knowledgeable in the subject area					x
Provided a well organized presentation					x
Was able to facilitate discussions effectively			x		
Communicated material in clear language					x
Demonstrated ability to provide appropriate examples					x
Overall rating of the Presenters					x

Overall rating of the Presenters					x
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3. Rating of Conference Relevancy to RHCTF Board

1 = Disagree most, 5 = Agree most	1	2	3	4	5
Discussions were relevant to RHCTF Board			x		
Handouts were useful				x	
Overall the course content was relevant to my needs as a Board member				x	

1 = Disagree most, 5 = Agree most	1	2	3	4	5
Overall Rating of the Conference			x		

4. Would you recommend attendance by Board members in the future?

Yes: _____	No: x
------------	--------------

Comments: the program was oriented toward Taft – Hartley pension plans and Health and Welfare programs but there was a great deal of useful information for administrators of public plans.

Signature: Edward F Walsh Date: July 12, 2013

Retiree Health Care Trust Fund Board Members Future Trainings			
Course/Roundtable Name	Attendees	Date of Training	Cost Per Attendee
CALAPRS Trustees Roundtable	Pauline Marx	September 13, 2013	\$100.00
Double Tree Hotel			
2050 Gateway Place			
San Jose, CA 95110			
Total for CALAPRS Trustees Roundtable			\$100.00
<hr/>			
CIO Public Pension Plan Summit	Carol Cypert	November 4-5, 2013	\$1,295.00
W Hotel in San Francisco	Leo Levenson		\$1,295.00
181 3rd Street	Pauline Marx		\$1,295.00
San Francisco, CA 94103			
Total for Summit Training			\$3,885.00
<hr/>			
Total for both Trainings:			\$3,985.00

California Association of Public Retirement Systems

CALAPRS

EDUCATION · COMMUNICATION · NETWORKING

Program Announcement

TRUSTEES ROUNDTABLE

DATE & TIME

Friday, September 13, 2013

Breakfast 8:30am - 9:00am
Meeting 9:00am - 4:00pm

LOCATION

Doubletree Hotel
2050 Gateway Place
San Jose, CA 95110

AGENDA

[Download the Agenda \[PDF\]](#)

The meeting agenda was prepared by Lauryn Agnew from SamCERA. Please contact her at lauryn@coastside.net with questions or suggestions.

[Register Online](#)

Quick Links

[Register Online](#)
[Download the Agenda](#)
[Create a Member Login](#)
[Discussion Forum](#)
[CALAPRS Program Calendar](#)
[Contact CALAPRS](#)

Hotel Information

Doubletree Hotel
2050 Gateway Place
San Jose, CA 95110
408-453-4000

Room Block:

Reservation Deadline: **August 24th**
Nightly Rate: \$135/night
Group Discount Code: BTA
Reserve by phone: 408-453-4000
[Reserve Online](#)

Travel Information

Self-parking is available at the hotel for a discounted rate of \$10/day (including overnight). CALAPRS will validate on-site.

San Jose Airport (SJC) is the closest airport. There is a courtesy shuttle to the hotel every 10-15 minutes.

Contact Us

California Association of Public Retirement Systems
575 Market Street, Suite 2125, San Francisco, CA 94105
P: 415.764.4860 | Toll-free: 1-800-Retire-0 | F: 415.764.4915
info@calaprs.org | www.calaprs.org

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CALAPRS | 575 Market Street | Suite 2125 | San Francisco | CA | 94105

CALAPRS

EDUCATION • COMMUNICATION • NETWORKING

California Association of Public Retirement Systems

TRUSTEES' ROUNDTABLE

Friday, September 13, 2013
Doubletree Hotel San Jose
2050 Gateway Place, San Jose, CA
408-453-4000

AGENDA

- 8:30-9:00 Breakfast & Registration
- 9:00-9:15 **Introduction**
Lauryn Agnew, Trustee, SamCERA
- 9:15-10:00 **CalPERS Sustainability Process**
Ben Thornley & Representative from CalPERS investment staff/committee and/or board
- Policy development, board education, learning curve, opportunities, research, impact measurement
- 10:30-10:45 Break
- 10:45-12:00 **Responsible Investing, Corporate Governance, Activism, ESG Integration**
Chad Spittler, Blackrock & Matt Christensen, AXA Rosenberg
- 12:00 -1:00 Lunch Session: **PEPRA and DOMA Litigation and Legislation**
Brenda Carlson, Chief Legal Counsel, SamCERA
- 1:00-1:45 **Measuring the Criteria**
Sustainalytics, HIP
- 1:45-2:30 **Following the Impact**
Community Capital Management & Earmarking
- 2:30-2:45 Break
- 2:45-3:45 **Building portfolios, Equity, Fixed Income, Real Assets, Private Equity, Infrastructure**
Active, passive
Aperio, Breckenridge, Mosaic, CDFI/TOD, PCV
- 3:45-3:55 Research Survey: **Bay Area Impact Investing Initiative**
- 4:00 Select chair for next meeting (February 2014, Southern CA)
- Adjourn

CONTACT US

575 Market Street, Suite 2125, San Francisco, CA 94105
P: 415-764-4860 F: 415-764-4915
register@calaprs.org www.calaprs.org

CALAPRS

EDUCATION · COMMUNICATION · NETWORKING

California Association of Public Retirement Systems

December 20, 2012

NOTICE OF PROGRAM FEE SCHEDULE

It was the consensus of the CALAPRS Board that the following event attendance fees should be implemented on January 1, 2013. Member retirement systems will continue to be invoiced for staff attendance twice per calendar year – in June and in December.

Event	Fee per person
Principles for Trustees at Stanford	\$ 2,500**
Administrators' Institute	\$ 1,000**
UCLA Board Leadership Institute	\$ 2,900**
Management Academy	\$ 2,500*
Overview Staff Training	\$ 100*
Disability Staff Training	\$ 100*
Intermediate Staff Training	\$ 250*
Advanced Staff Training	\$ 250*
General Assembly	\$ 100*
All Roundtables	\$ 100*

*Attendees are responsible for their own housing and travel expenses (if any).

**Housing cost is included in the program tuition.

THE CIO PUBLIC PENSION PLAN SUMMIT

EXCLUSIVE TO
PENSION INVESTMENT
PROFESSIONALS

NOVEMBER 4-5 2013
W HOTEL, SAN FRANCISCO

THE ONLY EVENT to bring together the public pension CIO community focused on solving the asset to liability mismatch

30+ Senior Investment Pension Professionals

discuss the impact of structuring, risk management and portfolio diversification on public pension plans.

PREPARING YOUR PLAN FOR THE FUTURE:

- Comprehensive session on portfolio structuring: understand the value in passive v. active and traditional v. alternative
- Seven sessions on asset classes that every CIO has on their mind
- Broaden your understanding of strategic risk management with sessions on liability risk, political risk and global market risk
- Why allocating with conviction delivers better returns
- Understand the political and financial implications of the DC/DB debate
- Strengthening your plan governance to avoid legal blind-spots
- How cutting fees does not mean sacrificing returns



AN UNMATCHED OPPORTUNITY FOR PEER-TO-PEER INFORMATION EXCHANGE

- Exchange ideas with peer-level public plan investment executives from around the US
- Presented by and for pension investment professionals—under Chatham House Rules

JOIN PENSION EXECUTIVES FROM:

- CalPERS
- OMERS
- Public Employees' Retirement System of Idaho
- Oregon State Treasury
- Washington State LEOFF
- Oklahoma Teachers Retirement System
- New Mexico Educational Retirement Board
- San Bernardino County ERA
- Georgia Firefighters Pension Fund
- Holyoke Retirement Board
- City of Lakeland Retirement System
- Park Employees' Annuity and Benefit Fund of Chicago

To Register, Call Michael Mulato at 646.895.7424 Email: mmulato@irusa.com

JOIN PLAN SENIOR STAFF IN IN-DEPTH INVESTMENT STRATEGY DISCUSSION

Bob Maynard, Chief Investment
Officer, **PERSI**

John Skjervem, Chief Investment
Officer, **Oregon State Treasury**

Girard Miller, Chief Investment
Officer, **Orange County Employees
Retirement System**

Rob Feckner, President of the Board,
CalPERS

Blair Cowper-Smith, EVP Corporate
Affairs, **OMERS**

Steve Nelsen, Executive Director,
Washington State LEOFF

Wayne Wicker, Chief Investment
Officer, **ICMA-RC**

James Perry, Senior Investment
Officer, **San Bernardino County**

Lee Partridge, Chief Investment
Officer, **Salient Partners**

Gary Trennepohl, Chair of Trustees,
**Oklahoma Teachers Retirement
System**

Dean Niedospial, Executive Director
& Chief Investment Officer,
**Park Employees' Annuity and
Benefit Fund of Chicago**

Dana Blydenburgh, Executive Director,
**City of Lakeland Retirement
System**

Mark Canavan, Senior Portfolio
Manager, **New Mexico Educational
Retirement Board**

Daniel Owens, Executive Director,
Holyoke Retirement Board

Mike Sebastian, Partner,
Hewitt EnnisKnupp

Allan Martin, Partner, **NEPC**

Don Stracke, Senior Consultant, **NEPC**

Matt Moran, Vice President,
Chicago Board Options Exchange

Meredith Despins, Vice President,
NAREIT

Ira Summer, Consulting Actuary
and President, **Public Pension
Professionals**

THE CIO PUBLIC PENSION PLAN SUMMIT

Join your public pension plan peers for an exclusive discussion of investment strategy, risk management, and governance, November 4-5 in San Francisco at the CIO Public Pension Plan Summit.

Pension plan investment executives like you, as well as carefully selected consultants and experts, have guided the development of the agenda for the Summit, which promises to be an open and candid forum for sharing ideas.

The Summit will help you start 2014 with new ideas and tools for tackling your investment challenges.

REASONS TO ATTEND

- Exclusively for senior investment executives of public pension plans
- Gain insight from your peers and strengthen your peer network
- Get actionable ideas for your fund

WHO SHOULD ATTEND

- Chief Investment Officers
- Executive Directors
- Senior Investment Officers
- Plan Investment Executives

HOT TOPICS

- Solving the Assets to Liabilities Mismatch
- Management Fees: Getting What you Pay For
- How Allocating With Conviction Can Increase Returns
- How to Communicate with the Board
- The DB/DC Debate
- Real Estate Strategies that Are Working

To Register, Call Michael Mulato at 646.895.7424 Email: mmulato@iirusa.com

8:15 Registration and Breakfast

9:00 Keynote: Economic Outlook

An overview of the economic horizon for the next 18 months and what it reveals for pension funds.

9:30 CIO Insight: Plans Discuss the Asset to Liability Mismatch

It's easy to get wrapped up in asset to liability headlines, but what is the reality? Join your peers in a candid conversation about battling the asset to liability mismatch and meeting long term liabilities. Learn from each other's experiences and success stories.

10:15 Understanding Management Fees: Do You Get What You Pay For?

Learn more about the innovative efforts of California public pension CIOs and others across the nation to drive down investment management fees, secure graduated "P-share classes" for pension funds, create "mini-pools" to obtain discounted break-point pricing, better align interests of investment advisors and pension funds, build a money manager database controlled by public funds, and avoid costly and unjustified fee structures.

11:00 Networking and Coffee

11:30 Risk Averse or Risk Taker: Just Do It Smartly

- What is your fund's risk appetite and how do you determine the appropriate amount?
- Actuarial rates: What is the new normal?
- Other models in assessing liability
- Is your fund sustainable, and can it survive?
- Is there too much risk to be creative?

12:15 Luncheon

1:15 Keeping Your Portfolio Structure Up to Speed


A volatile economic landscape hasn't made asset allocation any easier. With all of the turmoil, how can you be sure your portfolio structure is as effective as possible? Every plan has different needs. How can you be sure that your portfolio structure reflects the appropriate level of risk appetite and desired return?

- Portfolio construction
- Active v. passive strategies
- Alternatives v. traditional
- Shifting portfolio components
- Valuation

2:00 Keep Calm, Carry On: Allocating with Conviction

Keeping calm and carrying on has allowed a number of plans to maintain solid returns, regardless of market volatility. These plans have conviction in their investment thesis. Panelists discuss how disciplined allocation has served them well in changing market environments.

	RE-EXAMINING ALTERNATIVE ASSET CLASSES	INVESTMENT STRATEGIES FOR A CHANGING ECONOMIC CLIMATE
2:45	<p>Private Equity—is a hot topic these days and allocation strategies are all over the map. Learn how to commit effectively and what strategies are worth the time.</p> <ul style="list-style-type: none"> • Liquidity issues • Buy outs • Distressed • Direct investment • Infrastructure • Carrying your weight: what's the future of co-mingled funds? 	<p>Passive Strategies—Whether you're tired of high manager fees, or simply want a healthy allocation to passive strategies, you still want to make steady returns. Explore different methods and what fits your portfolio.</p>
3:25	<p>Real Estate—is back on the rise as investors rush to this high return asset class. But will the rush tip the boat? Learn what strategies are working and how to find the next trend, before the crowd catches on.</p> <ul style="list-style-type: none"> • CORE • REITs • Infrastructure • Distressed • What's the right blend of private and public? • Are they over-priced? 	<p>Combating Low-Interest Rates</p> <ul style="list-style-type: none"> • What's the outlook for bonds and interest rates • Hedging price risk • Appropriate fixed income/equity mix for your fund's needs • Immunization • What happens when quantitative easing...eases?
4:05	Networking and Coffee	
4:35	<p>Hedge Funds—Are hedge funds still worth the risk? Big v. small, strategies suitable for long-term liabilities and fees are all items to be taken into account.</p>	<p>Derivatives Trading</p> <ul style="list-style-type: none"> • How does regulation affect derivatives? • OTCs vs. Futures • Are they still an effective hedge?
5:15	<p>Emerging Markets—They have potential for a great return, but foreign markets are a bit murky. Hear some of the more incisive techniques in risk assessment and due diligence.</p>	<p>Risk Parity—All plans want high returns, but matching returns to liability risk is important. Hear from peers utilizing risk in their portfolios.</p>

5:55 **Cocktails and Networking** 

8:00 **Breakfast**

8:45 **Staying Out of the Headlines: Developing a 360° View**

From the City of Bell scandal to non-discrimination lawsuits for DC plans, there are a lot of horror stories to keep a pension executive up at night. Stay on top of all of the political white noise, regulation, and other legal issues to keep out of the headlines.

9:30 **At the Crossroads: The DB/DC Debate**

- What's the transition cost?
- Is it really cutting cost?
- What actuarial changes can you expect, and how do you prepare?
- How to handle the political and PR ramifications
- Is discrimination a legal risk?

10:15 **Networking and Coffee**

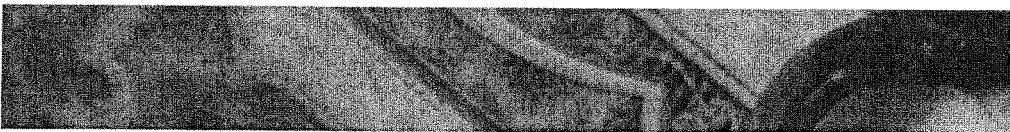
10:45 **Communicating with the Board**

Hear about effective communication and decision-making tools to help boards prioritize their agendas, improve the efficiency of the board and investment committee through delegation and subcommittees, provide board-friendly dashboards for market and portfolio monitoring, address portfolio risk, and provide actionable fiduciary education.

11:30 **New Roles of Governance in Fund Operations**

- How does internal v. outsourcing affect governance?
- What are some of the models in separating investment teams from the rest of the plan?
- We've decided to consolidate our assets, what does that mean for governance?

12:15 Close of Conference



A limited number of asset managers, consultants, and service providers may only gain access to the event via sponsorship. Call Terri Sobol to learn more about customized sponsorship packages. Opportunities start at \$4995.

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Terri Sobol can be reached at +1
646.895.7473 or **tsobol@iirusa.com**.

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INFORMATION:**

If you are interested in collaborating as a Media Partner, please contact **Jeneane Zeleznak** at
+1 646.616.7648 or **jzeleznak@iirusa.com**.

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ON PLAN

THE ONLY EVENT to bring together the public pension CIO community focused on solving the asset to liability mismatch

NOVEMBER 4-5 2013 • W HOTEL, SAN FRANCISCO

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708 Third Ave
New York, NY 10017

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THE CIO PUBLIC PENSION PLAN SUMMIT PRICING

Register by	8/2/2013	9/6/2013	10/4/2013	Standard Rate & After 10/4/13
Conference*	\$1,295	\$1,395	\$1,495	\$1,695

* Registration is open to pension only. All registrations subject to approval.


code: **U2804**. If payment has not been received prior to registration the morning of the conference, a credit card hold will be required.

DATES AND VENUE:
November 4-5, 2013
W San Francisco
181 3rd St, San Francisco, CA
wsanfrancisco.com
Room Rate: \$329/night + tax
Cut off: October 18, 2013 by 5pm
+1 877.946.8357
Reference: **Public Pension Summit**

CANCELLATION POLICY: For information on IIR's cancelation and substitution policy please visit:
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DOCUMENTATION ORDER: If you are unable to attend the program, or would simply like to order additional sets of documentation for your colleagues, they are available for \$395 per set, including taxes, postage and shipping in the U.S.

Please call +1.888.670.8200. The documentation is available two weeks after the conference takes place. **CREDIT CARD PAYMENT ONLY.**

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Attn: Ms Rosanne Torre
Board Secretary
City of San Francisco
1 Dr Carlton B Goodlett Place
SAN FRANCISCO CA 94102

Account
2933044

Order Number
2907068

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181 Third Street
SAN FRANCISCO CA 94103
USA

Invoice Number 30174581	Invoice Date 07/23/2013	Due Date IMMEDIATE	Our Tax Number 13-3179256	
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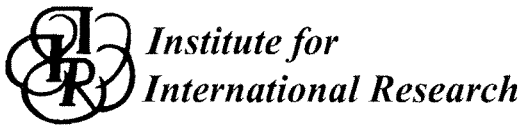
Code	Delegate Name	Product	Net USD	Tax USD
U2804001	Carol Cypert	C Conference Fee Beginning on 11/04/2013	1,295.00	0.00
Total Fee			USD	1,295.00
Amount Paid			USD	0.00
Balance Due			USD	1,295.00

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July 24, 2013

Ms Carol Cypert
Trustee
City of San Francisco
1 Dr Carlton B Goodlett Place
SAN FRANCISCO CA 94102

Customer Service
101 Arthur Andersen Parkway
Suite 100
Sarasota, FL 34232

Reference : U2804/2907068

Dear Carol Cypert,

Thank you for choosing to attend CIO Public Pension Plan Summit 2013. As the world's largest provider of executive business conferences, we are confident that you will benefit professionally from this opportunity to listen and network with industry experts.

We would be appreciative if you would verify your details at the top of this letter. This information will be used on your badge and the attendance list. If there are any mistakes or misspellings, please correct the letter and fax it to 941-365-2507 or email register@iirusa.com so that we can adjust our records.

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If you have any questions regarding your selections or need additional information, please do not hesitate to contact us at 888-670-8200. Please refer to your reference number U2804/2907068.

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Welcome to IIR. We look forward to seeing you at the event.

Sincerely,

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Booked Options :

Title : CIO Public Pension Plan Summit 2013

Booking Reference : U2804/2907068

Venue : W Hotel San Francisco
181 Third Street

San Francisco CA 94103

Registration : Please refer to the brochure or website based on your selections

Option : C Conference Fee

Start : November 4, 2013 08:00

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Suite 100 Int'l : 941-554-3500
Sarasota, FL 34232 Fax : 941-365-2507

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Attn: Ms Rosanne Torre
Board Secretary
City of San Francisco
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Order Number
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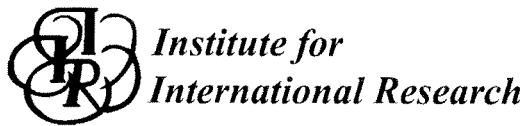
Code	Delegate Name	Product	Net USD	Tax USD
U2804001	Leo Levenson	C Conference Fee Beginning on 11/04/2013	1,295.00	0.00
Total Fee			USD	1,295.00
Amount Paid			USD	0.00
Balance Due			USD	1,295.00

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July 24, 2013

Mr Leo Levenson
Trustee
City of San Francisco
1 Dr Carlton B Goodlett Place
SAN FRANCISCO CA 94102

Customer Service
101 Arthur Andersen Parkway
Suite 100
Sarasota, FL 34232

Reference : U2804/2907076

Dear Leo Levenson,

Thank you for choosing to attend CIO Public Pension Plan Summit 2013. As the world's largest provider of executive business conferences, we are confident that you will benefit professionally from this opportunity to listen and network with industry experts.

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San Francisco CA 94103

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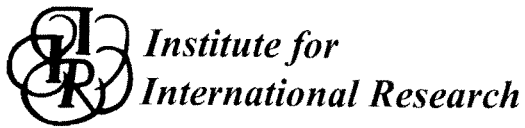
Code	Delegate Name	Product	Net USD	Tax USD
U2804001	Pauline Marx	C Conference Fee Beginning on 11/04/2013	1,295.00	0.00
Total Fee			USD	1,295.00
Amount Paid			USD	0.00
Balance Due			USD	1,295.00

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July 24, 2013

Ms Pauline Marx
Chief Assistant Treasurer
City of San Francisco
1 Dr Carlton B Goodlett Place
SAN FRANCISCO CA 94102

Customer Service
101 Arthur Andersen Parkway
Suite 100
Sarasota, FL 34232

Reference : U2804/2907075

Dear Pauline Marx,

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Booking Reference : U2804/2907075

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181 Third Street

San Francisco CA 94103

Registration : Please refer to the brochure or website based on your selections

Option : C Conference Fee

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ANTHONY J. TUCCI

PATRICIA M. GATES, Of Counsel
ROBERTA D. PERKINS, Of Counsel
NINA FENDEL, Of Counsel
ANA M. GALLEGOS, Of Counsel

- Also admitted in Arizona
- Admitted in Hawaii
- Also admitted in Nevada
- Also admitted in Illinois
- Also admitted in New York

June 24, 2013

Retiree Health Care Trust Fund Board
c/o Office of the Controller
City Hall, Room 488
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4694

RECEIVED
13 JUN 26 PM 3:52
CCSF CONTROLLER
HUMAN RESOURCES

**Re: Contributions by Participants Who Became Employees of Participating Employers
Prior to January 10, 2009 and Transferred to San Francisco City and County After
January 10, 2009**

Dear Retiree Health Care Trust Fund Board:

This office represents Service Employees International Union, Local 1021 ("SEIU"). SEIU is the collective bargaining representative of numerous employees of participating employers. It has come to our attention that San Francisco City and County ("the City") has been charging the new hire contribution to workers who became employees of other participating employers prior to January 10, 2009, and transferred or bumped to the City sometime after January 10, 2009. As discussed below, we believe such workers should not be required to contribute as if they were hired after January 10, 2009. Proposition B in the 2008 election amended the Charter as follows:

There is hereby created a Retiree Healthcare Trust Fund ("RHCTF") for the purpose described in section 12.204. The Retiree Health Trust Fund Board ("Board") described in section 12.204 shall have exclusive authority and control over the administration of the RHCTF investments of Trust assets and disbursements from the Trust in accordance with the provisions of the Charter.

Active officers and employees of the City and County and participating employers who commenced employment with the City and County or the participating employers on or after January 10, 2009, shall contribute their respective employer's "normal costs" to the RHCTF. The annual active employee contribution rates shall be the employer's "normal cost" as determined by the employer's respective General Accounting Standards Board ("GASB") actuaries computed as a percentage of compensation not to exceed two percent of pre-tax compensation to the RHCTF. The employer's GASB actuaries shall determine the employer's "normal costs" on an annual basis.

The City and County and participating employers shall each contribute one percent of compensation for officers and employees hired on or after January 10, 2009. Once an employer has no unfunded actuarial accrued liability and the Retiree Health Trust Fund is fully funded, then the employer and its active officers and employees hired on or after January 10, 2009, shall instead each contribute fifty percent of the “normal costs” as determined by the employer’s respective GASB actuaries, not to exceed two percent of pre-taxed compensation and the one percent employer contribution shall no longer be required.

Contributions to the RHCTF from the City and County and its officers and employees and each participating employer as their officers and employees shall be segregated from each other and only used as a funding source to defray each employer’s obligations to pay for retiree healthcare under section A8.428 and each employer’s share of administrative expenses. The fund may be pooled for investment purposes only.

(Emphasis supplied.) It should also be noted that section A8.428 was amended to provide various definitions relating to employer contributions to the Health Service System Fund for retired employees. In that section, “hired on or before January 9, 2009” means “employees of the City and County, the School District and/or the Community College District who were hired on or before January 9, 2009”

The goal in interpreting a voter-enacted measure is to determine and effectuate voter intent. To determine intent, the first consideration is the language of the measure in the context of the whole proposition. Here, another provision of Proposition B indicated that in section A8.428 of the Charter, “hired on or before January 9, 2009” means employees of the City and County, the School District and/or the Community College District who were hired on or before January 9, 2009. This suggests that conversely, anyone hired before January 10, 2009 at any of the participating employers was not a new employee.

The argument and analysis contained in the official ballot pamphlet also is relevant to voter intent. The digest of Proposition B in the ballot pamphlet stated in relevant part:

The way it is now: The City Charter, City employees and certain employees of the School District, the Superior Court, and the Community College District who retire under the San Francisco Employees Retirement System or the California Public Employees Retirement System are eligible for employer funded retiree health care benefits after five years of service


Proposition B would establish a separate Retiree Health Care Trust Fund to pay for the City’s future costs related to retiree healthcare. This Trust Fund would be funded by employer and employee contributions for employees hired on or after January 10, 2009. These new employees would contribute up to two percent of their pre-tax pay and employers would contribute one percent. The School District and Community College District would have the option to participate in and contribute to this Trust Fund if their Governing Boards approve.

The language of the digest in the voter information pamphlet supports an inference that voters would have understood Proposition B to charge the two percent contribution to “new employees” hired after January 9, 2009. These “new employees” were distinct from the already existing employees, who could be existing employees of the School District, Superior Court, or the Community College District, as voters were informed in the digest. Similarly, in the arguments in favor of Proposition B in the voter pamphlet, the measure was characterized as requiring “new hires” and “future employees” to contribute to the Retiree Healthcare Trust Fund.

SEIU requests that the Retiree Health Care Trust Fund Board provide administrative relief to all affected participants by directing the City to cease and desist from charging the two percent contribution to those who were employed with participating employers prior to January 10, 2009, and who became employed with the City after January 10, 2009 without a break in service, and by providing reimbursement to affected participants who have been incorrectly charged the two percent contribution.

Please advise the undersigned how the Board would like to proceed. Thank you for your consideration and attention to this matter.

Sincerely,



Anne I. Yen

AIY:mp
opeiu 3 afl-cio(1)

cc: David Canham
Dennis McLaughlin