

**THE BOARD OF PENSIONS AND RETIREMENT  
INVESTMENT COMMITTEE MEETING  
January 19<sup>th</sup>, 2017**

There being a quorum, Rob Dubow, Board Chair, called the Investment Committee Meeting to order at 9:53 a.m., in the Board Conference Room, 2 Penn Center Plaza, 16th Floor.

**Present:**

Rob Dubow, Finance Director  
Ronald Stagliano, Vice Chair, Trustee  
Alan Butkovitz, Esquire, City Controller  
Pedro Rodriguez, Director of Human Resources  
Francois Dutchie, Esquire, Alternate, Divisional Deputy City Solicitor  
Carol G. Stukes-Baylor, Trustee  
Veronica M. Pankey, Trustee  
Brian Coughlin, Trustee  
Matt Stitt, City Council Designee

Francis X. Bielli, Esquire, Executive Director  
Shamika Taliaferro, Deputy Director of Pensions  
Bernard J. Buckley Jr., Deputy Chief Investment Officer  
Christopher DiFusco, Esquire, Chief Compliance Officer  
Dominique A. Cherry, Senior Investment Officer  
Tyrone Jordan, Senior Investment Officer  
Eryn--Ashlei Bailey, Investment Officer  
Kristyn Bair, Investment Analyst

**Also Attending:**

Paula Weiss, Esquire, Alternate, Deputy, Office of the Chief Administrative Officer  
William Rubin, Alternate, First Deputy City Controller  
Jackie Dunn, Chief of Staff, Office of the Director of Finance  
Brian Albert, Alternate, Deputy Human Resources Director  
David Magaldi, Alternate, Risk Management Counsel  
Brendan O'Rourke, Esquire, Chief Deputy City Solicitor  
Jo Rosenberger-Altman, Esquire, Divisional Deputy City Solicitor  
Ellen Berkowitz, Esquire, Senior Attorney  
Adam Coleman, Esquire, Assistant City Solicitor  
Lavonia Jenkins, Administrative Technician  
Erica Marable, Clerk Typist II  
Eric Stevenson, Nationwide  
Bina Kumar, Nationwide  
Michelle Davidson, TorreyCove Capital Partners  
Matthew Coyne, TorreyCove Capital Partners  
Norm Meltz, Rhumblin Advisors  
Wayne Owen, Rhumblin Advisors  
Denise D'Entremont, Rhumblin Advisors  
Ramzi Musallam, Veritas Capital

**THE BOARD OF PENSIONS AND RETIREMENT  
INVESTMENT COMMITTEE MEETING  
January 19<sup>th</sup>, 2017**

Hugh Evans, Veritas Capital  
Kweku Obed, Marquette  
David Smith, Marquette  
Robert O' Donnell, O'Donnell Associates  
Matthew Whitehorn, Dilworth Paxson LLP  
John Schmehl, Dilworth Paxson LLP  
Pam McCue, Finance Investment News  
William Green, Loop Capital

**THE BOARD OF PENSIONS AND RETIREMENT  
INVESTMENT COMMITTEE MEETING  
January 19<sup>th</sup>, 2017**

**Agenda Item #1 – Approval of the Minutes of November 17th, 2016**

**Mr. Dubow requested approval of the Minutes for November 17th, 2016. Mr. Stagliano made the motion. Mr. Rodriguez seconded. The motion passed.**

**Agenda Item #2 – Veritas Fund VI Private Equity Investment Recommendation**

Michelle Davidson and Matthew Coyne of Torrey Cove made the presentation. Mr. Buckley provided a brief overview of Veritas Capital.

Mr. Dubow asked for any questions, there were none.

Ramzi Musallam and Hugh Evans of Veritas presented to the Board.

Mr. Butkovitz asked how education fits into the Veritas Fund.

Mr. Musallam answered that they have invested in companies that have provided software to the Department of Education.

**Mr. Dubow requested a motion to approve a \$60 million investment in Fund VI with a cap of \$75 million. Mr. Coughlin made the motion. Mr. Dutchie seconded. The motion passed unanimously.**

**Selection of Chief Investment Officer**

**At 10:25 a.m., the Board entered into Executive Session.**

**At 11:47 a.m., the Board was back in session after discussing Personnel Matters & Legal matters.**

**Mr. Stagliano made a motion to hire Christopher DiFusco as Chief Investment Officer. Mr. Rubin seconded. The motion passed unanimously.**

**Agenda Item #3 – Infrastructure Index Investment Recommendation**

Ms. Cherry presented the report and noted that two firms responded to the RFP that was issued in August 12, 2016 for a passive infrastructure strategy, CBRE Clarion Securities and Rhumblin Advisors.

Ms. Cherry noted the universe of passive US equity is limited, so getting only two responses was not unexpected.

STATE STREET GLOBAL INVESTMENT MANAGEMENT THE BOARD OF PENSIONS AND RETIREMENT  
MEETING AGENDA ITEM #3 - RUMBLINE INVESTMENT COMMITTEE MEETING  
January 19<sup>th</sup>, 2017

Ms. Cherry said the recommendation is to begin with an allocation of \$75 million and to gradually increase over time into the Rhumbline Passively Managed Instructive Fund.

Ms. DiEntremont, Mr. Owen and Mr. Meltz of Rhumbline presented to the Board.

Mr. Bielli asked the percentage of a company's business in infrastructure needed to qualify for the Infrastructure Index.

Mr. Meltz answered if at least seventy percent of the company's revenue is from infrastructure they qualify.

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

Mr. Dubow requested a motion to approve the Staff and Marquette recommendation to invest with Rhumblin<sup>e</sup> Dow Jones Brookfield Global Infrastructure Index Strategy. Mr. Stagliano made the motion. Ms. Rodriguez seconded. The motion passed unanimously.

**Agenda Item #4 -- Private Equity Portfolio Review and Forward Outlook**

Mr. DiFusco presented the report with TorreyCove.

Mr. Butkovitz asked what the predicted returns were based upon.

Mr. Coyne answered each private equity fund has different return expectations.

**Agenda Item #5 -- 3Q Directed Brokerage Report**

Ms. Bair presented the report. The Fund's equity managers directed 29% of their trade to Local, Minority, or Women-Owned firms during the 3<sup>rd</sup> quarter.

Mr. DiFusco added that (at least) 25% is the target goal for all managers.

Mr. Bielli commented that emails will be sent to existing managers as a reminder of this target.

**Agenda Item #6 -- Flash Reports for the Period ending December 2016**

Mr. DiFusco presented the reports with Marquette.

Mr. Obed noted that trading out of Europe before the Brexit vote was beneficial to the plan.

Ms. Weiss asked for additional questions. There were none.

**THE BOARD OF PENSIONS AND RETIREMENT  
INVESTMENT COMMITTEE MEETING  
January 19<sup>th</sup>, 2017**

**Mr. DiFusco requested Board approval to issue three RFPs for passive investments in the International Space as a place holder in the event a manager is terminated. Ms. Weiss requested a motion. Mr. Stagliano made the motion. Ms. Pankey seconded. The Motion passed unanimously.**

**Agenda Item #7 – Investment Staff's Report**

**Ms. Bair presented the reports on Security Lending and Diversity AUM and Board Calendars.**

**The Board meeting in February is rescheduled to the 22<sup>nd</sup> and the Benefits Meeting will begin at 9:30 a.m.**

**At 1:28 p.m., Ms. Weiss requested a motion to adjourn the Investment Committee Meeting. Ms. Rodriguez made the motion. Mr. Dutchie seconded. The motion passed.**

**At 1:28 p.m., Ms. Weiss convened the Board of Pensions and Retirement Meeting to affirm the actions taken at the Deferred Compensation Plan Committee Meeting and the Investment Committee Meeting. Mr. Dutchie made the motion. Mr. Stagliano seconded. The motion passed.**

**At 1:29 p.m., Ms. Weiss requested a motion to adjourn the Board of Pensions and Retirement Meeting. Mr. Stagliano made the motion. Ms. Rodriguez seconded. The motion passed.**

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

---

---

**Rob Dubow  
Finance Director  
Chair, Board of Pensions and Retirement**

