

**THE CITY OF PHILADELPHIA
SINKING FUND COMMISSION MEETING
May 16, 2018**

There being a quorum, Donn Scott, Chairperson, called the Sinking Fund Commission Meeting to order at 10:05 a.m., in the Board Conference Room, 2 Penn Center Plaza, 16th Floor.

Present:

Donn Scott, Commission Chairman
Rasheia Johnson, City Treasurer
Rebecca Rhynhart, City Controller

Also Present:

Kellan White, First Deputy City Controller
Christopher R. DiFusco, Esquire, Chief Investment Officer, PGW
Alex Goldsmith, PFM Asset Management
Jared Leonard, PFM Asset Management
Adam Coleman, Assistant City Solicitor
Matthew Bowman, Treasurer's Office
Janet Werner, Wells Fargo

Agenda Item #1 – Approval of the Minutes of March 24, 2018 Meeting

Mr. Scott requested approval of the Meeting Minutes for March 24, 2018. Ms. Johnson made the motion to approve the minutes. Mr. White seconded. The motion carried.

Agenda Item #2 – Active International Managers

(Ms. Rhynhart joined the table).

Mr. Goldsmith and Mr. DiFusco introduced the search for active international equity manager. Mr. Goldsmith reminded the Commissioners of the performance of the current managers and how we got to the point of hearing presentations. The CIO and PFM selected three (3) finalists: Acadian, Lazard and Earnest to present to the Commissioners.

Representatives from the three (3) firms each presented to the Commissioners and others in attendance for approximately 20-25 minutes each. The Commissioners and the CIO asked questions with respect to portfolio turnover, review process, stock selection, recruiting process (specifically as it relates to diverse & female candidates), and position sizing.

Discussion ensued. Ms. Rhynhart inquired if it was reasonable to split the mandate between Acadian and Earnest. Both PFM and the CIO agreed that it was.

Ms. Johnson made a motion to split the mandate between Acadian and Earnest. Ms. Rhynhart seconded. The motion carried unanimously.

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Agenda Item #3 – Investment Performance Review

Mr. Goldsmith presented the reports. There was brief discussion.

Mr. Scott asked if there was any new business. Hearing none, he requested a motion to adjourn.

At 12:15 p.m., Ms. Johnson made a motion to adjourn the Sinking Fund Commission Meeting. Ms. Rhynhart seconded. The motion carried unanimously.