DISCUSSION SHEET

Employees' Retirement Fund
Board of Trustees Meeting

October 8th, 2019

Issue: BlackRock Financial Management Guideline Change

Attachments: Redlined BlackRock High Yield Fixed Income guidelines

Discussion: BlackRock has requested the ability to employ a hedging strategy to reduce risk within the portfolio. This strategy is limited to 10% of the notional value of the portfolio.

ERF Staff has discussed this guideline change with Wilshire, and they have both reviewed and approved the change.

Recommendation: Suggested motion for the approval is as follows: Move to approve the requested Manager guideline changes as noted and authorize the Board Chair to sign.