

Sinking Fund Commission In Re: November Meeting  
November 8, 2017

CITY OF PHILADELPHIA  
SINKING FUND COMMISSION

In Re: November Meeting

- - - - -

Wednesday, November 8, 2017

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This Meeting of the Sinking Fund Commission,  
held pursuant to notice in the above mentioned  
cause, before Angela M. King, RPR, Court Reporter  
- Notary Public there being present, held at Two  
Penn Center, 16th Floor Conference Room on the  
above date, commencing at approximately 10:00  
a.m., pursuant to the State of Pennsylvania  
General Court Rules

- - -

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1 Another interesting trend, growth stocks  
2 in sectors -- tech, healthcare, IT, et cetera --  
3 continue to outperform. They outperformed each  
4 quarter in 2017. After flip-flopping back and  
5 forth with value over the prior eight or nine  
6 quarters. And so again, I think that's important  
7 to note that I think it's evidence of a strong  
8 growing economy and also the fact that I think  
9 investors are expecting pro-growth policies to  
10 come through. You know, those sorts of  
11 expectation benefits small cap stocks and growth  
12 sectors, you know, more advantageously than large  
13 caps in value sectors like financials.

14 You know, one possible explanation -- I  
15 will address large cap one final time. Why it's  
16 until this quarter has pretty significantly  
17 outperformed. Large cap stocks are generally  
18 tied more to the health of the global economy  
19 rather than just, you know, the U.S. economy or  
20 the economy where they are domiciled. And as you  
21 are probably aware, international markets,  
22 international economies from market standpoint,  
23 economic standpoint have seen a very positive  
24 trends upward in 2017. So, U.S. small caps are

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1 benefitting from that.

2 I mentioned international. Again, story  
3 there continues that international equities are  
4 outpacing U.S. You know, going back to the  
5 election, which was, gosh, well, a year ago  
6 yesterday or today, I guess. Hard to believe.  
7 U.S. markets went on a tear in the fourth quarter  
8 of 2016. International markets were off  
9 significantly. Starting this year, there was a  
10 big valuation discrepancy. And so, we saw a lot  
11 more fund flows into the relatively undervalued  
12 international markets.

13 Along the way, there were a couple of  
14 elections that presented possible headwinds. We  
15 have seen those risks fall to the side. And  
16 we're now at the point where we are at the end of  
17 the third quarter. The global economy is sort of  
18 in a synchronized positive trend, which is  
19 something we really haven't seen going back  
20 really to the financial crisis. If you recall in  
21 the U.S., the U.S. recovery was early. And we  
22 led international markets, you know, had starts  
23 and stops along the way. China, which had been  
24 doing very well for a long time, experienced some

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1 bumps in the road in 2015. And Japan, which is  
2 sort of been a really underdog going back beyond  
3 ten-plus years, is experiencing some positive job  
4 growth and GDP growth there.

5 We have all major areas of the world  
6 synchronized in what's a positive economic move  
7 upwards. So, I think that's positive. And you  
8 know, stories like that along with, you know, we  
9 had GDP growth in the U.S. come in at 3 percent  
10 for the third quarter. I know last week I think  
11 unemployment ticked down either further to  
12 4.1 percent. I don't recall what peak employment  
13 was in 2007. But if it wasn't 4.1, I think we  
14 were right on top of where that was.

15 Consumer confidence came in last week.  
16 And I apologize, I don't know the exact --  
17 getting my numbers mixed up. It's either the  
18 highest in seven years or the highest in 15 years  
19 so going into, you know, the fourth quarter of  
20 this year which is historically a good quarter  
21 for consumption, et cetera, consumers are  
22 healthy. Corporate fundamentals are healthy.  
23 Global economy continues to move in the right  
24 direction. And so, I think that despite high

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1 valuations, equity prices can be sustained as  
2 long as the growth continues to be there.

3 Risks are -- remain primarily  
4 geopolitical and political. We did see a new tax  
5 plan floated last week. You know, I think a lot  
6 of the last seven days in runups the market  
7 again, hitting record highs along the way is  
8 partially owing to expectations, you know,  
9 corporate tax rate proposed. And I think that  
10 was 20 percent down from 35. Would be very, very  
11 significant.

12 You know, I think that to get past, you  
13 know, that agenda, we will need both sides of the  
14 aisle. Probably not in its final form, but it's  
15 something that we are going to follow very  
16 closely because we think it will have a  
17 significant impact on the markets. And then  
18 certainly, after I listen to the interesting  
19 speech last night late by the President in South  
20 Korea, geopolitical risks between U.S. and Korea,  
21 U.S. and Russia, Russia and Isis, Syria, et  
22 cetera, there are a lot of entanglements. You  
23 know, I think every time we get up to a brink,  
24 people tend to step back from that. Again, we

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<p>1 want to look for any change in those patterns. 2 So, the last thing I will address on 3 this page once again is relatively muted low 4 returns of fixed income down at the bottom. You 5 can see the, you know, obvious absolute returns 6 much lower than equities. You know, high yield 7 and credit sectors continue to deliver 8 outperformance. This plan obviously benefitted 9 from that. We have the recent corporate credit 10 RFP and high yield, which we will bet in October 11 about. Fund in short order. 12 The spreads between, you know, those 13 sectors and government securities have come down, 14 but they are still delivering a premium in this 15 type of market where corporate fundamentals are 16 generally strong. And we expect default rates to 17 remain low. So, we are comfortable with -- you 18 know, you are not getting paid much for being in 19 those areas, but it's still delivering returns in 20 excess of flat Barclays aggregate. 21 You know, I think as the new Fed Chair 22 proposed out there. He, Powell, doesn't look 23 like there will be any different change to the 24 current policies they have, which is measured</p>	<p>1 For the year, a year-to-date, excuse me, 2 very strong absolute performance, 12.1 percent, 3 beating the benchmark by well over half of 4 percentage points. Maybe 60 to 75 basis points 5 of relative outperformance year-to-date. You 6 know, that -- still outperformance over the 7 trailing one-year period and then, you know, 8 strong absolute returns certainly over three 9 years. You know, basically right on top of the 10 actuarial target which is 7.35. You know 5 and 7 11 in excess of actuarial target. Booking actuarial 12 gains annually over those periods is a positive 13 trend. 14 Look through the managers. Again, very 15 briefly, the two index funds within large cap. 16 Vast majority of the assets in that component of 17 the plan, you will see as the rebound. But as 18 part of the termination of O'Shaughnessy and Fred 19 Alger, part of those assets were moved to the 20 index fund. So, we have relatively more index 21 now in domestic large cap than we did back at the 22 end of September. Again, that's historically 23 been a space where, you know, active management 24 has been challenged. But you know, we feel that,</p>
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<p>1 small rate hikes as economic conditions, you 2 know, point to that which the Fed looks at job. 3 They look at inflation. Job growth has been 4 robust. Inflation remain slightly low, but we 5 can expect it positively to tick up here in the 6 new year. We expect a rate hike in December. 7 Then we look to the new Fed Chair to lay out 8 policy of similar small rate hikes throughout 9 2018. 10 But we continue to benefit from a 11 improving economic, improving markets. I don't 12 know if there are any questions broadly on 13 markets or economy. 14 (No questions posed.) 15 If not, we can move on to discussion of 16 the plan. Tab 2, page 2.1. And again, you can 17 see the market value as of 9/30, 528 million. 18 You know, it's -- the last month and a half, it's 19 grown pretty significantly. It's up to 542 now. 20 But pretty strong absolute performance. Pretty 21 good relative performance as well for the quarter 22 net of investment management fees, up 23 3.7 percent. Beating the benchmark by, you know, 24 ten-plus basis points or so.</p>	<p>1 you know, RhumbLine or, excuse me, not RhumbLine 2 but PineBridge benefits from that extreme 3 relatively very low cost fee which is 18 basis 4 points. And you know, a program that's designed 5 to sort of minimize tracking error and generate 6 steady, you know, measured outperformance over a 7 full year, full market cycle. So, they were just 8 put in the plan. They don't show up on this 9 page. 10 Within the small cap managers, you know 11 I think slight underperformance again this 12 quarter. Those managers have lagged, you know, 13 over various periods in the past. Last, you 14 know, call it, you know, one year or so. 15 Certainly, Vaughan Nelson more so than Eagle. 16 You know mostly, I would say it's -- it's 17 selection-based misses. You know, they are not 18 adding significant overweights or underweights 19 relative to their benchmark. The small cap 20 index, significantly more securities to choose 21 from. So selection tends to weigh, you know, 22 more on performance, either the positive and 23 negative than say overweight or underweighting 24 wholesale industries.</p>

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<p>1 You know, healthcare, for example, I 2 think was a detractor selection within healthcare 3 for both Vaughan Nelson and Eagle. You know, but 4 I would be remiss if I didn't point out that 5 despite this quarter, Eagle is still leading for 6 the year. So, I think pretty positive there. 7 Within -- I will move onto international 8 equity. Again, this is an asset class where the 9 structure of the space will look very different 10 in the next, you know, several months as we 11 attempt to -- we won't attempt. We will get rid 12 of the mutual funds, which you might know are 13 not -- even if they are not in violation of the 14 Sandy Hook and MacBride principles, there is no 15 way to guarantee that will always be the case 16 because it's a mutual fund. We can't direct, you 17 know, the portfolio. 18 We will move to sort of a two manager 19 situation. That's what's been proposed, an index 20 fund and then an active all cap global manager or 21 global ex-US. But for the time being, you have 22 a -- the active funds here Monterey and Harding. 23 Again, in this instance, I think a little bit of 24 their performance was tide more to certain</p>	<p>1 the quarter, 85 basis points versus 85 basis 2 points for the Barclays aggregate. Logan Circle 3 investment grade credit, the middle manager right 4 there was added, you know, back in the third 5 quarter. I don't think they have the full 6 experience -- expect the full quarter of 7 performance. Nice to see slight outperformance. 8 But again, we think that allocation will start to 9 contribute, you know, handily to the overall 10 fixed income performance of this plan. Same 11 thing with SKY Harbor, the high yield manager 12 gets funded. Those will represent overweights to 13 credit, overweights to high yield, which we think 14 can help beat the Barclays aggregate. 15 But moving through the actives Weaver 16 Barksdale generally right very close to the agg 17 itself. Outperformance for the year, longer 18 periods. Logan Circle, the core fund is 19 typically delivered higher outperformance than 20 Weaver Barksdale. They take more, as you can 21 imagine, from the Logan Circle. They have 22 overweights to corporate credit at that portfolio 23 which benefitted them. And then, obviously, the 24 investment grade credit, benchmarked against a</p>
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<p>1 overweights and underweights. 2 For example, Monterey had overweight of 3 energy, which detracted during the quarter. 4 Harding Loevner was overweight to healthcare, 5 which most significant detractors for each of 6 those. 7 You know, but over the longer periods, I 8 think both of them tend to have matched their 9 benchmark pretty closely. I think we would like 10 to see stronger outperformance. But I think by 11 moving to this dual structure, we can lower fees 12 by moving significant assets to an index fund. 13 And we can select from the broad universe of 14 separate account managers, top quality active as 15 a counterpoint there. 16 You know, lastly again, you have the 17 DFA, or dedicated emerging markets fund. You 18 know, not quite an index. Sort of an enhanced 19 index so you can generally, you know, 20 fluctuations quarter to quarter but over longer 21 periods close in performance to its benchmark. 22 Move on to fixed income. You know, 23 again, if you look at the fixed income sector, 24 the blue line, right on top of the benchmark for</p>	<p>1 credit index. That is evidence of, you know, not 2 just overweighting credit, but they have positive 3 selection of issuances. That is why they have 4 outperformed there. So, positive to see. 5 Lazard, again, right on top of its 6 intermediate benchmark. Lazard is actually 7 relatively underweight to corporate. I mean, you 8 have sort of Logan circle overweights, Lazard 9 underweight. Managers take counteractive 10 positions at times, but that's I think caused 11 them to, you know, not outperform by as much as 12 they have in the prior quarters. 13 And then the lone significant miss, 14 Garcia Hamilton. That's an instance of they're 15 also underweight to corporates. And they don't 16 hold any BBB related rating securities. So 17 higher quality, you know, I would say more risk 18 averse strategies but in low coupon, rising great 19 environment. The managers outperform by more, 20 are those that take on that marginal unit of 21 risk, I think. 22 MR. AMMATURO: Point I wanted to make on 23 total fund performance. Alex mentioned as much 24 to be clear, strong on absolute basis but it's</p>

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<p>1 also strong on a relative basis. If you look at 2 the year-to-date columns, 12.15 verse 11.4. Part 3 of that, just so you understand, is because you 4 are overweight equities. Total fund benchmark is 5 11.43. That's if you just used index funds and 6 just stay on top of those target allocations. 7 But you are overweight the equity markets. 8 That's obviously been a tailwind to your 9 performance on a relative basis. That is why you 10 see some of that outperformance. 11 Again, Alex will get to this. If you 12 look at your asset allocation as it stands, you 13 have about 3 to 4 percent equity markets, again 14 relative to your targets in your investment 15 policy statement. And again, that benchmark, 16 that total fund TMI row, that is based upon the 17 targets in your investment policy statement, if I 18 am making sense. That row is based upon 65 19 equity. But you don't have 65 equity in reality. 20 But let's call 68/69 percent equity. 21 Again, being not rebalancing back to 22 target has been beneficial as you remain equity 23 overweight. Just so we fully understand that. 24 MR. GOLDSMITH: Thank you, Marc.</p>	<p>1 it's very, very consistent with where we have 2 discretion on other accounts. It's overweight 3 equities by the same magnitude. Again, this is 4 how PFM views the world in terms of where to 5 invest and how much to invest. Even more so than 6 is this active manager adding value relative to 7 the benchmark. It's more at macro the level. 8 You can have the best active manager, 9 but it could be the worst asset class. So, 2.6 10 is very, very important in terms of keeping an 11 eye on where you are exposed and where you are 12 not exposed relative to your targets obviously. 13 MR. GOLDSMITH: You know, we are not 14 take it to 5 percent equity. I think we are 15 concerned about valuations. And times in the 16 past our investment committee and other 17 discretionary accounts have had overweights to 18 equity. But we think a measured slight approach 19 has benefitted pretty nicely. We are not going 20 to recommend stepping on the gas. We are not 21 recommending pumping the brakes a little bit 22 either. 23 So, 2.5 is the cash flow for the plan. 24 Again, we don't typically focus on these things.</p>
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<p>1 Actually, we can probably flip ahead if there are 2 no other questions on the managers or the 3 performance specifically. We can flip to pages 4 2.5, and I will focus on 2.6 first. But this is 5 what Marc spoke to just now. This is where it is 6 made visible here. You can see, you know, the 7 3.7 percent underweight to fixed income is 8 allocated between, you know, domestic and 9 international. Slight overweight to domestic 10 equity relative to international. 11 Again, if you are thinking, if you look 12 through the manager performance year-to-date, 13 it's relatively tight to their benchmarks or even 14 some net underperformance. But you know, given 15 how equities have performed relative to fixed 16 income, you know, that -- this overweight of, you 17 know, 3.7 percent, you know, has been the most 18 significant, you know, driver of that 19 outperformance. 20 MR. AMMATURO: This is where we spend 21 majority of our time as investment committees, is 22 determining where we want to be exposed in asset 23 classes and where do we want to be underweight 24 and overweight. When I look at this portfolio,</p>	<p>1 They are more in the quarterly book. But it's 2 nice to see moving in the right direction here. 3 You know, I think the net outflows tend to be -- 4 looks like they are relatively consistent. And I 5 know they are on a month-to-month basis. That 6 makes sense. That is just any contributions into 7 the plan by participants and then money taken out 8 to pay those benefit payments. That is offset by 9 investment return, which has been very strong in 10 percentage terms translated to dollars. It's, 11 you know, more than, you know, doubling the net 12 outflows. 13 And so, we -- that's pretty nice gain in 14 the last year, 493 million to, you know, 528 now 15 540 million. 16 So that's, you know, really is the end 17 of my remarks in this section. I guess, you know 18 you can -- just another interesting thing to 19 know, if we flip ahead to page 2.14, this is your 20 allocate or your performance relative to peer 21 group all public plans that we have in our data 22 base. And over the year-to-date figure, 21st 23 percentile, that universe of 439 plans, pretty 24 squarely over the last one year, even three years</p>

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<p>1 five years, you know, top quartile plan 2 performance and excess relative to the benchmark, 3 which is the yellow dot. 4 MR. AMMATURO: Just so everyone 5 understands what this is. Again, this is your 6 pension plans performance relative to other 7 public pension funds. So again, just to -- and 8 the number in parenthesis is your peer ranking. 9 Obviously, the lower the number, the better. 10 What Alex is amplifying is year to date. You are 11 ranked 21st percentile, which means your plan is 12 outperforming 79 percent of the public plans. 13 MR. RUBIN: For the record, again, look 14 at this from the viewpoint of why does it matter? 15 Why are we putting it on the record? And I get 16 that it looks great for Chris as the CIO to be 17 able to say he's doing really well and getting up 18 in the numbers and our staff and our consultants. 19 But is it strictly so that the people on the 20 outside will have a view and see, yes, we are in 21 the top grouping? Or is there another meaning to 22 this. 23 Because what I see is, that doesn't 24 matter to me one bit because our objectives, our</p>	<p>1 achieve 7 percent, let's se. Maybe they need to 2 achieve 6 and a half because they are less well 3 funded. 4 So yeah, this is not meant to be a be 5 all, end all, everything is perfect. Everything 6 is relative to your current situation. Again, 7 this is just there relative for reference. It's 8 not meant to say everything is perfect. We are 9 trying to say, take a step back. It's always 10 healthy to look at it verse the benchmark. It's 11 also, I think, relevant to look at it relevant to 12 peers. 13 This does not take into account your 14 allocation relative to the other plans, which I 15 think is kind of what Bill is getting at 16 indirectly. A lot of these plans may not have 65 17 equity. They may have 55 or 50 equity. That's 18 why it's not a perfect science. It's more of an 19 art than a science. You are saying, here is your 20 ranking. 21 Again, it's a data point. It's not 22 meant to drive decision making by any stretch. 23 MR. RUBIN: The point that I wanted to 24 bring out for that, I love the work you guys are</p>
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<p>1 goals, our numbers are based on us paying our 2 liabilities to our people. 3 MR. GOLDSMITH: Right. 4 MR. RUBIN: Everybody else's goals, 5 objectives and numbers are based on their 6 liabilities that they have to pay to their 7 people. So, they are going to take more or less 8 risks based on their percentage of funding. We 9 are going to take more or less risk based on our 10 percentage of funding. And where we stand next 11 to the company next to us, generally doesn't mean 12 anything to me. 13 So, I haven't heard an answer from 14 anybody. We have been asking this for a long 15 time. Why does that matter? And is there 16 something that I missed when we look at those 17 peer rankings? 18 MR. AMMATURO: It's data point. Not a 19 be all and end all. Just a data point. We 20 totally appreciate the fact that your asset 21 allocation is going to be significantly different 22 than some of these other plans because of the 23 reason you just cited. Some plans may be taking 24 on a lot less equity because they don't need to</p>	<p>1 doing. I think you are really on top of a lot of 2 what is there. The input we are getting from you 3 on the main fund, I think our consultants have 4 really helped. Chris' leadership have been great 5 on both of those points, as well. I want to 6 protect the record so when we are not in that 7 group and they come back to us and say, well, 8 look at all of these other plans. They are doing 9 great and look at you, why are you not where they 10 are? I don't want to take credit now and duck 11 and dive later. 12 Let's be on the same plan. We've 13 always -- 14 MS. JOHNSON: That's fair. 15 MR. RUBIN: We've always said, we 16 managed our liability, not everybody else. So, I 17 appreciate the work you are doing. I don't want 18 you to take that as a negative or Chris and the 19 staff. I just want to be on record when we are 20 no longer here, and then it comes back that we 21 always felt the same way. We managed the 22 liabilities. 23 MR. GOLDSMITH: That's the point. 24 MR. AMMATURO: Point taken.</p>

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1 MR. GOLDSMITH: One thing I think  
2 actually where this would be even more relevant  
3 would be in an instance where you fall out of the  
4 top tier, or fall into below median. It can be  
5 used in tandem with the chart up above, which  
6 this shows your allocation relative to peers.  
7 And maybe the big takeaway for me is, certainly  
8 your equity, U.S. equity, international equity is  
9 high, but your fixed income allocation is also  
10 high. Where you're significantly underweight  
11 your peers is these alternative sectors.  
12 You know, and I know that that in times,  
13 you know, large public plans can have significant  
14 amounts. And I think in the past, that has  
15 caused some plans that have significant private  
16 equity allocations or hedge fund allocations to  
17 underperform. So by looking at what your  
18 allocation is, looking at how you perform, peer  
19 allocation and peer performance, you might be  
20 able to pick up on some of those strategies that  
21 have caused that relative under or  
22 outperformance. So, it's great to know now and  
23 you might help identifying issues if things were  
24 to change.

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1 So, that really brings me to the end of  
2 my prepared remarks on the plan. Next several  
3 sections include, you know, indexed statistics on  
4 each manager. I know this does get sent out on a  
5 quarterly basis. We typically don't discuss at  
6 this meeting. If there are questions, happy to  
7 answer them. But I know that a lot of these  
8 managers, some of them are already out of the  
9 portfolio. There will be others that will be out  
10 shortly as new managers are added.  
11 MR. AMMATURO: Can I make two brief  
12 comments at the firm level?  
13 You may have seen a press release, you  
14 may have not. There was an acquisition of PFM.  
15 I think it hit P&I. PFM acquired fixed income,  
16 small fixed income asset management shop in  
17 Connecticut. It's about \$2 billion shop. Again,  
18 you may have seen a press release. They  
19 specialize in fixed income money management  
20 especially within the stable value sectors.  
21 Stable value is more akin to 401K plans.  
22 So, we did make that small acquisition.  
23 And another press release you may see coming in  
24 the December/January time frame, is we are in the

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1 works to develop PFM mutual funds, PFM  
2 multi-manager domestic equity, PFM multi-manager  
3 international equity, and PFM multi-manager fixed  
4 income. This really doesn't pertain to PGW, but  
5 I just want to give you a heads up. This  
6 pertains more to the clients where we have  
7 discretion.  
8 Our -- we are still going to hire  
9 managers, active managers index funds, but they  
10 are going to roll up into PFM multi-manager  
11 mutual funds. We are not going to get any fees  
12 from those mutual fund. The fees are not going  
13 to change. But it's a way where we can get  
14 access to a lot of managers we don't have access  
15 today by aggregating our clients' assets. So, we  
16 have about 5, 6 billion across our discretionary  
17 business that we want to aggregate and go to  
18 managers.  
19 This enables us to do that by rolling  
20 out these products. Again, I just didn't want  
21 you to see the press release and say, what is  
22 going on here. I want to be transparent.  
23 CHAIRMAN SCOTT: Thank you. Thank you  
24 for the presentation.

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1 MR. GOLDSMITH: Yeah, it's no problem.  
2 CHAIRMAN SCOTT: Next item of business  
3 is New Business. And I think there is one matter  
4 Chris wants to cover.  
5 MR. DIFUSCO: This should be fairly  
6 brief. This is a page 5 of the investment policy  
7 statement that was approved late last year. Alex  
8 and I were reviewing it the other day related to  
9 an RFP. And noticed that if you look at the  
10 first sentence under D, it only makes reference  
11 to MacBride and doesn't make reference to Sandy  
12 Hook. And so while we do enforce the Sandy Hook  
13 principles, we should explicitly make reference  
14 to the investment policy statement.  
15 Apologies for that oversight. We have  
16 been -- it's implemented. It's part of the  
17 program. You know, funds aren't allowed to  
18 invest in those stocks. But I would just ask for  
19 a motion to add that, you know, sentence in and  
20 to post that corrected version to the IPS on the  
21 website.  
22 MR. RUBIN: Chris, does that -- are they  
23 the only two that have been implemented here as  
24 opposed to what we have implemented on the Board?

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1 MR. DIFUSCO: Correct.  
2 MR. RUBIN: Okay.  
3 MR. DIFUSCO: That's right.  
4 MR. RUBIN: Is there --  
5 CHAIRMAN SCOTT: Go ahead. I'm sorry.  
6 Well, a motion has been put on the table  
7 to make certain adjustments to this document.  
8 Is there a second?  
9 MR. RUBIN: Second.  
10 CHAIRMAN SCOTT: Motion has been made  
11 and properly second.  
12 All those in favor?  
13 (Ayes.).  
14 CHAIRMAN SCOTT: Ayes have it. Motion  
15 is passed. Thank you.  
16 MR. DIFUSCO: Thank you.  
17 CHAIRMAN SCOTT: I guess the final order  
18 of business based on this agenda is adjournment.  
19 Is there a motion?  
20 MS. JOHNSON: Motion.  
21 CHAIRMAN SCOTT: So moved.  
22 Thank you guys.  
23 (Meeting adjourned at 10:38 a.m.)  
24

CERTIFICATION

I, hereby certify that the  
proceedings and evidence noted are  
contained fully and accurately in the  
stenographic notes taken by me in the  
foregoing matter, and that this is a  
correct transcript of the same.

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ANGELA M. KING, RPR  
Court Reporter - Notary Public

(The foregoing certification of  
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<b>a.m 1:17</b>	<b>ago 7:5</b>	<b>approved</b>	12:3	<b>bumps 8:1</b>	25:18 29:4	<b>Connecticut</b>	29:4
30:23	<b>ahead 19:1</b>	3:14 4:7	<b>believe 5:1</b>	<b>business 3:4</b>	29:22	27:17	<b>credit 10:7,9</b>
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