

**GOVERNANCE COMMITTEE MEETING OF THE BOARD OF ADMINISTRATION
RETIREMENT BOARD
WATER AND POWER EMPLOYEES' RETIREMENT PLAN**

MINUTES – MARCH 5, 2008

Present:

Eugene K. Canzano	Chairperson
Mike Moore	Committee Member
Cindy Coffin	Committee Member

Others Present:

Sangeeta Bhatia	Retirement Plan Manager
Ramonette Carranceja	Assistant Retirement Plan Manager
Michael R. Wilkinson	Deputy City Attorney
Jeremy Wolfson	Investment Officer
Graciela Giachetti	Acting Recording Secretary
Sarah Bernstein	Pension Consulting Alliance
Joseph Wyatt	Morrison /Foerster Attorney

Chairperson Canzano called the Governance Committee Meeting to order at 9:08 a.m.

Ms. Bhatia indicated a quorum was present.

1. Review of Sudan Accountability and Divestment Act of 2007 by Morrison/Foerster - Discussion and possible action.



Attorney Joseph Wyatt, Water and Power Employees' Retirement Plan (WPERP) fiduciary counsel, presented an analytical review of the new legislature on Sudan Divestment specifically Section 3, which relates to the authorization for state and local governments to divest from certain companies in Sudan's military, mineral extraction, oil and power sectors. He noted that there should not be any constitutional issues that affect WPERP since the Sudan policy is already in place and functioning well and is consistent with the new law and fiduciary responsibilities of the Board.

The Retirement Staff noted that WPERP did not limit their monitoring process of the companies to the four sectors. Engagement letters were sent to investment managers and all companies across the board for Category I (highest offenders) and to companies under Category II (ongoing engagement). As far as reporting requirements were concerned, Attorney Wyatt stated that WPERP's current procedures and resolutions are adequate and in conformity with the new law. He further suggested that the process of monitoring and contacting investment managers and companies for compliance continue.

City Attorney Mike Wilkinson asked Attorney Wyatt whether there were any triggers that would change the Plan's reporting requirements and what additional steps should be taken to conform to the new law. Attorney Wyatt responded it would be unnecessary to

take further actions. WPERP's current procedures and the course of action taken thus far regarding Sudan divestment were consistent with the statute.

The meeting was adjourned at 9:32 a.m.

 EUGENE K. CANZANO Chairperson	<u>4-2-08</u> Date	 SANGEETA BHATIA Secretary	<u>3/19/08</u> Date
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 GRACIELA GIACHETTI- GONZALEZ Acting Recording Secretary	<u>3-24-08</u> Date
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