

**THE BOARD OF PENSIONS AND RETIREMENT
INVESTMENT COMMITTEE MEETING
June 27, 2019**

There being a quorum, Rob Dubow, Board Chair, called the Investment Committee Meeting to order at 10:09 a.m., in the Board Conference Room, 2 Penn Center Plaza, 16th Floor.

Present:

Rob Dubow, Finance Director
Jacqueline Dunn, Alternate, Chief of Staff, Office of the Director of Finance
Ronald Stagliano, Vice Chairman, Trustee
Marcel Pratt, City Solicitor
Christopher Rupe, Alternate, Chief of Staff, Office of the Managing Director
Marsha Greene-Jones, Alternate, Deputy Director of Human Resources
Brian P. Coughlin, Trustee
Carol Stukes-Baylor, Trustee
Veronica M. Pankey, Trustee
Matt Stitt, City Council Designee

Francis X. Bielli, Esquire, Executive Director
Christopher DiFusco, Esquire, Chief Investment Officer
Bernard J. Buckley Jr., Deputy Chief Investment Officer
Shamika Taliaferro, Deputy Director of Pensions
James Cousounis, Chief Compliance Officer
William Rubin, Audit Manager
Dominique A. Cherry, Head of Private Markets
Tyrone Jordan, Senior Investment Officer
Abdel-Aziz Ibrahim, Investment Officer

Also Attending:

Kellan White, First Deputy Controller
Francois Dutchie, Chief Deputy City Solicitor
Adam Coleman, Assistant City Solicitor
Ellen Berkowitz, Esquire, Senior Attorney
Sharolyn L. Murphy, Esquire, Senior Attorney
Lavonia Jenkins, Administrative Assistant
Neshea Bumpus, Clerk Typist I
Brad Nyce, Nationwide
Jeffrey Francis, Nationwide
Bina Kumar, Nationwide
Candice McCloud, Nationwide
David Smith, Marquette Associates
Nick Hand, City Controller's Office
Matthew Vegari, City Controller's Office
Will Greene, Loop Capital
Louis Couture, City Law Department (Intern)
Michael Francisco, City Law Department (Intern)

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Agenda Item #1 – Approval of the Investment Committee Minutes of May 30, 2019

Mr. Dubow requested approval of the minutes of the Investment Committee meeting for May 30, 2019. Mr. Stagliano made the motion. Ms. Stukes-Baylor seconded. The motion passed unanimously.

Agenda Item #2 – Flash Report for The Period Ending May 2019

Mr. DiFusco reported that the Pension Fund is up approximately 3.5% MTD, 3.9% FYTD and about 10% YTD, estimated through June 21, 2019. Mr. DiFusco stated there were several managers with positive changes for the month versus their benchmarks through June 24, 2019: Ariel, Elizabeth Park, Fisher, and OSAM.

Mr. DiFusco also reported that Investment Staff and Marquette were giving close attention to Causeway, as this manager had struggled for an extended period. Mr. DiFusco stated that Investment Staff thinks highly of Causeway's management team and they had not deviated from their process or strategy. However, Causeway has underperformed and Investment Staff and Marquette plan to review and report back to the Board with any recommendations for change if appropriate.

Mr. Dubow asked if Causeway had explained the reasons for their underperformance and why Causeway had not hit their benchmark. Mr. Smith stated that Causeway invests in deep value stocks which have significantly underperformed in the recent market run-up.

Mr. Dubow asked for any questions. There were none.

Agenda Item #3 – Investment Staff's Report

Mr. DiFusco presented the reports.

The upcoming Board meetings are July 25, 2019, August 22, 2019 and September 26, 2019.

Mr. Pratt requested a change of the date of the July Board Meeting to July 30, 2019 due to the conflict with the Law Department's Annual CLE that will be held on the 25th and 26th. The Board agreed to change the date to July 30, 2019.

Ms. Stukes-Baylor provided a recap of the NASP meeting she attended. She found it very informative overall. She noted that she had met with managers who invested in South Africa and learned that several institutional funds had made investments in South Africa. She requested that Staff explore this potential opportunity. Mr. DiFusco responded that Staff and Marquette will explore it.

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Mr. White announced that Matthew Vegari would soon leave the Controller's Office and the City of Philadelphia. He plans to relocate to London to pursue education at the London School of Economics.

Mr. Dubow asked for any questions. There were none.

Mr. Dubow asked if there was any new or old business. There was none. Mr. Dubow asked if there was any other business. There was none.

At 10:24 a.m., Mr. Dubow requested a motion to adjourn the Investment Committee Meeting. Mr. Stagliano made the motion. Mr. Coughlin seconded. The motion passed unanimously

The Investment Committee of the Board of Pensions and Retirement approved the Minutes on

Rob Dubow
Finance Director
Chair, Board of Pensions and Retirement

