

1 [Declaration of Policy and Charter Amendment - Fossil Fuel Disinvestment Policy; Retirement  
2 Board Membership]

3 **Describing and setting forth a proposal to the voters at an election to be held on June 7,**  
4 **2022, to adopt a Declaration of Policy urging the Retirement Board to divest from fossil**  
5 **fuels; and to amend the Charter of the City and County of San Francisco to require that**  
6 **one of the members of the Retirement Board who is currently appointed by the Mayor**  
7 **shall instead be appointed by the Board of Supervisors, and to require the Board of**  
8 **Supervisors-appointed member to be experienced with the management of investment**  
9 **portfolios based on environmental, social, and governance factors.**

11 Section 1. Declaration of Policy.

12 The People of the City and County of San Francisco hereby declare:

13 It shall be the policy of the City and County of San Francisco that the Retirement Board  
14 should completely divest from fossil fuels, and the Retirement Board is urged to consider and  
15 implement this policy.

17 Section 2. Charter Amendment.

18 The Board of Supervisors hereby submits to the qualified voters of the City and County,  
19 at an election to be held on June 7, 2022, a proposal to amend the Charter of the City and County  
20 by revising Section 12.100, to read as follows:

21 NOTE: **Unchanged Charter text and uncodified text** are in plain font.  
22 **Additions** are *single-underline italics Times New Roman font*.  
23 **Deletions** are ~~*strike-through italics Times New Roman font*~~.  
24 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Charter  
25 subsections.

1           **SEC. 12.100. RETIREMENT BOARD.**

2           (a) The Retirement Board shall consist of seven members as follows: one member of the  
3 Board of Supervisors appointed by the President of the Board of Supervisors; ~~three-two~~ public  
4 members to be appointed by the Mayor pursuant to Section 3.100; one public member appointed  
5 by the Board of Supervisors; and three members elected by the active members and retired  
6 persons of the Retirement System from among their number. The public members appointed by  
7 the Mayor shall be experienced in life insurance, actuarial science, employee pension planning,  
8 or investment portfolio management, or hold a degree of doctor of medicine. The public member  
9 appointed by the Board of Supervisors shall be experienced with the management of investment  
10 portfolios based on environmental, social, and governance factors. There shall not be, at any one  
11 time, more than one retired person on the Retirement Board. The term of the members, other than  
12 the member of the Board of Supervisors ~~member~~ appointed by the President, shall be five years,  
13 one term expiring on February 20~~th~~ of each year. The three elected members need not be  
14 residents of the City and County. Vacancies on the Retirement Board shall be filled by the  
15 appointing authority ~~Mayor~~ for the remainder of the unexpired term, except that in the case of  
16 elected employee members, a vacancy shall be filled by a special election within 120 days after  
17 the vacancy occurs unless the next regularly scheduled employee member election is to be held  
18 within six months after such vacancy occurred. Elections shall be conducted by the Director of  
19 Elections in a manner prescribed by ordinance.

20           (b) The Retirement Board shall appoint and may remove an executive director and an  
21 actuary. The Board may employ a consulting actuary.

22           (c) In accordance with Article XVI, Section 17, of the California Constitution, the  
23 Retirement Board shall have plenary authority and fiduciary responsibility for investment of  
24 monies and administration of the Retirement System.

1           The Retirement Board shall be the sole authority and judge, consistent with this Charter  
2 and ordinances, as to the conditions under which members of the Retirement System may receive  
3 and may continue to receive benefits under the Retirement System, and shall have exclusive  
4 control of the administration and investment of such funds as may be established.

5           The Retirement Board shall discharge its duties with respect to the system with the care,  
6 skill, prudence, and diligence under the circumstances then prevailing that a prudent person  
7 acting in a like capacity and familiar with these matters would use in the conduct of an enterprise  
8 of a like character and with like aims.

9           The Retirement Board shall determine City and County and District contributions on the  
10 basis of a normal contribution rate which shall be computed as a level percentage of  
11 compensation which, when applied to the future compensation of the average new member  
12 entering the System, together with the required member contribution, will be sufficient to  
13 provide for the payment of all prospective benefits of such member. The portion of liability not  
14 provided by the normal contribution rate shall be amortized over a period not to exceed twenty  
15 years.

16           (d) The Retirement Board may act by a majority of the members present at a meeting so  
17 long as a quorum is in attendance.

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19           Section 3. Implementation of Charter Amendment.

20           Upon approval of this Charter Amendment at the June 7, 2022 election, the Clerk of the  
21 Board of Supervisors shall, by no later than October 1, 2022, determine by lot one of the seats  
22 appointed by the Mayor with a term ending February 20, 2023, to become the seat that will be  
23 appointed by the Board of Supervisors as provided in the amendment to the first sentence of  
24 Section 12.100. The member occupying that seat may serve the remainder of their term, but  
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