

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

MINUTES

April 15, 2009

Present:

Eugene K. Canzano
Cindy Coffin
Michael Moore
Javier Romero

Committee Members Absent:

Forescee Hogan-Rowles

Others Present:

Sangeeta Bhatia, Retirement Plan Manager
Mary C. Higgins, Asst. Retirement Plan Manager
Scott Vargas, Senior Investment Officer
Julie Escudero, Utility Executive Secretary

Mr. Romero called the Governance Committee / Regular Meeting to order at 9:42 a.m.

Ms. Bhatia indicated a quorum of the Board was present.

Public Comments

There were no public comments.

Update on Sudan Exposure

Ms. Bhatia explained this item was an update on the Plan's Sudan exposure, also known as the restrictive list, as determined by the Sudan Divestment Task Force (SDTF).

She stated as of April 3, 2009, the Plan's exposure to Category One companies (highest offenders), was reduced by .05 percent since the last report, representing \$1.9 million in commingled accounts; whereas the exposure to Category Two companies (ongoing engagement), decreased by .03 percent to approximately \$14 million. She explained the decrease in Category One exposure was due to the reclassification of ABB to Category Two and a decrease in the market value exposure of some companies in The Boston Company emerging commingled funds.

In response to Mr. Moore's questions regarding update letters, Ms. Bhatia indicated letters were sent to all Category One companies in April 2007, followed up with updates to the individual managers. Mr. Vargas added that staff also sent letters to the investment managers regarding the Category Two companies on the SDTF list. Ms. Bhatia noted that staff had not received responses to previous mailings.

Mr. Moore requested that follow-up letters be sent to the companies on the Category Two list. Ms. Bhatia said staff would send follow-up letters as requested.

Public Comments (Out of Order)

Mr. Romero reopened Public Comments and suggested the Governance Committee meet on a regular basis to discuss other items such as the audit and travel policies.


The meeting was adjourned at 9:50 a.m.


EUGENE K. CANZANO
Chairperson

5/20/09 for
Date


SANGEETA BHATIA
Retirement Plan Manager

5/21/09
Date


JULIE ESCUDERO
Utility Executive Secretary

5-20-09
Date