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Proceedings

NEW YORK CITY TEACHERS' RETIREMENT SYSTEM
INVESTMENT MEETING

Held on Thursday, March 7, 2019, at 55 Water
Street, New York, New York

ATTENDEES:

JOHN ADLER, Chairman, Trustee
THOMAS BROWN, Trustee
DEBRA PENNY, Trustee
SUSANNAH VICKERS, Trustee, Comptroller's Office
DAVID KAZANSKY, Trustee
PATRICIA REILLY, Teachers' Retirement System

REPORTED BY:

YAFFA KAPLAN
JOB NO. 2467351

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ATTENDEES (Continued):

SUSAN STANG, Teachers' Retirement System
RON SWINGLE, Teachers' Retirement System
ROBIN PELLISH, Rocaton
MICHAEL FULVIO, Rocaton
DAVID PALKOVIC, Rocaton
PAUL RAUCCI, Teachers' Retirement System
VALERIE BUDZIK, Teachers' Retirement System
LIZ SANCHEZ, Teachers' Retirement System
SHERRY CHAN, Office of the Actuary
DAVID LEVINE, Groom Law Group
CYNTHIA COLLINS, Mayor's Office
SUMANTE RAY, Mayor's Office
ANTONIO RODRIGUEZ, BERS
THAD McTIGUE, Teachers' Retirement System
MELVYN AARONSON, Teachers' Retirement System
MICHAEL HADDAD, Bureau of Asset Management
JOHN DORSA, Bureau of Asset Management

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2 MR. ADLER: All right. Good afternoon,
3 everyone. Welcome to the Teachers' Retirement
4 System Investment Meeting for March 7, 2019.
5 Patricia, will you please call the roll.
6 MS. REILLY: John Adler?
7 MR. ADLER: I am here.
8 MS. REILLY: Thomas Brown?
9 MR. BROWN: Here.
10 MS. REILLY: David Kazansky?
11 MR. KAZANSKY: Present.
12 MS. REILLY: Lindsey Oates.
13 Debra Penny?
14 MS. PENNY: Here.
15 MS. REILLY: Susannah Vickers?
16 MS. VICKERS: Here.
17 MS. REILLY: We have a quorum.
18 MR. ADLER: Thank you so much.
19 All right, so we will commence our
20 public agenda and I will turn it over to
21 Rocaton to run through our reports.
22 MR. FULVIO: Good morning, everyone.
23 The first item on the agenda was a
24 review of the fourth quarter 2018 performance.
25 I know we covered that in more detail at the

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2 last meeting so I wasn't planning to flip
3 pages or go through the book that we handed
4 out, but happy to answer any questions that
5 anyone had on that.
6 MR. ADLER: Any questions for Mike on
7 the fourth quarter? I think the less said
8 about the fourth quarter, the better.
9 MR. FULVIO: I concur. And I would much
10 rather talk about January, so we will switch
11 gears and dive into January, 2019.
12 At the end of January we saw the
13 Diversified Equity Fund with assets of about
14 \$14 billion. You will recall that was quite a
15 strong month across markets. In the U.S. the
16 Russell 3000 was up about 8.6 percent.
17 Abroad, your International Composite benchmark
18 which was comprised of both developed and
19 emerging markets, that benchmark was up about
20 6.7 percent. So it was a -- there was a nice
21 rebound across the board compared to what we
22 saw in the fourth quarter.
23 The Diversified Equity Fund in total was
24 up about 8.2 percent, ahead of the hybrid
25 benchmark of about just 8 percent. The

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2 Balanced Fund with assets of just shy of \$400
3 million, that fund was up about 2.6 percent.
4 The International Equity Fund roughly in line
5 with the International Composite benchmark
6 with a return of about 6.7 percent. The
7 Inflation Protection Fund up about 4.4
8 percent, marginally in line with its
9 benchmark. And lastly but not least the
10 Socially Responsive Equity Fund with assets of
11 about \$213 million, that fund was up about
12 7-1/2 percent just behind the S&P which was up
13 about 8 percent. So it was a pretty strong
14 month to kick off the year.

15 And then as we look into February, there
16 is a separate handout for that. The Russell
17 3000 continued to do quite well. The Russell
18 3000 was up about 3.5 percent during February.
19 Calendar year to date, the Russell 3 was up
20 about over 12 percent. The Diversified Equity
21 Fund hybrid benchmark was still up about 3.2
22 percent, so non-U.S. lagged U.S. a little bit
23 over the two first months of the year. The
24 EAFE Index was up about 2.6 percent bringing
25 its year-to-date return to just over 9

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2 percent.

3 The emerging markets during the month of
4 February were down modestly to the tune of
5 about 1 percent, year to date still positive
6 by about 6 percent. So all told, we continue
7 to see positive returns through February. The
8 underlying strategy for the Inflation
9 Protection Fund was up about 1 percent for
10 February. Year to date that fund is up over 5
11 percent. And the Socially Responsive Equity
12 Fund's underlying strategy, up about 3.3
13 percent in February. Bringing its calendar
14 year to date to just over 11 percent.

15 So I will pause there and stop throwing
16 out numbers.

17 MR. ADLER: I have one question which
18 you may not be able to answer, but it just
19 strikes me as strange: So at the end of
20 January, the Russell 3 for one year was down
21 2-1/4?

22 MR. FULVIO: Yes.

23 MR. ADLER: And after going up a month
24 by 3-1/ half percent in the month of February,
25 the one year is then 5.05. I guess that's

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2 because the month of February from year before
3 you knock out.

4 MS. PELLISH: You lose that month and
5 gain another month.
6 MR. ADLER: That's what happened, right.
7 MS. PELLISH: Yes. And if you have
8 dramatic months, it can really move the
9 12-month number.
10 MR. ADLER: Just trying to figure that
11 out in my head. Okay, it takes my head a
12 while to figure things out.
13 MS. PELLISH: If you look -- actually,
14 well, no. I would say the five-year number is
15 roughly the same, about 30 basis points
16 different over 10 percent. So for five years
17 still very compelling return despite 2018.
18 MR. FULVIO: We have seen a little more
19 volatility the last week or so and there has
20 been some more press around slowing growth in
21 the U.S., trade deficits, and other topics
22 that we think will potentially weigh on the
23 markets over the next few months. But we will
24 continue to report back to the board.
25 MR. ADLER: Okay. Any other questions

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2 for Rocaton?
3 Okay. So that's it for the performance
4 report, right?
5 MS. PELLISH: Yes.
6 MR. ADLER: So we are going to move into
7 the investment policy statement discussion.
8 MS. PELLISH: Sure. And there are many
9 people around the table who have been very
10 involved in leading the development of this
11 new draft. I think I have been volunteered to
12 start the discussion, but I should by no means
13 control the discussion. Because, as I said,
14 there is a working group that was devoted to
15 spending a lot of time on this and so Valerie,
16 Susan, Susannah, and John and others should
17 definitely pipe in.
18 So there are a couple of overarching
19 comments I would like to make. And we have
20 copies of the body of the new draft. We also
21 e-mailed you the body as well as the
22 appendices. We chose not to make copies of
23 the appendices in an effort to not have an
24 impact on climate change. Big appendices. So
25 a couple of comments.

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2 First, we don't expect that everyone on
3 the board has had the opportunity to read
4 every word of this, but we would like -- we
5 understand this is going to be an iterative

6 process. We would like to start the dialogue
7 today. We also wanted to note that what we
8 tried to do is to take -- believe it or not, I
9 have been carrying this around for months now.
10 We wanted to take the late -- the most
11 recently accrued draft of the IPS and
12 accomplish a few things.

13 First and most importantly, bring it up
14 to date with policy and practices that the
15 board has adopted. Secondly, make it more
16 user friendly so therefore organize it more
17 tightly, make it more succinct. And third,
18 take those items which are most likely to be
19 dynamic or subject to periodic changes, like
20 for example the annual implementation plans,
21 and move those to the appendices and isolate
22 within the main body of the document those
23 policies and practices and statements that are
24 less likely to be changed. This recognizing,
25 however, that everything in this document

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2 should be reviewed. We talked about this
3 document being reviewed not less often than
4 every two years, so it should be a triannual
5 practice. And -- but we wanted the main body
6 of the document to be less vulnerable to
7 changes.

8 The final point I would make is that we
9 also wanted to incorporate basic principles
10 and investment beliefs that we think reflect
11 the board's values and priorities in the
12 introduction and preface to this document.
13 And although those were spread around the
14 entire document, I think we have really done a
15 pretty good job in summarizing upfront what
16 the beliefs and principles the board uses in
17 all its decision-making. Of course the
18 investment beliefs weren't in the prior
19 statement because they didn't exist in a
20 formal state.

21 So with that I am just going to --
22 unless anyone has questions or wants to
23 approach this in a different way, I was
24 planning to just walk through this document
25 fairly quickly. Now I have to get my version.

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2 Fairly quickly and highlight what has changed.
3 And, again, this is the board's discussion, so
4 we are happy to deal with this in any way that
5 you see fit.

6 MS. VICKERS: If I could add, you know,
7 I think we initially started wanting to do a

8 side-by-side comparison where we could go
9 through the current document. But it's been
10 through so many changes and edits, it would be
11 impossible to do a side by side. So I just
12 encourage everybody to look at it in a way as
13 I think a standalone document and
14 understanding and, you know, trying to see if
15 you agree with the concept of the way it's
16 organized. And then if we have specific
17 questions or points about different aspects of
18 it, we can go back to the original -- to the
19 original IPS. But just it would be -- we
20 would be unable to provide you with a side by
21 side at this point because of all the changes.
22 It's apples and oranges by now.

23 MS. PELLISH: Although I would say in
24 many cases we used the same exact language, so
25 it's not like we rewrote every word of the

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2 language of this document. Where possible we
3 tried to use the existing language, but there
4 were many places where we condensed portions
5 of the document, moved it around. So a
6 redline would be just to see red.

7 So if we could start just with the table
8 of contents, let me point out a couple of
9 things. One is that the executive summary,
10 the preface is new and the purpose and
11 principles section is reorganized. So I think
12 it's important to note that there was never an
13 executive summary and there did not exist a
14 statement of belief in this document
15 previously.

16 So with this, we can start walking
17 through the -- so obviously the summary is on
18 page 4.

19 The statement of investment beliefs
20 which is simply the document that's already
21 been reviewed and approved by the board is on
22 page 5.

23 MR. ADLER: Let me just point out -- one
24 little minor thing out which is that, one,
25 this is not in track changes. The print will

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2 be larger for those of us who are like me.
3 And, therefore, I think the statement of
4 investment beliefs will still fit on one page.
5 Because I know that was, so...

6 MS. PELLISH: So starting on the page 6,
7 we have the purpose of the investment policy
8 statement. And again a lot of this language
9 existed elsewhere, most of this language

10 existed elsewhere in the document. We
11 reorganized it, in part, to just make it more
12 succinct and to flow better.

13 Then on page 7 we have investment policy
14 roles that -- this general language existed in
15 the prior document. We reviewed all of it and
16 made some modifications, again, to reflect
17 updated practices and, again, to remove
18 redundancies.

19 MS. VICKERS: Can I interrupt?

20 MS. PELLISH: This is not interruption.

21 MS. VICKERS: I would add that what
22 everyone is looking at is the most recent
23 draft, so there are still some notes that the
24 committee was going back and forth on. So
25 there was a question about this bullet at the

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2 bottom of page 8 and so Diane who has been
3 working on some of this just wrote
4 "confirmed." So all that is -- there is a
5 little bit of back and forth and you will see
6 some -- a few I think open documents as we go
7 through.

8 MS. PELLISH: And there is one topic in
9 particular that we want to bring up.

10 MS. VICKERS: Right.

11 MS. PELLISH: So you see all the
12 responsibilities and roles that goes through
13 to page 10 where we start talking about the
14 roles and responsibilities of service
15 providers. Again, this type of language
16 existed in the original document. We have
17 made some wording changes, tried to condense
18 and be more succinct.

19 And then if we turn to page 13, we start
20 talking about eligible investments where again
21 we are really trying to be more succinct.

22 And on page 14 you can see on the second
23 bullet we add an appendix which is the
24 divestment policy, which I don't believe --
25 did the divestment policy exist in the prior

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2 document?

3 MS. BUDZIK: It did not.

4 MR. ADLER: Because we only adopted it a
5 year or two ago.

6 MS. PELLISH: When you go to Section
7 5 -- is there?

8 MR. ADLER: No. Sorry, just answering a
9 question from Sherry.

10 MS. PELLISH: On page 14, Section 5
11 investment objective, these are the same words

12 that existed in the prior document. So where
13 possible where we thought the language was
14 succinct and accurate, we kept it.

15 Then we have asset allocation and
16 rebalancing. And if you turn to page 15, I
17 want to point to the second paragraph on page
18 15 where we refer to the most recently
19 approved long-term strategic allocation
20 targets as well as rebalancing ranges and
21 parking places. In the prior document these
22 were listed in the body of the IPS. In this
23 version, this is an example of something that
24 is likely to change when we do our periodic
25 asset allocation studies. So this is I think
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2 a very good example of something we removed to
3 an appendix, so this is now Appendix 1. So
4 the information can still be found, but
5 because it's information that's likely to
6 change every few years we wanted to put it in
7 an appendix.

8 MR. LEVINE: Robin, one question for
9 these things. I know when we do other IPSs
10 sometimes -- should we say an as of, that way
11 in case there is a mistake. Like let's say
12 there is an updated policy and it doesn't get
13 added into this document, like updated. It's
14 just clear it's as of this date.

15 MS. PELLISH: Where would you put that,
16 in the appendix?

17 MR. LEVINE: You can put it in wherever
18 you want.

19 MR. ADLER: Isn't that on the cover?

20 MS. BUDZIK: And we will have a document
21 that memorializes all changes, so I think it
22 would get to the --

23 MR. LEVINE: I am not trying to take us
24 on a tangent. I know people sometimes miss
25 some things and we have so much here.
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2 MS. BUDZIK: We will have a modification
3 table.

4 MR. LEVINE: Then I will stop. I
5 apologize.

6 MS. PELLISH: The table is the last
7 thing we are going to approve after we make
8 all the changes.

9 MR. LEVINE: Just paranoia from seeing
10 --

11 MR. ADLER: A minimum of three years?

12 MS. BUDZIK: So we have to make sure we
13 do it every three years, because there is a

14 long amount of time between 2006 and 2019.
15 MR. ADLER: So every three years?
16 MS. BUDZIK: Agreed.
17 MS. PELLISH: Yes, we should absolutely
18 make sure.
19 MR. ADLER: Which means we should start
20 next month.
21 MS. PELLISH: I think we all need a
22 little hiatus.
23 MS. STANG: We did a whole revamp, so
24 the next time it gets modified it should be
25 easy.

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2 MS. REILLY: If you do it every three
3 years, it won't be as --
4 MS. PELLISH: -- yes, quite as big an
5 undertaking. So the next section on page 15
6 is guidelines and, again, there was a
7 guideline section. We made this I think more
8 robust by organizing it so that we took
9 relevant language from other parts of the IPS
10 and organized it under guidelines, but it was
11 here previously.
12 Now we want to talk about this edit on
13 the side of page 15. And would you like to
14 take that one?
15 MS. VICKERS: Sure.
16 So basically what this is, and there is
17 a -- sort of a similar thought on page 17,
18 there are various limitations within current
19 asset class IPSs in terms of the maximum level
20 of exposure to a particular manager or within
21 a particular fund. And BAM's point of view is
22 that those limitations, you know, should be
23 looked at to make sure that they still make
24 sense. And so we indicated what the current
25 manager on this page, manager limitations are

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2 and we are requesting an increase, if it makes
3 sense, to 20 percent from the current levels.
4 This idea has been vetted with consultants, I
5 think both the general consultant and the
6 asset classes consultants as well. And there
7 is an, you know, agreement around the idea of
8 increasing those levels based on the current
9 market size survey and of other pension funds.
10 We think that increasing from sort of the
11 current 10 or 15 percent to 20 percent might
12 be prudent.
13 MR. KAZANSKY: You think that makes
14 sense across the board, that going from 10 to
15 20 is just as reasonable as going from 15 to

16 20?

17 MS. VICKERS: Well, yes, in private
18 asset classes. Infrastructure, for example,
19 is the only one that is currently at 10 and I
20 think that was because sort of as a new or
21 young asset class people weren't sure what the
22 market size or what the funds would look like.
23 And so it's not just -- it makes the same
24 amount of sense to go from 10 to 20 as 15 to
25 20. It makes sense for infrastructure to be

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2 at 20 percent.

3 MR. ADLER: And, honestly, I would want
4 to find out more information before I think
5 that makes sense, because to me what you just
6 said doesn't make sense to me. Because you
7 would think a new asset class when you are
8 just building it up and you don't have that
9 many managers, you would accept a higher limit
10 but -- as you become more diversified. So
11 anyway I would like to see what we have, you
12 know, what the exposures are and I think I
13 would like a written recommendation from each
14 of the asset class consultants about why they
15 think that 20 percent is prudent. So --
16 because to me, that's -- especially on
17 infrastructure where you are doubling it.

18 MS. VICKERS: We don't expect it to be
19 decided today.

20 MR. ADLER: No, I know. But I am making
21 that point.

22 MS. PELLISH: So perhaps at the next
23 meeting, we can follow up on that.

24 MS. BUDZIK: So I would just say for
25 purposes of this IPS, it wasn't an idea that

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2 you would vote on this today either. But if
3 the IPS moves more quickly than discussion and
4 approval by the board of any changes therein,
5 the IPS would reflect the current limits and
6 not until you voted on changing those limits
7 would they be incorporated into the IPS.

8 MR. ADLER: It makes me wonder given
9 that and given that we might reconsider it in
10 the future, whether we should move that to an
11 appendix.

12 MS. BUDZIK: Well, actually --

13 MR. ADLER: What makes sense, if it were
14 to move to an appendix for each of the asset
15 classes that we are discussing here as opposed
16 to it being a general guideline. Again we are
17 getting into committee trivia here or detail,

18 but that's just a thought.
19 MS. BUDZIK: Okay.
20 MR. ADLER: Because then we wouldn't
21 have to wait.
22 MS. PELLISH: We would put it in the
23 description of asset classes. That's in the
24 appendix.
25 MS. VICKERS: Each asset class is going
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2 to have its own section in the appendix and
3 these limitations could be included in there.
4 MS. PELLISH: Well, they will be in one
5 appendix, all the asset classes.
6 MS. VICKERS: Their own paragraph,
7 subparagraph.
8 MS. PELLISH: Now you have a window in
9 our working group conversations.
10 MR. ADLER: Appendix 2, approved asset
11 classes.
12 MS. PELLISH: On page 16 we have TRS
13 investment policy restrictions which I believe
14 is a new section, but a lot of the language is
15 taken from elsewhere in the original document.
16 Liquidity is exactly the same as it was in the
17 prior document and then we talk about
18 investment classes here. And we have really
19 made this much more succinct, because we are
20 going to have detailed discussions and
21 descriptions of each asset class and
22 objectives for that asset class in the
23 appendix.
24 We see the same -- as was pointed out,
25 we see the same comment on page 17 regarding
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2 manager allocations. And I, for one, do think
3 it's a good idea to put that into the
4 appendix.
5 So then we talk about investment manager
6 selection. Of course on page 18, that was
7 included in the original IPS. But we have
8 summarized it here to refer to the process,
9 rather than describe the detailed process.
10 Brokerage is almost identical to the prior
11 document.
12 And then we turn to page 19, which is
13 performance monitoring and evaluation. And
14 you see that we -- for example under policy
15 benchmark, item 1 in the prior document we
16 listed all of the asset classes and benchmarks
17 that were in the policy benchmark and it took
18 up a couple of pages. And here we are just
19 saying it's in Appendix 1. There is a policy

20 benchmark, it's in Appendix 1, and the policy
21 benchmark will change every time we change the
22 asset allocation policy.

23 On page 20 we have a discussion with
24 risk management and this is an example of
25 where there was a discussion of risk

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2 management in the prior document. We updated
3 the language in this case to reflect the fact
4 that there is a risk management unit in BAM
5 and there was no reference to a risk
6 management unit. I am not sure there was a
7 formal risk management unit. It didn't exist.
8 So that is an example of how the language has
9 changed to reflect new policies and practices.

10 But portfolio transitions, not a word
11 was changed in this section. Securities
12 lending, virtually identical language to the
13 prior document. Securities litigation
14 protocol, no change except the number of the
15 appendix that we refer to. Investment
16 expenses, no change here. And then corporate
17 governance, what we have done here is just
18 reorganized some descriptions and language
19 that were scattered throughout the prior
20 document.

21 I think we have provided on page 22 more
22 detail about how the office of the comptroller
23 executes your corporate govern annals
24 policies. PRI, same language that was in the
25 prior document was in an appendix to the prior

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2 document.

3 MR. ADLER: Can I just go back to
4 corporate governance for a minute?

5 MS. PELLISH: Yes.

6 MR. ADLER: Is the corporate governance
7 policy an appendix? It's not, I don't think.

8 MS. STANG: Proxy voting guidelines.

9 MR. ADLER: Appendix 9, thank you.
10 Because that does get revised almost annually,
11 some kind of update. Thank you, sorry.

12 MS. PELLISH: And I did notice on page
13 23 we have PRI as a separate section. We also
14 discuss it on page 22, so we might want to
15 think about the redundancy.

16 MS. VICKERS: Section 20?

17 MS. REILLY: Yes, its own section. And,
18 yes, we have Section 18.

19 MS. PELLISH: Yes, its own section and
20 we have Section 18.

21 MS. STANG: One refers to Appendix 9 and

22 the other refers to Appendix 10. Whoops.
23 MS. PELLISH: And so the only last thing
24 I want to note is that under appendices, you
25 see Appendix 2 is approved asset class. In

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2 the prior document that took up exhibit --
3 Exhibits 2 through 10. So we have really --
4 so every asset class had its own language and
5 there was a lot of replicators and redundancy,
6 so we have really again tried to make this
7 much more concise.

8 MR. ADLER: Also didn't we agree that we
9 were going to switch the numbering to put the
10 divestment policy restrictions on permissible
11 investments and excluded companies list
12 together, didn't we at the last committee
13 meeting --

14 MS. PELLISH: I think we did. I think
15 we did talk about that, yes.

16 MS. BUDZIK: They might be renumbered.

17 MS. COLLINS: Were we going to move it
18 to group it with the excluded company list?

19 MS. BUDZIK: I actually don't recall
20 that, but we will talk about it.

21 MS. VICKERS: There is still a lot of
22 formatting that needs to be done, but it's --
23 I think a lot of effort has been put into
24 making it readable. So I think, you know,
25 there might be some little touchups that are

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2 always going to appear to us at the end.

3 MS. BUDZIK: So we will review this
4 again and the review is really to see if there
5 is more opportunities for streamlining, make
6 the document more concise; do the appendices
7 make sense, are they ordered correctly, and
8 that the document doesn't reflect any
9 substantive changes unless those changes are
10 specifically brought to and approved by the
11 board. So I think between now and maybe the
12 next meeting, we will probably have another
13 call. And the next document you see would be
14 a redline against this, yes?

15 MS. PELLISH: Whatever you want.

16 MS. BUDZIK: I think that might make
17 sense, but again we understand the parameters
18 that we are working under. It includes no
19 substantive change to the board's current
20 policy.

21 MS. PELLISH: Yes, so I think that's a
22 very important point to emphasize. None of
23 the policies or practices that have been

24 approved by the board are changed in this
25 document.

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2 MR. ADLER: Except for that limitation.

3 MS. PELLISH: Well, that hasn't been
4 changed. We are suggesting the change, but it
5 has not been changed.

6 MS. COLLINS: I would ask the trustees
7 who weren't on the committee, because we have
8 been living with this document for quite a
9 while so when we read it, we see what we want
10 to read. If you are reading something that
11 you go wait, this doesn't make any sense or
12 it's inconsistent, you know, our feelings will
13 not be hurt with you saying hey, we noticed
14 this. Because that's kind of what --

15 MS. BUDZIK: Absolutely. The comments
16 are welcome.

17 MS. STANG: We have had discussions
18 about prepositions. We could do anything.

19 MR. KAZANSKY: I just want to say at a
20 cursory glance, it's leaps and bounds better
21 than it was in its previous War and Peace
22 volume style. And I know you guys are kind of
23 in mile 25 of a marathon so you are kind of
24 getting to the end, but the work that's been
25 done on this on all sides has been really

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2 impressive and we are very happy with the
3 progress that's been made on this so far.

4 MR. ADLER: Let me just say that the
5 first probably 15 or 16 miles of that, more
6 than from our office, were run by Antonio
7 prior to his switch. So I just want to credit
8 him for carrying the baton before he turned it
9 over to others in the office.

10 MS. CHAN: So he only did half the
11 marathon.

12 MR. ADLER: I think he did 15 or 16 of
13 the miles, maybe 18 or 20.

14 MS. PELLISH: Great. So the plan is to
15 have another working group call before the
16 next meeting, produce a redline for the board
17 at the next meeting.

18 MR. KAZANSKY: Sounds great.

19 MS. BUDZIK: I think so.

20 MS. COLLINS: Any comments or questions
21 from the other trustees?

22 MS. PELLISH: To the extent you have
23 any.

24 MR. ADLER: Okay. So does that conclude
25 our public agenda?

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Proceedings

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MS. PELLISH: I believe so.

3

MR. ADLER: Okay. So with that, a motion would be in order to enter executive session.

4

MS. PENNY: I move pursuant to Public Officers Law Section 105 to go into executive session for discussions on specific investment and contract matters.

5

MR. ADLER: Thank you, Debbie.

6

Is there a second?

7

MR. KAZANSKY: Second.

8

MR. ADLER: Thank you, Dave.

9

Any discussion? All in favor of the motion to exit public session and enter executive session, please say aye.

10

Aye.

11

MS. VICKERS: Aye.

12

MS. PENNY: Aye.

13

MR. BROWN: Aye.

14

MR. KAZANSKY: Aye.

15

MR. ADLER: All opposed, please say nay. Any abstentions?

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Motion carries. We now enter executive

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session.

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MR. ADLER: Any opposed, please say nay. Any abstentions? Motion carries.

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Okay, we are back in public session now. Susan, would you report out of executive session, please?

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MS. STANG: In executive session a

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recommendation on allocations for two existing managers and one new manager in the Diversified Equity Fund was discussed.

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Consensus was reached which will be announced at the appropriate time. A presentation

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regarding a transaction involving a service provider was presented and discussed. A vote

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was taken, the results of which will be announced at the appropriate time. And an

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exception to an investment guideline was discussed. Consensus was reached, which will

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be announced at the appropriate time.

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MR. ADLER: Thank you so much. I

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believe that concludes our business for today. Is there a motion to adjourn?

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23

MR. BROWN: So moved.

24

MR. ADLER: Thank you, Tom.

25

Is there a second?

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MS. VICKERS: Second.

2 MR. ADLER: Thank you, Susannah. Any
3 discussion? All in favor of the motion to
4 adjourn, please say aye.
5 Aye.
6 MS. VICKERS: Aye.
7 Proceedings
8 MS. PENNY: Aye.
9 MR. BROWN: Aye.
10 MR. KAZANSKY: Aye.
11 MR. ADLER: All opposed, please say nay.
12 Any abstentions? Motion carries. The meeting
13 is adjourned.
14 [Time noted: 1:37 p.m.]
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1 Proceedings
2
3 C E R T I F I C A T E
4 STATE OF NEW YORK)
5 : ss.
6 COUNTY OF QUEENS)
7
8 I, YAFFA KAPLAN, a Notary Public
9 within and for the State of New York, do
10 hereby certify that the foregoing record of
11 proceedings is a full and correct
12 transcript of the stenographic notes taken
13 by me therein.
14 IN WITNESS WHEREOF, I have hereunto
15 set my hand this 17th day of March, 2019.
16
17
18
19 _____
20 YAFFA KAPLAN
21
22
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24
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