

**THE BOARD OF PENSIONS AND RETIREMENT
INVESTMENT COMMITTEE MEETING
December 3, 2015**

MEETING MINUTES

There being a quorum, Rob Dubow, Board Chair, called the Investment Committee Meeting to order at 9:37 a.m., in the Board Conference Room, 2 Penn Center Plaza, 16th Floor.

Present:

Rob Dubow, Finance Director
Ronald Stagliano, Vice Chair, Trustee
Carol G. Stukes-Baylor, Trustee
Veronica M. Pankey, Trustee
William Rubin, Alternate, First Deputy City Controller
Brian Albert, Alternate, Deputy Human Resources Director & Managing Director Designee
Patricia Fitzgerald, Alternate, Hiring Service Manager
Francois Dutchie, Esquire, Alternate, Divisional Deputy City Solicitor
Paula Weiss, Esquire, Alternate, Deputy Director of Finance

Francis X. Bielli, Esquire, Executive Director
Shamika Taliaferro, Deputy Pension Director
Brad Woolworth, Chief Investment Officer
Christopher DiFusco, Esquire, Director of Investments
Dominique A. Cherry, Senior Investment Officer
Daniel Falkowski, Senior Investment Officer
Aubrey Hassan, Investment Analyst
Kristyn Bair, Investment Analyst

Also Attending:

Jo Rosenberger-Altman, Esquire, Divisional Deputy City Solicitor
Ellen Berkowitz, Esquire, Deputy City Solicitor
Adam Coleman, Esquire, Assistant City Solicitor
Jackie Dunn, Finance
Lavonia Jenkins, Administrative Technician
Erica Marable, Clerk Typist I
Robert O'Donnell, Esquire, O'Donnell Associates
Mark Johnson, Cliffwater
Pete Keliuotis, Cliffwater
Will Green, Loop Capital
Pam McCue, Finance Investment News

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Agenda Item #1 – Approval of Minutes for October 22, 2015

Mr. Dubow opened the meeting and requested approval of the Minutes for October 22, 2015. Mr. Stagliano made the motion. Mr. Albert seconded. The motion carried with one abstention from Ms. Stukes-Baylor.

Agenda Item #2 – Lombardia Update and Recommendation

Mr. Woolworth welcomed and recognized new staff members, Lavonia Jenkins & Erica Marable, who recently joined the staff.

Mr. Woolworth discussed Lombardia Capital Partners. This international equity manager was hired as part of the Board's diversity, female, emerging and local manager search. The firm was funded in September 2014. In late October 2015, Staff was notified that one of the Portfolio managers, David Lin, was removed from the team. David Lin worked for senior portfolio manager Al Polit. Lombardia tried to work out a severance package but ultimately decided to terminate Mr. Lin on or about November 12th.

Mr. Rubin stated that the issue was clear from the Board books, and there was no need for further detail. Mr. Woolworth agreed.

Mr. Rubin made a motion to terminate our relationship with Lombardia. Mr. Albert seconded. The motion carried unanimously.

Agenda Item #3 – Flash Report for the Period ended October 2015

Mr. Johnson reviewed the performance reports for the period ending October 22, 2015. Mr. Woolworth stated that the contract with the Private Equity consultant was just conformed and an update will be available at the next meeting.

Mr. Bielli asked whether the transition of assets from international manager Hanoverian was completed and whether Staff would be updating the Board with respect to a possible replacement. Mr. Woolworth indicated that the funds had been moved to an index and that a recommendation would be forthcoming as part of the Board's "Opportunity Fund" search.

Agenda Item #4- Third Quarter 2015 Directed Commissions Report

Mr. Woolworth provided an update on the percentages for directed Commissions.

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Agenda Item #5 – CIO's Report

Mr. Woolworth reported that Securities Lending Income was at \$134,000 for October 2015. This income is in line with expectations.

Mr. Woolworth updated the Board on Quality D numbers as well as on the diversity, female and local manager percentages.

Mr. Dubow asked how these numbers would be impacted by the departure of Lombardia.

Mr. Woolworth stated that the diversity percentages would decrease by approximately 30 basis points in the short run, until a recently hired manager has their contract completed.

Mr. Woolworth shared the next scheduled board meetings for 2016 are: January 28th, February 25th and March 24th.

Mr. Butkovitz joined the meeting prior to Executive Session.

The meeting was adjourned for Executive Session [Litigation and Legal Matters] at 10:04 a.m.

At 10:23 p.m., Mr. Dubow requested a motion to adjourn the Board of Pensions and Retirement Investment Committee Meeting. Mr. Rubin made the motion. Mr. Stagliano seconded. The motion passed.

Mr. Dubow thanked everyone and sent holiday wishes to the Board for a happy and prosperous New Year.

Ms. Stukes-Baylor offered her appreciation to the Board for expressions of sympathy during her hour of bereavement during this difficult time.

Mr. Dubow requested a motion to ratify the actions of the full board for the Board of Pensions and Retirement Investment Committee Meeting. Mr. Rubin made the motion. Mr. Stagliano seconded. The motion passed.

At 10:36 p.m., Mr. Dubow requested a motion to adjourn the Board of Pensions and Retirement. Mr. Rubin made the motion. Mr. Stagliano seconded. The motion passed.

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

Rob Dubow
Board Chair