



**KATHY HOCHUL
GOVERNOR**



**GENERAL SESSION AGENDA
BOARD OF COMMISSIONERS' REGULAR MEETING
WEDNESDAY, MAY 15, 2024, 10:00 A.M.**

1. STANDING REPORT(S)
 - A. REPORT OF EXECUTIVE OFFICE: PETER CUSICK
 - B. REPORT OF GENERAL ATTORNEY OFFICE: JAMES FIEDLER

2. PRESENTATION
 - A. ACTUARIAL PRESENTATION BY ROB KIRKLIN OF WILLIS TOWER WATSON

3. REPORT OF BOARD STANDING COMMITTEE(S)
 - A. BUDGET & AUDIT COMMITTEE: COMMISSIONER ALEXIS THOMAS
 - 1) EISNERAMPER EXTERNAL AUDIT REPORT
 - B. INVESTMENT COMMITTEE: CHAIRMAN KENNETH THEOBALDS

4. CONSENT AGENDA
 - A. TO ACCEPT THE PROPOSED MINUTES OF THE APRIL 17, 2024 BOARD MEETING
 - B. TO ACCEPT THE WRITTEN REPORTS AS SUBMITTED

5. EXECUTIVE SESSION (IF NECESSARY)

6. ADJOURN



NYSIF Appointed Actuary Report December 31, 2023

Presentation to the Board of Commissioners

Robert W. Kirklin, ACAS, MAAA

May 15, 2024

Role of the Appointed Actuary

Approach to our review of unpaid loss and LAE

Analysis

Review independently

- Prepare independent analyses using data provided by NYSIF team
- Review quarterly for WCF and annually for DBF

Discussions

Share results and discuss

- Compare internal and external analyses
- Talk through internal changes and industry trends

Review Financials

Confirm schedules as expected

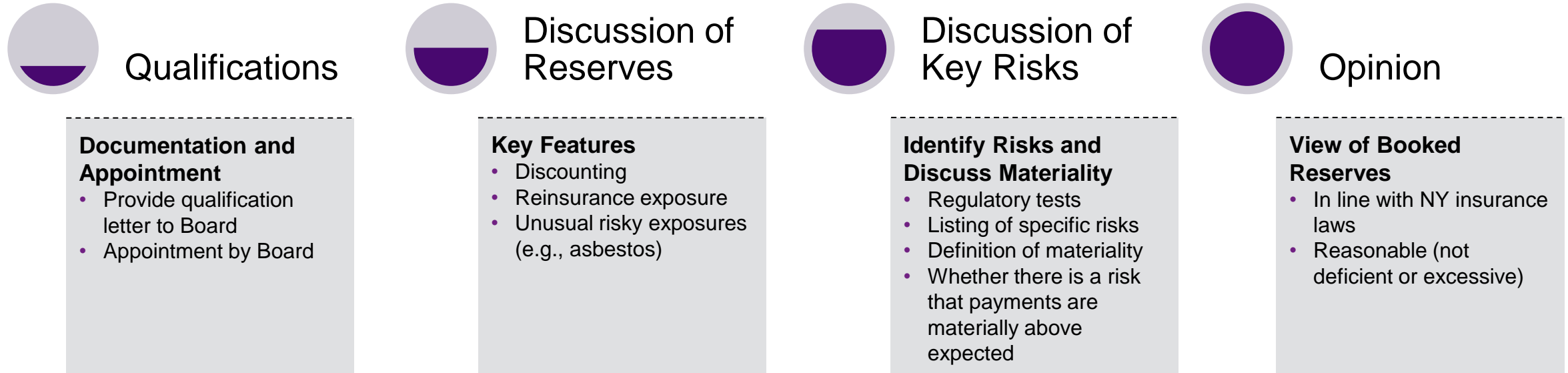
- Review unpaid loss and LAE on balance sheet
- Prepare Statements of Actuarial Opinion

Loss = future obligations to claimants for wage replacement, medical costs

LAE = DCC (legal expenses, utilization review) + AO (systems, salaries for claim adjustment)

Role of the Appointed Actuary

Preparing the Statutory Actuarial Opinion for regulators



Key Findings

Actuarial analysis as of December 31, 2023

Workers Compensation Fund

Reasonable Opinion

- Accident year 2023
 - Nominal loss and LAE ratio of 124%
 - Represents an increase in loss ratio from 2022, driven by severity pressure and rate decreases
- Accident years 2022 and prior
 - Reduction of \$861M (nominal) / \$528M (discounted) in our ultimate loss estimates, driven by lower than expected medical payments
- Trends: consistent with industry
 - Some relief in lower severity trends that are driven by medical cost containment efforts and lower utilization, but are offset by inflationary trends
 - Rate decreases putting pressure on loss ratios

Disability Benefits Fund

Reasonable Opinion

- Accident year 2023
 - Disability loss and DCC ratio of 57%
 - Paid family leave (PFL) loss and DCC ratio of 46%
 - PFL loss ratio continues to be lower than industry
 - Similar size risk adjustment payment anticipated for 2023, despite no more COVID risk adjustment payment
- Accident years 2022 and prior
 - Risk adjustment payment was higher than normal due to the separate COVID risk pool for actual COVID quarantine payments for 2020-2022
 - Actual 2022 risk adjustment was \$3M lower than expected

Workers Compensation Fund Opinion

Risk exists, but held reserves are reasonable, and rising surplus helps to offset the risk

Workers Comp Concentration
Long-tailed and inflation sensitive

NYS Workers Comp Reform of 2007
Uncertainty about impacts

COVID-19
Impacts of delays in medical care, claim classification
Direct claim exposure
Impact on premium for 2020-22

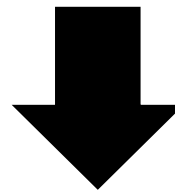
Reasonable Reserves and No Significant Risk of Material Adverse Deviation

- Ratio of reserves (\$15.9B undisc.) relative to surplus (\$10.4B) has been decreasing consistently over the past several years
- Consistency of historical experience
- Held reserves in line with indications
- Continued decrease in reserves related to COVID and 2007 reform (less uncertainty as more time passes and COVID infection is more muted)

Workers Compensation Fund Risk Factors

COVID-19 is becoming less of a cause for uncertainty as more experience comes in

- COVID claims
 - Long-term prognosis for claimants remains unclear
- All other claims
 - Delays in treatment and slowing of claim classification
 - More difficult to interpret the data
- Significant impact to exposure
 - Exposure associated with \$1 of premium may vary from norm (e.g., work from home, changes in on-site work environment, changes in business travel patterns)



Adds uncertainty for balance sheet as of Dec 31, 2023 and beyond

Workers Compensation Fund Leverage Factors

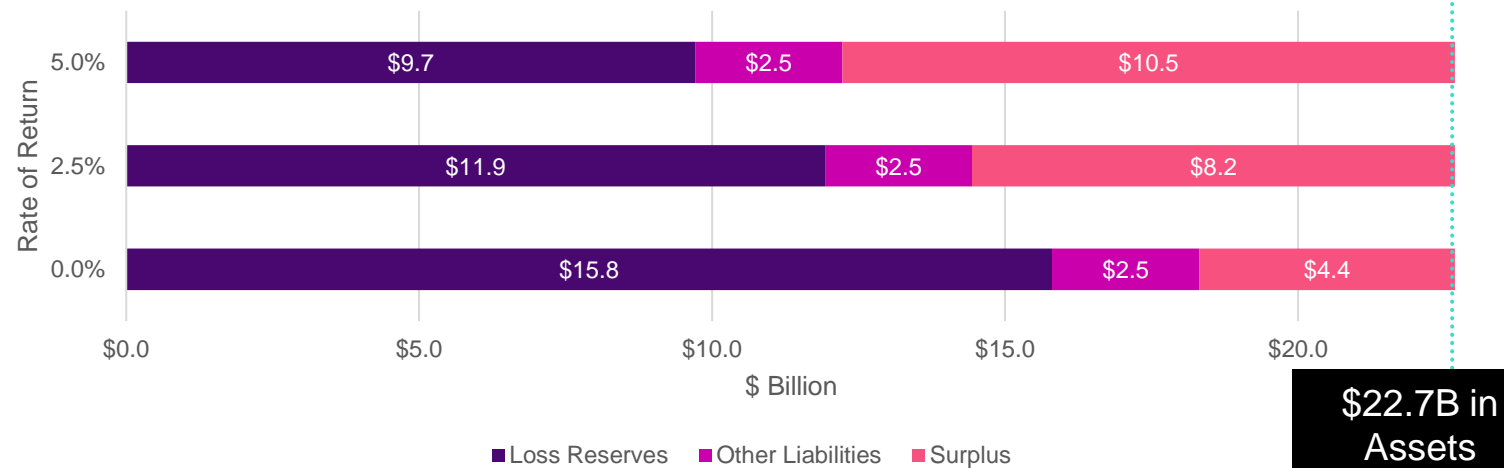
The required discounting in the reserves creates risks to WCF

WCF is required to use a 5% interest rate for discounting reserves

Risks

- Timing (if payments are faster than expected)
- Investment return (if the earned return is less than 5%)

Total Assets

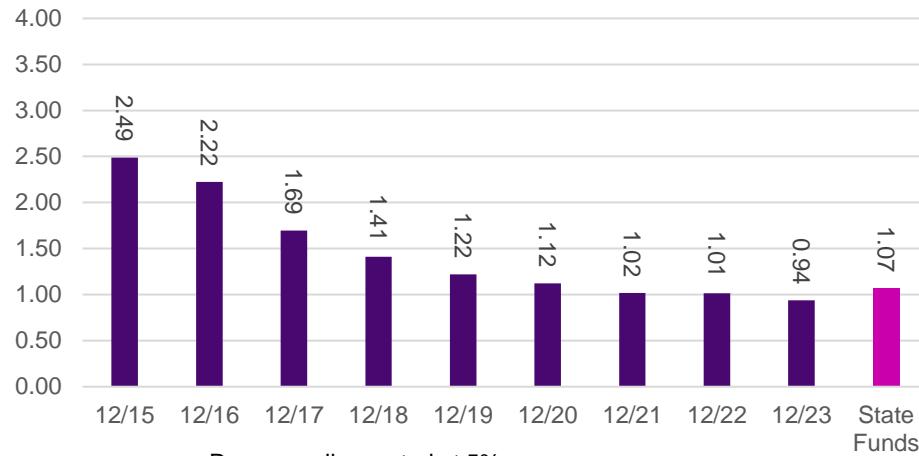


Workers Compensation Fund Leverage Factors

Decreasing leverage ratios in recent years; NYSIF reserves are discounted while other state fund discount policies vary

	Dec 2015	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2020	Dec 2021	Dec 2022	Dec 2023
Surplus (\$B)	3.98	4.50	5.94	7.10	8.21	8.95	9.74	9.67	10.45
Net Earned Premium (\$B)	2.49	2.48	2.30	2.23	2.06	1.58	1.80	1.60	1.73
Net Loss & LAE Reserve (\$B)	9.90	10.00	10.07	10.00	10.00	10.03	9.89	9.81	9.78

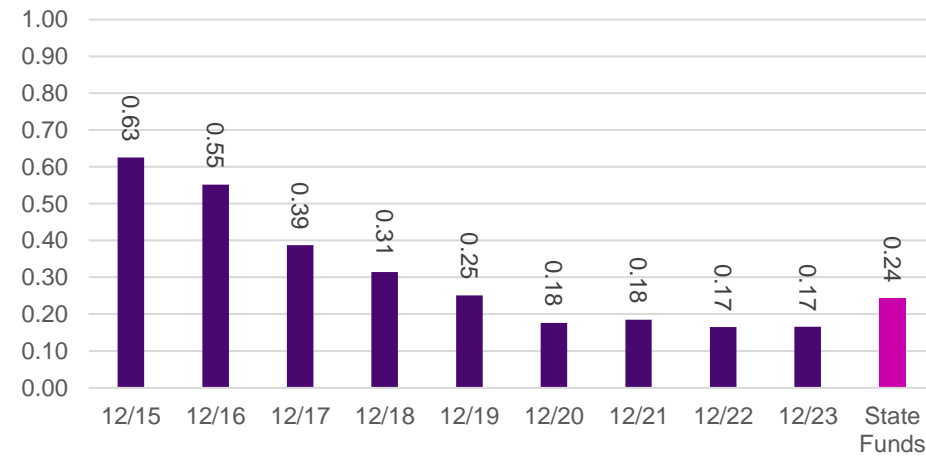
Reserve to Surplus Ratio



Reserves discounted at 5%

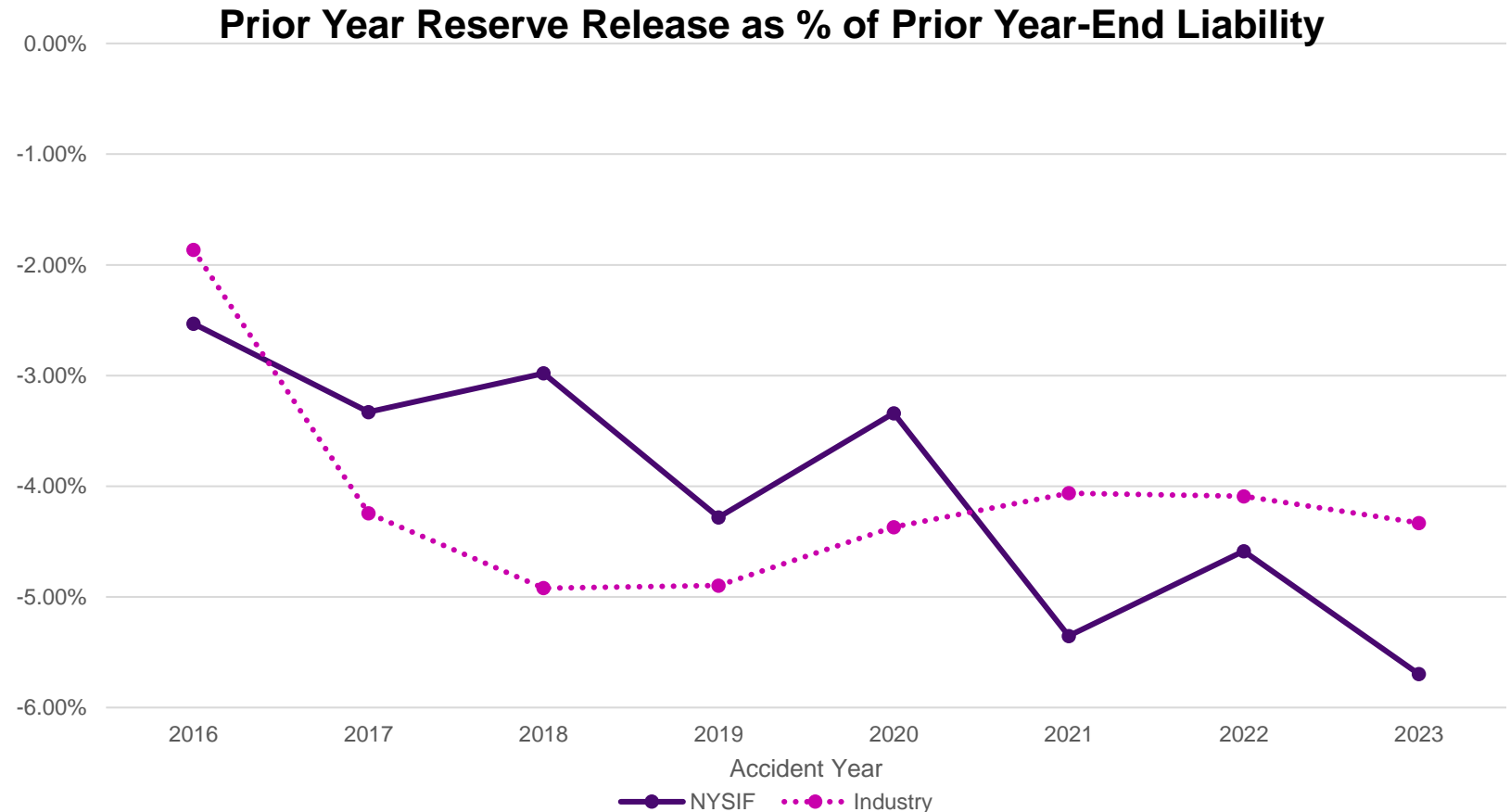
State fund aggregate excludes NYSIF and is based on publicly available annual statement data from SNL Financial for year-end 2023.

Premium to Surplus Ratio



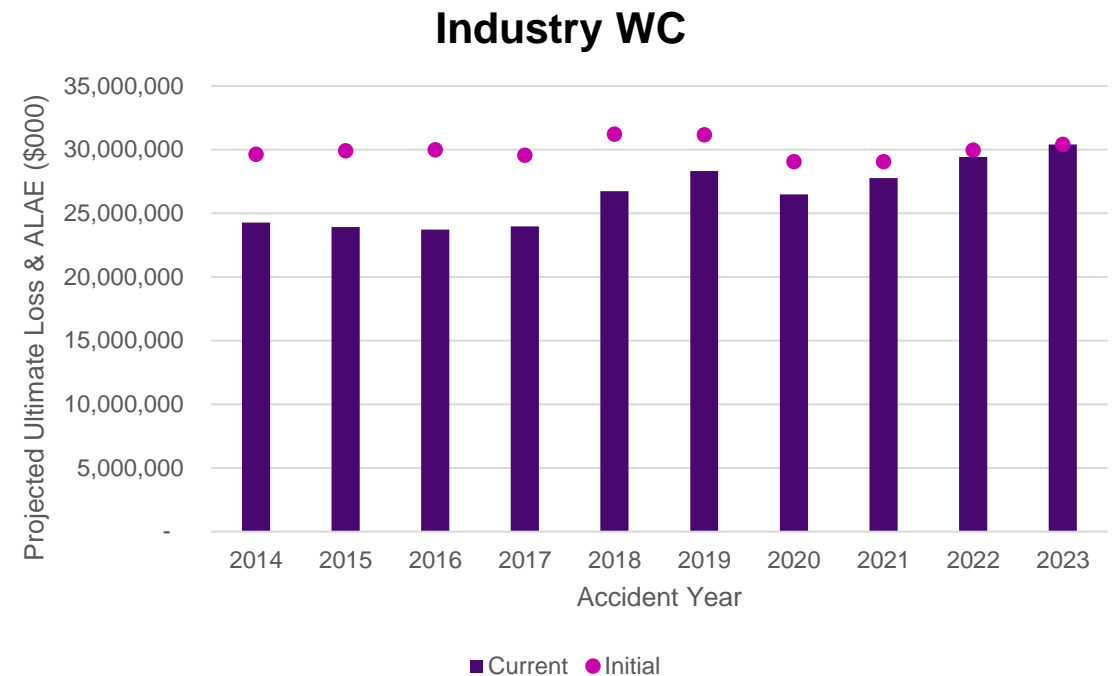
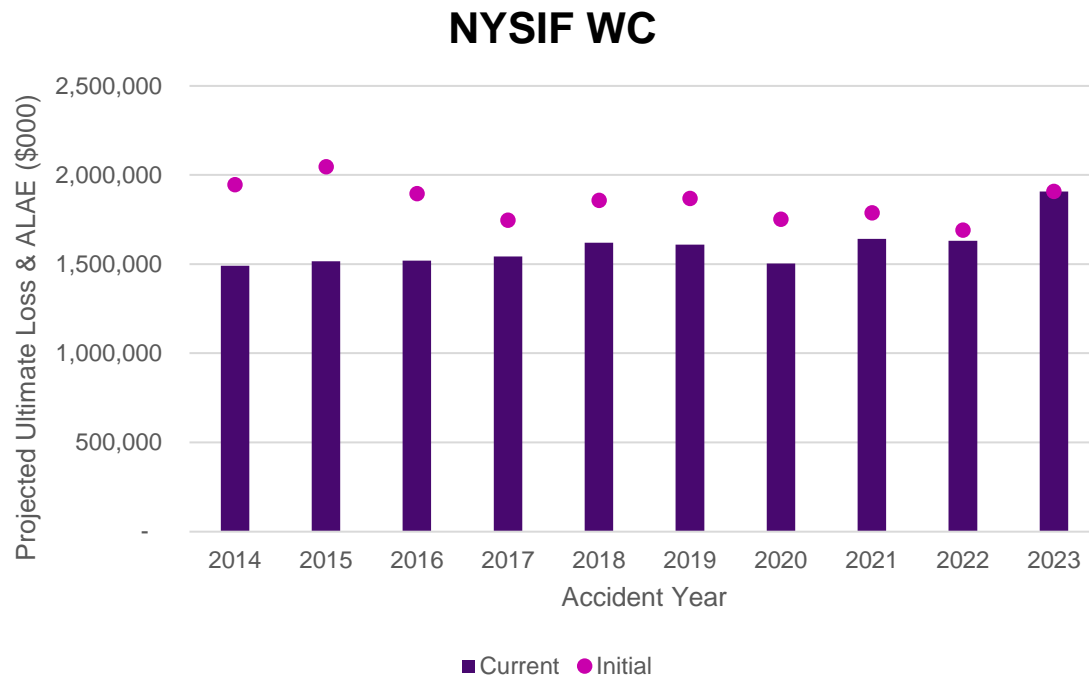
NYSIF vs. Industry WC reserve releases

- Reserve actions as a percent of prior year-end liability can provide insight into whether changes are driven by industry trends (inflation, standards of care) vs. company-specific changes (impact of claim closure initiatives, changes in bill review procedures)
- A shift in industry trends may be reflected more consistently across all companies



Current estimates of losses are much lower than initial expectations for the entire industry

The difference is most significant for older years as time progresses



Disability Benefits Fund Opinion

Held reserves are reasonable, and less risk than WCF

Less Risk to DBF Reserves

- Limited duration of benefits
- Reserves (\$26.1M) are low compared to surplus (\$354.1M)
- COVID risk is no longer material
- Risk adjustment mechanism also presents some risk but is similarly mitigated

Materiality Standard = \$71M
(20% of Surplus)

**Reasonable Reserves and No Significant Risk of
Material Adverse Development**

Consistent with 2022

Appendix

Reliances and Limitations, Distribution, and Qualification Statements

Reliances and Limitations

- Under separate cover, actuarial reports for WCF and DBF (Reports) have been provided to NYSIF
- These Reports contain a complete description of the reliances and limitations on our work products
- The reliances and limitations noted in the Reports apply to this presentation as well

Distribution

- No further distribution of this presentation or reference, either oral or written, to WTW, our analysis or findings related to this presentation may be made without our prior written consent.

Qualification Statement

- I am a member of the American Academy of Actuaries and am qualified to render the actuarial opinion contained in the Reports and presentation.

About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organizational resilience, motivate your workforce and maximise performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at [wtwco.com](https://www.wtwco.com).



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wtw



February 16, 2024

Mr. Timothy Koester, FCAS, MAAA
Chief Actuary
New York State Insurance Fund
15 Computer Drive West
Albany, NY 12205

Re: Qualification documentation required under the NAIC Instructions for the Property and Casualty Statement of Actuarial Opinion

To the Board of Commissioners of the New York State Insurance Fund Workers Compensation Fund:

This letter serves as my response to the qualification documentation requirements as Appointed Actuary for the State Insurance Fund Workers Compensation Fund of New York hereinafter referred to as "The Company".

Background

The NAIC Instructions for the Property and Casualty (P&C) Statement of Actuarial Opinion (SAO) changed in 2019 and currently state:

The Appointed Actuary shall provide to the Board of Directors qualification documentation on occasion of their appointment, and on an annual basis thereafter, directly or through company management. The documentation should include brief biographical information and a description of how the definition of "Qualified Actuary" is met or expected to be met (in the case of continuing education) for that year. The documentation should describe the Appointed Actuary's responsible experience relevant to the subject of the Actuarial Opinion. The Board of Directors shall document their review of those materials and any other information they may deem relevant, including information that may be requested directly from the Appointed Actuary. It is generally expected that the review of the Appointed Actuary's qualification documentation should take place at the level within a holding company structure that is responsible for overseeing insurance operations. If a statutory entity is a subsidiary or a non-lead pool member with an Appointed Actuary whose qualifications were reviewed by the pool lead or principal's Board, the statutory entity's Board can satisfy the review requirement by acknowledging the parent Board's review. This can be done by noting in the meeting minutes the name of the principal or lead entity and the date the parent Board reviewed the qualification documentation, or by attaching a copy of the parent Board's meeting minutes reflecting their review of the qualification documentation. The qualification documentation shall be considered workpapers and be available for inspection upon regulator request or during financial examination.

10 State House Square, Floor 11
Hartford, CT 06103

T +1 860 278 1320
F +1 860 278 5776
W wtwco.com

Willis Towers Watson US LLC

According to the Instructions:

“Qualified Actuary” is a person who:

- (i) *Meets the basic education, experience and continuing education requirements of the Specific Qualification Standards for Statements of Actuarial Opinion, NAIC Property and Casualty Annual Statement, as set forth in the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States (U.S. Qualification Standards), promulgated by the American Academy of Actuaries (Academy); and*
- (ii) *Has obtained and maintains an Accepted Actuarial Designation; and*
- (iii) *Is a member of a professional actuarial association that requires adherence to the same Code of Professional Conduct promulgated by the Academy, requires adherence to the U.S. Qualification Standards, and participates in the Actuarial Board for Counseling and Discipline when its members are practicing in the U.S.*

An exception to parts (i) and (ii) of this definition would be an actuary evaluated by the Academy’s Casualty Practice Council and determined to be a Qualified Actuary for particular lines of business and business activities.

“Accepted Actuarial Designation” in item (ii) of the definition of a Qualified Actuary, is an actuarial designation accepted as meeting or exceeding the NAIC’s Minimum Property/Casualty (P/C) Actuarial Educational Standards for a P/C Appointed Actuary (published on the NAIC website).

Required qualification documentation

I have met the definition of “Qualified Actuary” for purposes of signing the 2023 Statement of Actuarial Opinion for The Company.

1. I meet the basic education, experience and continuing education requirements of the Specific Qualification Standards for Statements of Actuarial Opinion, NAIC Property and Casualty Annual Statement, as set forth in the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States (U.S. Qualification Standards) promulgated by the American Academy of Actuaries (Academy). The following describes how I meet these requirements.
 - a. Basic Education has been met through relevant examinations administered by the Casualty Actuarial Society.
 - b. In accordance with section 3.2 Experience Requirement of the Specific Qualification Standards within the U.S Qualification Standards, I have obtained at least three years of responsible experience relevant to the subject of the Statement of Actuarial Opinion for The Company, on topics including:
 - P&C commercial lines insurance, including workers’ compensation and disability benefits

This experience has been obtained through my work on the Company engagement for the past 15+ years and over 30 years of actuarial experience in the P&C insurance industry.

I have obtained specific knowledge of The Company's operations and businesses through my work on this engagement. Within the P&C industry, my over 30 years span work with Aetna, Travelers, Orion Capital, and Royal and Sun Alliance as well as my current work with WTW. Throughout my career I have performed and managed various reserve analyses including workers compensation and general liability reserving for Aetna, commercial lines reserving for Travelers and various reserving engagements at WTW with a focus on workers compensation for insurance companies as well as self-insured and captive insurance companies. My work on these engagements has enabled me to gain comprehensive knowledge of the other topics identified in section 3.1.1.2 of the U.S Qualification Standards (namely items (a) policy forms and coverages, underwriting and marketing; (b) principles of ratemaking; (c) statutory insurance accounting and expense analysis; (d) premium, loss, and expense reserves; and (e) reinsurance), prior to issuing my first P&C Statement of Actuarial opinion and further expand knowledge of these items throughout my career.

At WTW, I provide services for a number of commercial insurance, captive insurance and self-insured clients. In each of these roles, I am responsible for developing a range of reasonable unpaid claim estimates or a point estimate on either or both of a gross and net of reinsurance basis for purposes of assessing the reasonableness of recorded loss and loss adjustment expense reserves. Businesses span retail and specialty markets, with assumed and ceded reinsurance programs. Coverages for which independent projections are performed range from commercial property (attritional and catastrophe coverages) to long-tailed primary and excess commercial casualty lines including workers' compensation, automobile and general liability.

- c. Continuing education requirements have been met for 2023 through a combination of industry conferences, seminars, (both in-person and webinar), online courses, self-study, etc. on topics including NCCI State of the Line, workers compensation claim cost analytics, predictive modeling, professionalism and standards of actuarial practice on reserving. A detailed log of my continuing education credit hours is available upon request.

2. I have obtained and maintain an Accepted Actuarial Designation.

I am an Associate of the CAS (ACAS) and my basic education includes credit for Exam 7- Estimation of Policy Liabilities, Insurance Company Valuation, and Enterprise Risk Management through an allowable exam substitution. Further, my basic education includes credit for Exam 6- Regulation and Financial Reporting (United States) through relevant experience and continuing education. I meet this requirement through my experience in performing reserve analyses at WTW and my continuing education and specifically by reviewing the American Academy of Actuaries Property/Casualty Loss Reserve Law Manual which provides state specific requirements regarding the preparation of Statements of Actuarial Opinion.

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Brief biographical information

- B.A. in mathematics and economics, St. Lawrence University, Canton, New York
- Associate of the Casualty Actuarial Society
- Member of the American Academy of Actuaries
- Aetna/Travelers (1989-1998)
 - Analyst - Commercial Property Pricing
 - Analyst - Personal Automobile Reserving
 - Analyst - National Accounts Pricing
 - Manager - Personal Automobile Pricing
 - Manager - Commercial Reserving (Workers Compensation, Automobile Liability, General Liability and Property)
- Orion Capital/Royal SunAlliance (1998-2004)
 - Actuary - EBI Companies Actuary (Workers Compensation)
 - Actuary - Specialty Programs Actuary (Workers Compensation, Automobile and General Liability)
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 - Consultant – P&C Insurance – Workers Compensation and Liability (2004-2009)
 - Maintained WTW Workers Compensation Industry Point of View
 - Sr. Consultant/Director – Corporate Practice – Workers Compensation, Disability Benefits, Medical and General Liability (2009-present)

Additional information is available upon request.

Sincerely,



Robert W. Kirklin, ACAS, MAAA
Director
WTW
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860.843.7085
robert.kirklin@wtwco.com



February 16, 2024

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Sincerely,



Robert W. Kirklin, ACAS, MAAA
Director
WTW
10 State House Square
Hartford, CT 06103
860.843.7085
robert.kirklin@wtwco.com



New York State Insurance Fund

Report to Board of Commissioners
For the Year Ended December 31, 2023

Presented May 15, 2024



May 15, 2024

Board of Commissioners
New York State Insurance Fund

Dear Commissioners

We are pleased to be of service to the New York State Insurance Fund. The following report describes the results of our audit of the financial statements of the Fund for the year ended December 31, 2023. This report is designed to provide you with a summary of our overall objectives for the audit, the nature and scope of the audit work, and key considerations from the 2023 audit.

Our audit was designed to express an opinion on the 2023 statutory basis financial statements. We have aligned our procedures to consider the Funds' current and emerging business risks and evaluate those that could materially affect the financial statements. We continue to receive the full support of the Fund's personnel in conducting our audit.

We are committed to providing the highest quality services.
Sincerely,

EISNERAMPER LLP

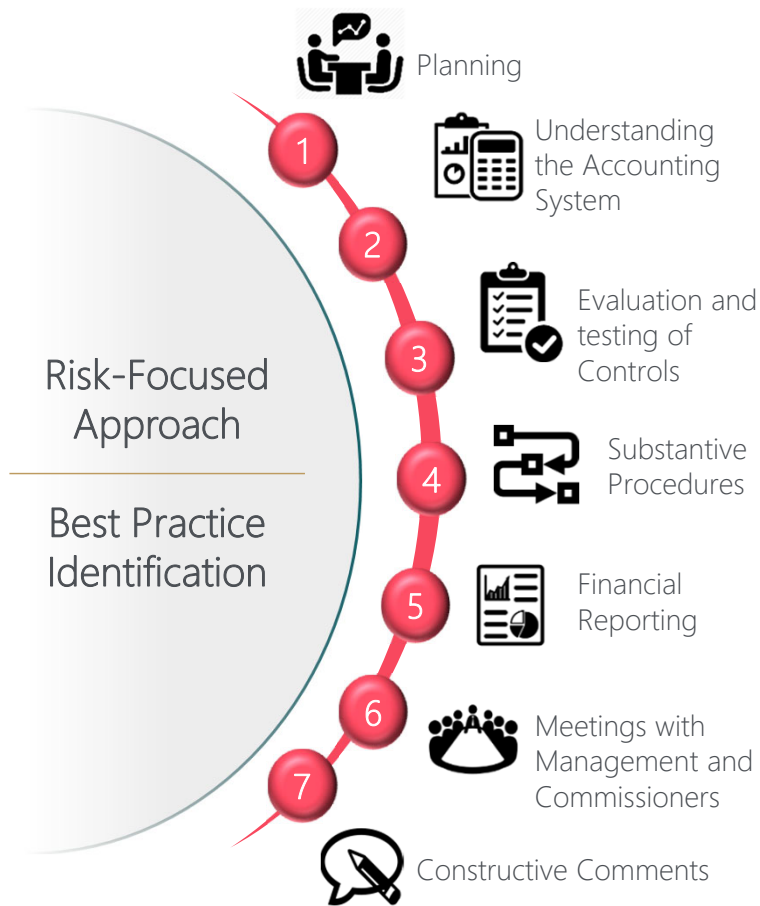
Planned Scope and Timing of the Audit

We conducted our audits consistent with the planned scope and timing we previously communicated to you during our meeting about planning matters in November 2023.

As part of our audit, we regularly discuss accounting disclosures and accounting issues with management.



Audit Approach & Key Issues



Engagement Approach

- Risk-based approach that leverages prior experience with NYSIF
- Partner and manager involvement in all aspects of engagement
- Collaborative approach to solving issues
- Quality assurance involvement throughout engagement

Key Audit Areas

- Cash & investments
- Premiums charges, unearned premiums, earned but unbilled premiums and receivables
- Claims paid, and loss and loss adjustment expense reserves
- Prescribed practices
- Administrative expenses and allocations
- Financial reporting and disclosures
- Surplus balances
- Regulatory compliance



Audit Results

We have audited the statutory basis financial statements of the, Workers' Compensation Fund and Disability Benefits Fund (collectively, the "Funds") as of and for the year ended December 31, 2023 and plan to issue our reports thereon dated May 15, 2024.

- Our audit report for both funds is unmodified.
- Our audit report also covers the supplementary schedules which is required supplementary information (required by the National Association of Insurance Commissioners).
- There were no significant changes in accounting policies applied by the funds this year.
- No material weaknesses in internal controls were identified.



Compliance with All Ethics Requirements Regarding Independence

Generally accepted auditing standards require independence for all audits. The auditor should communicate with those charged with governance circumstances or relationships (for example, financial interests, business or family relationships, or non-audit services provided or expected to be provided) that, in the auditor's professional judgment, may reasonably be thought to bear on independence, and that the auditor gave significant consideration to in reaching the conclusion that independence had not been impaired.

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.



Restriction

This report is intended solely for the information and use of the New York State Insurance Fund, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.



Questions



EISNERAMPER



This publication is intended to provide general information to our clients and friends. It does not constitute accounting, tax, or legal advice; nor is it intended to convey a thorough treatment of the subject matter.

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AUDIT • TAX • ADVISORY



BOARD OF COMMISSIONERS

Q1 2024 Results

May 15, 2024

Workers' Compensation Fund

Q1 2024 Results

Preliminary & Unaudited



Workers' Compensation Fund

Q1 2024 Overview – Statutory Basis

- **Earned premium increased \$15.7 million or 3.8% compared to 2023**
 - 2024 premium increase is due to higher payroll exposures and audit premium offset by loss cost reductions.
- **The combined ratio with dividends decreased 5.6 points compared to 2023**
 - Loss and Loss adjustment expenses decreased \$10 million in Q1 2024.
 - Dividends paid were \$32.6 million in 2023 and \$21.7 million in 2024.
- **Net investment income ratio (before realized gains) increased 3.4 points compared to 2023**
 - The increase was mainly due to interest rates on new money.
- **Bad Debt Expense increased to \$17.2 million from \$8.0 million in 2023**
 - The bad debt expense increased due to higher billed premiums in 2024 and review of uncollectible accounts.
- **Realized Gains were \$141.6 million, up from \$62.4 million in 2023**
 - 2024 realized gains included gains on sales of common stock of \$154.0 million, offset by realized losses on bond sales of \$(12.4) million.
- **Net income was \$299.2 million, reflecting an increase of \$114.2 million compared to 2023**
 - The increase from 2023 is a result of increased earned premiums, improved underwriting results and increased investment income.

Workers' Compensation Fund Statutory Basis Results

(\$ in millions)

Preliminary and unaudited

1st Quarter

	YTD 2023	YTD 2024	Percent/Point Increase/ (Decrease)
Net Written Premium	\$423.5	\$446.4	5.4%
Net Earned Premium	\$418.4	\$434.1	3.8%
Combined Ratio	92.5%	86.7%	(5.8)
Dividend Ratio	11.8%	11.9%	0.2
Combined Ratio w/Dividends	104.3%	98.6%	(5.6)
Underwriting Margin (1-Combined Ratio w/Dividends)	(4.3%)	1.4%	5.6
Net Investment Income Ratio (1)	34.3%	37.6%	3.4
Current Year Operating Margin (2)	30.0%	39.0%	9.0
Bad Debt Expense	(8.0)	(17.2)	(9.2)
Realized Gains/(Losses)	62.4	141.6	79.2
Net Income	\$185.0	\$299.2	\$114.2
Dividends Paid	\$32.6	\$21.7	(\$10.9)

(1) Excluding realized gains/losses.

(2) Current year operating margin = combines ratio w/ dividends + net investment income ratio (per AM Best which excludes realized gains (losses) and other income (expenses)).

Disability Benefits Fund

Q1 2024 Results

Preliminary & Unaudited



Disability Benefits Fund

Q1 2024 Overview – Statutory Basis

- **Earned premium decreased by \$1.2 million or 4.1% compared to 2023**
 - Lower earned premium in 2024 year-to-date vs 2023 is primarily due to an 18% drop in PFL rates effective January 2024.
- **The combined ratio increased by 42.9 points compared to 2023**
 - The increase in the combined ratio is primarily due to a favorable true-up of \$6 million in Q1 2023 of the 2022 PFL risk adjustment pool liability estimate.
 - Loss and loss adjustment expenses increased by \$9 million in Q1 2024 due to an increase in the risk adjustment pool liability compared to Q1 2023.
- **Net income was \$9.5 million, reflecting a decrease of \$10.9 million or 53.2% compared to 2023**
 - Net income was reduced by the decrease in PFL rates and the changes in the PFL risk adjustment pool liability noted above, offset by increased investment income.

Disability Benefits Fund Statutory Basis Results

(\$ in millions)

Preliminary and unaudited

1st Quarter

	YTD 2023	YTD 2024	Percent/Point Increase/ (Decrease)
Net Written Premium	\$26.0	\$23.0	(11.8%)
Net Earned Premium	\$31.0	\$29.8	(4.1%)
Loss and Loss Adjustment Expense Ratio	41.9%	82.7%	40.8
Underwriting Expense Ratio	6.2%	8.3%	2.1
Combined Ratio	48.1%	91.0%	42.9
Underwriting Margin (1-Combined Ratio)	51.9%	9.0%	(42.9)
Net Investment Income Ratio	10.5%	14.8%	4.3
Current Year Operating Margin (1)	62.4%	23.8%	(38.6)
Net Income	\$20.4	\$9.5	(\$10.9)

(1) Current year operating margin = combines ratio w/ dividends + net investment income ratio (per AM Best which excludes realized gains (losses) and other income (expenses)).

(2) Amounts may not foot due to rounding.

PROPOSED MINUTES OF THE REGULAR MEETING
OF THE COMMISSIONERS OF THE STATE INSURANCE FUND
HELD ON WEDNESDAY, APRIL 17, 2024, AT 10:00 A.M.

AT 199 CHURCH STREET, 12 FLOOR BOARDROOM, NEW YORK, NEW YORK 10007;
15 COMPUTER DRIVE WEST, ALBANY, NEW YORK 12205; 8 CORPORATE CENTER DRIVE, MELVILLE,
NY 11747; DOL-HARRIMAN STATE OFFICE CAMPUS, BUILDING 12, ALBANY, NY 12260; and
100 CHESTNUT STREET, ROCHESTER, NEW YORK 14604

Board

Attendance – New York City

Kenneth Theobalds, Chairman

Sean Graham¹

Alexis Thomas¹

Navneet Kathuria

¹ arrived during Executive Session

Attendance – DOL

Scott Melvin, *ex officio*

Attendance – Albany

Ryan Delgado

Attendance – Rochester

Dennis Kessler

Attendance – Melville

Charles MacLeod

Absent

Louis Roberti

Executive Staff

Gaurav Vasisht, Executive Director & CEO

David Wertheim, Acting General Attorney

Peter Cusick, Chief Operating Officer, Insurance Operations

Chad Loshbaugh, Chief Operations Officer, Business
Operations

William Gratrix, Chief Financial Officer

Gregory Francis, Chief Investment Officer

Melissa Jensen, Director of Policy

Additional Staff & Guest(s)

Allan Angelo, Director of Administration

Krystina Smith, Ethics Officer

Chairman Theobalds presided. A quorum was announced and present throughout.

1. Report(s) of Standing Committees

Property & Administrative Services Committee

Commissioner MacLeod, Chair of the Property & Administrative Services Committee, reported that the Committee met on March 14, 2024. The rest of the report will be delivered in Executive Session, subject to a motion to enter Executive Session for a discussion regarding the lease of real property.

Governance & Legal Affairs Committee

Commissioner Melvin, Chair of the Governance and Legal Affairs Committee, reported that the Committee met on March 15, 2024 and a full report will be provided in Executive Session, subject to a motion to enter Executive Session, for a discussion regarding legal advice and litigation.

Investment Committee

Chairman Theobalds reported that the Investment Committee met on March 19, 2024, and April 16, 2024. The Committee received the monthly performance reports, the quarterly risk report, and the monthly compliance report. There was one minor compliance issue that was reported concerning the amount of cash in the portfolio, which was slightly above the cap allowed by the Investment Policy Statement. The reason was a timing issue of moving assets. The amount of cash in the portfolio was rectified and it is now in compliance Investment Policy Statement.

2. Motion to Accept Consent Agenda

Upon a motion by Commissioner Kathuria, duly seconded by Commissioner Kessler, the Board unanimously voted to accept the minutes of the February 21, 2024, Board meeting and have them filed as the official minutes of the Board, as well as to accept the written reports as submitted. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin – yes; Chairman Theobalds – yes.

3. Executive Session

Upon a motion by Commissioner MacLeod, duly seconded by Commissioner Kessler, the Board unanimously voted to enter Executive Session for a discussion regarding matters leading to the appointment or employment – specifically this applies to investment personnel; for a discussion regarding the lease of real property; for a discussion regarding a particular policyholder; and for a discussion regarding legal advice and litigation. The vote: Commissioner Delgado – yes; Commissioner Kathuria - yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin – yes; Chairman Theobalds – yes.

4. Report of Executive Session

Acting Secretary Peter Cusick reported the following actions were taken in Executive Session:

Upon a motion by Commissioner Kathuria, duly seconded by Commissioner MacLeod, the Board voted to approve and authorize staff to enter into a contract with J.P. Morgan Chase N.A., originally dated October 2019 and amended on November 18, 2020, September 23, 2021, and October 18, 2023 for custodial banking services, to add additional collateral services. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin - yes; Chairman Theobalds – yes.

Following the Custodial Banking vote, Commissioner Graham joined the Board meeting during the Executive Session.

Upon a motion by Commissioner MacLeod, duly seconded by Commissioner Kathuria, the Board unanimously voted to approve and authorize the salary for the following individual in accordance with the memorandum submitted to the Board on April 17, 2024:

Name	Title
Stephan Bassas	Senior Corporate Bond Portfolio Manager and Strategist

AND, FURTHER RESOLVED, that the Board of Commissioners authorize the Executive Director to take such steps as may be necessary to implement the intent of this resolution. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin - yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Upon a motion of Commissioner Graham, duly seconded by Commissioner Kathuria, the Board unanimously voted to approve and authorize staff to enter into a short-term lease with Albany Management to lease office space located at 24 Computer Drive West, Albany, subject to: (i) successful lease negotiations, (ii) legal review, and (iii) approval by the NYS Superintendent of Financial Services. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin - yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Commissioner Thomas arrived at the Board meeting during Executive Session, following the salary authorization and Albany lease vote.

Upon a motion of Commissioner MacLeod, duly seconded by Commissioner Thomas, the Board unanimously voted to approve and authorize staff to amend its lease with AG-Were to lease additional office space located at 8 Corporate Park Drive in Melville, subject to: (i) successful lease negotiations, (ii) legal review, and (iii) approval by the NYS Superintendent of Financial Services. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin - yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

The Board was presented with an updated “Commissioner Code of Ethical Conduct.” Ethics Officer Krystina Smith provided an outline of the changes and updates to the Code. Upon a motion of Commissioner Graham, duly seconded by Commissioner Kathuria, the Board unanimously voted to approve and adopt the “NYSIF Board of Commissioner Code of Ethical Conduct” as submitted, which shall replace the “New York State Insurance Fund Commissioners Code of Ethics” as adopted by the Board on May 20, 2015. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin - yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Acting Secretary Peter Cusick then announced that the next Board of Commissioners regular monthly meeting will be held on Wednesday, May 15, 2024 at 10:00 a.m.

5. Adjournment of Meeting

Upon a motion by Commissioner MacLeod, duly seconded by Commissioner Kessler, the Board unanimously voted to adjourn the April 17th regular monthly meeting of the Board of Commissioners. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Melvin - yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Respectfully submitted,

Peter Cusick, Acting Secretary



2024 BOARD OF COMMISSIONERS REGULAR MONTHLY MEETING SCHEDULEⁱ

JANUARY 17

FEBRUARY 21

MARCH 20

APRIL 17

MAY 15

JUNE 12ⁱⁱ

JULY 17

SEPTEMBER 18

OCTOBER 16

NOVEMBER 20

DECEMBER 18

ⁱ NYSIF Board of Commissioners generally meet at 10:00 a.m. on the third Wednesday of each month, unless otherwise noted. The Board does not convene during the month of August.

ⁱⁱ Due to the official state holiday on June 19th, the Board meeting has been rescheduled for June 12th.



KATHY HOCHUL
GOVERNOR



PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday May 15, 2024. A quorum was present throughout:

A motion was made that the minutes of the April 17, 2024 meeting be accepted and filed as the official minutes of the Board of Commissioners.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

	YES	NO	ABSTAIN
Commissioner Delgado	_____	_____	_____
Commissioner Kathuria	_____	_____	_____
Commissioner MacLeod	_____	_____	_____
Commissioner Kessler	_____	_____	_____
Commissioner Roberti	_____	_____	_____
Commissioner Melvin	_____	_____	_____
Commissioner Thomas	_____	_____	_____
Commissioner Graham	_____	_____	_____
Chairman Theobalds	_____	_____	_____

Michael Totaro
Assistant Secretary

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)



KATHY HOCHUL
GOVERNOR



PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, May 15, 2024. A quorum was present throughout:

Motion to accept the written reports as submitted.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

	YES	NO	ABSTAIN
Commissioner Delgado	_____	_____	_____
Commissioner Kathuria	_____	_____	_____
Commissioner MacLeod	_____	_____	_____
Commissioner Kessler	_____	_____	_____
Commissioner Roberti			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham	_____	_____	_____
Chairman Theobalds	_____	_____	_____

Michael Totaro
Assistant Secretary

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)



KATHY HOCHUL
GOVERNOR



PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, May 15, 2024. A quorum was present throughout:

A motion was made to proceed into Executive Session for a discussion regarding matters leading to the appointment and employment a particular person or corporation - specifically this applies to financial services, and for a discussion regarding the proposed acquisition of securities.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

	YES	NO	ABSTAIN
Commissioner Delgado	_____	_____	_____
Commissioner Kathuria	_____	_____	_____
Commissioner MacLeod	_____	_____	_____
Commissioner Kessler	_____	_____	_____
Commissioner Roberti			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham	_____	_____	_____
Chairman Theobalds	_____	_____	_____

Michael Totaro
Assistant Secretary

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)



KATHY HOCHUL
GOVERNOR



PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, May 15, 2024. A quorum was present throughout:

A motion was made to adjourn the Board of Commissioners of the State Insurance Fund regular monthly meeting.

Commissioner _____ provided the motion to approve

Commissioner _____ seconded the motion

	YES	NO	ABSTAIN
Commissioner Delgado	_____	_____	_____
Commissioner Kathuria	_____	_____	_____
Commissioner MacLeod	_____	_____	_____
Commissioner Kessler	_____	_____	_____
Commissioner Roberti			
Commissioner Melvin			
Commissioner Thomas			
Commissioner Graham	_____	_____	_____
Chairman Theobalds	_____	_____	_____

Michael Totaro
Assistant Secretary

*This proposed motion has not been acted upon. The proposed motion is being made available pursuant to the Open Meetings Law §103(e)