

**THE BOARD OF PENSIONS AND RETIREMENT  
INVESTMENT COMMITTEE MEETING  
September 24, 2020**

There being a quorum, Rob Dubow, Board Chair, called the Investment Committee Meeting to order at 10:03 a.m., through a Virtual Meeting by Teams Videoconference.

Present:

Rob Dubow, Finance Director  
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  
Kellan White, Alternate, First Deputy Controller  
Brian P. Coughlin, Trustee  
Carol Stukes-Baylor, Trustee  
Veronica Pankey, Trustee  
Matthew Stitt, City Council Representative

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

Also Attending:

Jacqueline Dunn, Alternate, First Deputy City Treasurer  
Francois Dutchie, Chief Deputy City Solicitor  
Leontyne Freeman, Office of Human Resources  
Adam Coleman, Assistant City Solicitor  
Ellen Berkowitz, Esquire, Senior Attorney  
Sharolyn L. Murphy, Esquire, Senior Attorney  
Lavonia Jenkins, Administrative Assistant  
Neshea Bumpus, Office Clerk II  
Brad Nyce, Nationwide  
Bina Kumar, Nationwide  
Jeffrey Francis, Nationwide  
Jason Salmon, Nationwide

Kweku Obed, Marquette Associates  
Jesus Jimenez, Marquette Associates  
David Smith, Marquette Associates  
Nicole Johnson-Barnes, Marquette Associates  
Nick Hand, City Controller's Office  
Sara DeNault, City Controller's Office  
Trevor Jackson, AndCo  
Gwelda Swilley, AndCo  
Steve Gordon, AndCo  
Evan Scussel, AndCo

## **Agenda Item #1 – Approval of the Investment Committee Minutes of August 27, 2020.**

**Mr. Dubow requested approval of the minutes of the Investment Committee meetings held on July 23, 2020 and August 27, 2020. A motion was made and seconded separately for each set of minutes. On roll call votes for each, the motions passed unanimously, with each Trustee voting to approve.**

## **Agenda Item #2 –General Investment Consultant Finalist Presentations**

Mr. DiFusco provided the Board with a brief introduction, background of the RFP process, the Subcommittee's recommendation of the two finalists to present to the Board, and an overview of both firms, AndCo and Marquette Associates. AndCo's presentation was made by Mr. Jackson, Ms. Swilley, Mr. Gordon & Mr. Scussel. Referencing their presentation document, they provided the Board with information about their ability to work with another consultant, their proposed consulting team, organization and history, and diversity efforts among staff and in manager searches. Mr. Dubow asked if they can provide one standout enhancement or observation about the City's portfolio. Mr. Jackson responded that they would likely have balancing and diversification recommendations.

Mr. Obed, Mr. Jimenez, Mr. Smith and Ms. Johnson-Barnes made the presentation for Marquette, referencing their presentation document. They provided information about, among other things, the client service team, Marquette's history, background and 99% client retention, investment approach, research process, their retention by nearly all clients as both general and alternatives consultant, focus on client education, and a recap of their work for the Board as general consultant.

Mr. Dubow asked Mr. Obed if there was anything that they would change in their approach or with City's portfolio. Mr. Obed responded that what was recommended and adopted by the Board has been additive and offered downside protection, and he did not see a need for any changes.

Mr. Bielli asked Mr. Obed about the impact of the Federal Reserve's recommendation of additional stimulus and the apparent absence of an agreement in Congress to enact it. Mr. Obed explained that we can expect more volatility in the market but that the portfolio is well-positioned due to its cash position, diversification and defensive holdings.

**Mr. Stagliano made a motion to retain Marquette as the General Consultant for the City of Philadelphia Pension Fund. Mr. Coughlin seconded the motion. On a roll call vote, the motion passed 7-0, with one abstention. The votes were as follows: Mr. Coughlin, Ms. Greene-Jones, Mr. Pratt, Mr. Rupe, Ms. Stukes-Baylor, Mr. White and Mr. Stagliano voted to approve. Ms. Pankey abstained.**

## **Agenda Item #3 – 2<sup>nd</sup> Quarter MWDBE & Local Brokerage Report**

Mr. DiFusco presented the 2<sup>nd</sup> Quarter MWDBE & Local Brokerage Report. Mr. Dubow inquired if Staff had any concerns with Emerald and/or Causeway's numbers for the

quarter. Mr. DiFusco responded that Staff did not, because fluctuations are expected, and the percentages are better for the year to date.

#### **Agenda Item #4 – Flash Report for The Period Ending August 2020**

Mr. DiFusco provided an overview of the executive summary for the month of August 2020. Mr. Obed added some highlights from their review of economic and market trends.

There were no questions.

#### **Agenda Item #5 - Investment Staff's Report**

Mr. DiFusco presented the Investment Staff's reports regarding diversity and local manager AUM and securities lending income summary.

The upcoming Board meetings are scheduled for October 22, 2020. and January 28, 2021. By unanimous consent, the Board decided to schedule a combined November-December meeting for December 3, 2020.

Mr. Stitt announced his impending departure from employment with City Council and thanked all the Trustees of the Board and Staff for their assistance and support during his time as City Council's representative and the Trustees thanked him for his service. Mr. Stitt announced he will begin new employment as a Director at PFM.

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 11:24 a.m., Mr. Dubow requested a motion to adjourn the Investment Committee Meeting. A motion was made and seconded. On a roll call vote, the motion to adjourn passed unanimously, with each Trustee voting to approve.**

**At 11:26 a.m., Mr. Dubow convened a meeting of the full Board. A motion to affirm all actions taken during the Deferred Compensation Program Committee and Investment Committee Meetings was made and seconded. On a roll call vote, the motion to affirm passed unanimously, with each Trustee voting to approve.**

**At 11:27 a.m., Mr. Dubow requested a motion to adjourn the Board meeting. A motion to adjourn was made and seconded. On a roll call vote, the motion to adjourn passed unanimously, with each Trustee voting to approve.**

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

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Rob Dubow  
Finance Director  
Chair, Board of Pensions and Retirement