



KATHY HOCUL
GOVERNOR



GENERAL SESSION AGENDA
BOARD OF COMMISSIONERS' REGULAR MEETING
WEDNESDAY, DECEMBER 15, 2021, 10:00 A.M.

1. STANDING REPORT(S)
 - A. REPORT OF EXECUTIVE DIRECTOR & CEO GAURAV VASISHT
 - B. REPORT OF GENERAL ATTORNEY TANISHA EDWARDS
2. REPORT OF BOARD STANDING COMMITTEE(S)
 - A. BUDGET & AUDIT COMMITTEE: CHAIR ALEXIS THOMAS
 - B. PROPERTY & ADMINISTRATIVE SERVICES COMMITTEE: CHAIR CHARLES MACLEOD
 - C. INVESTMENT COMMITTEE: CHAIRMAN KENNETH THEOBALDS
 - 1) **RESOLUTION:** INVESTMENT POLICY STATEMENT
3. CONSENT AGENDA
 - A. TO ACCEPT THE PROPOSED MINUTES OF THE NOVEMBER 17, 2021 BOARD MEETING
 - B. TO ACCEPT THE WRITTEN REPORTS AS SUBMITTED
4. EXECUTIVE SESSION (IF NECESSARY)
5. ADJOURN



KATHY HOCHUL
GOVERNOR



PROPOSED RESOLUTION*

The following is a resolution considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, December 15, 2021. A quorum was present throughout:

RESOLVED, that the Board of Commissioners hereby approves and adopts the amended New York State Insurance Investment Policy Statement (IPS) until January 20, 2022 as recommended by NYSIF's Investment Committee, staff, and NYSIF's Investment Advisor. This resolution supersedes the resolution of the New York State Insurance Fund Board of Commissioners concerning the IPS dated November 18, 2020.

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 Mirchandani	_____	_____	_____
Commissioner Thomas	_____	_____	_____
Commissioner Graham	_____	_____	_____
Chairman Theobalds	_____	_____	_____

Michael Totaro
Assistant Secretary

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



Investment

Policy

Statement

As amended by the Board of Commissioners on November 18, 2020



Article I. Introduction

Pursuant to the laws of the State of New York, the New York State Insurance Fund (“NYSIF”) has the authority and responsibility to provide workers' compensation insurance to New York employers at the lowest possible cost consistent with maintaining a solvent fund and reasonable reserves and surplus, as well as to provide appropriate indemnity and medical payments to injured workers of its insureds, as well as to provide disability insurance.

Pursuant to §87 of the Workers’ Compensation Law, NYSIF has the authority to invest any of its reserve and surplus funds. NYSIF’s portfolios of investments are the Workers’ Compensation Fund (“WCF”) and the Disability Benefits Fund (“DBF”). Pursuant to §27(6) of the Workers’ Compensation Law, NYSIF is also responsible for the investment of the assets of the Aggregate Trust Fund (“ATF”).

This Investment Policy Statement (“IPS”) sets out NYSIF’s primary investment objectives, strategic asset allocations and risk management metrics, and defines the roles and responsibilities of NYSIF’s Board of Commissioners and NYSIF staff and vendors involved in investment activities. All investment-related activities undertaken by, or on behalf of, NYSIF, including any performed by external investment managers or consultants, will adhere to the terms of this IPS.

Article II. Investment Objectives

NYSIF’s overall investment objective is to ensure fulfillment of its statutory mission by generating investment return while prudently managing risk. To achieve its goal, NYSIF will utilize strategic asset allocations as an effective means of managing risk and return. Since liabilities heavily influence investment portfolio construction, investment objectives differ by portfolio. NYSIF’s investments will be managed to the following fundamental investment objectives:

WCF Investment Objectives

- Generate income to help pay claims and expenses
- Preserve capital
- Ensure adequate asset liquidity
- Preserve and maintain a reasonable surplus

DBF Investment Objectives

- Preserve capital
- Maintain the ability to pay claims

ATF Investment Objectives

- Preserve capital
- Invest the assets to match expected cash flows to extend the ability to pay claims from invested assets in the future

Article III. Roles and Responsibilities

The NYSIF Board of Commissioners (the “Board”) are fiduciaries of NYSIF. As such, they will use the same care that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

Board of Commissioners

The Board is responsible for setting policy for NYSIF’s investments. The general responsibilities of the Board relating to investments include the following:

- Approve investment objectives;
- Approve a strategic asset allocation;
- Approve a risk management policy and metrics;
- Approve the IPS annually;
- Approve investment-related contracts;
- Approve the hiring and the termination of external investment consultants; external advisors and external investment managers, as appropriate;
- Approve the hiring of a custodial bank;
- Evaluate the performance of NYSIF’s investments, in consultation with the Chief Investment Officer and external investment consultants.

The Investment Committee

The Investment Committee is a Standing Committee of the Board created to assist the Board in discharging its responsibilities relating to NYSIF’s investments.

The Committee meets each calendar month in which there is a meeting of the Board. In service of the Board, the Committee shall:

- Make recommendations to the Board on investment-related matters that require Board approval, including, but not limited to:
 - the IPS and any modifications thereto;
 - the hiring and the termination of external investment consultants, external advisors and external investment managers, as appropriate;
 - other investment-related contracts;
 - a strategic asset allocation;
 - a risk management policy and metrics;
- Monitor compliance with the IPS, including the strategic asset allocation and risk management policies;
- Monitor compliance with statutory and regulatory investment restrictions and Board resolutions relating to investments;
- Monitor the performance of internally and externally managed assets, including the performance of individual external investment managers;

- Approve benchmarks for comparing the performance of asset classes as recommended by the Investment Department;
- Evaluate the performance of external investment managers twice each year;
- Review the IPS annually;
- Review the Securities Lending program annually;
- Review reports on the investment compliance program;
- Review the risk management policy and metrics annually;
- Review investment objectives;
- Review a strategic asset allocation study.

Investment Department

The Investment Department is managed by the Chief Investment Officer (“CIO”) who reports to the Executive Director and the Board.

The CIO shall be responsible for performing and coordinating all investment activities and matters. Investment staff will review and analyze the current investment climate on an ongoing basis. The CIO will recommend to Executive leadership and to the Investment Committee changes to NYSIF’s investment policy and investment program, as appropriate.

The Investment Department’s responsibilities shall include:

- Adhere to the IPS;
- Manage assets to achieve investment objectives;
- Comply with statutory restrictions and internal policies;
- Design, recommend and implement a risk management policy;
- Design, recommend, and implement a strategic asset allocation policy;
- Manage tactical allocation within broad strategic asset allocation guidelines;
- Manage the portfolios to comply with the risk management policy set forth herein (Article IV);
- Manage the portfolios to comply with the strategic asset allocation set forth herein (Article V);
- Recommend appropriate benchmarks for comparing the performance of asset classes;
- Oversee the Securities Lending by NYSIF’s chosen lending agent;
- In consultation with the investment consultant, recommending to the Investment Committee the hiring and terminating of external advisors and external investment managers, as appropriate;
- Collaborate with Finance and Actuarial Departments to determine liquidity needs, including performing stress scenario analysis;
- Report to the Executive staff and the Investment Committee on investment performance, including, but not limited to, the following:
 - Asset allocation
 - Risk management
 - Securities Lending
 - Derivatives use, if any
 - Portfolio performance

Asset classes are reviewed against the appropriate benchmarks on a monthly, quarterly, annual and calendar year-to-date basis. Performance is reviewed at annualized intervals of one, three, five and ten years, and since inception, subject to the availability of the data.

Investment Compliance Officer

The Investment Compliance Officer has primary responsibility to review investments and investment-related matters independently for compliance with statutory, regulatory and Board imposed restrictions and internal policies and procedures. The duties of the Investment Compliance staff shall include the following:

- Review and monitor investment policies, practices and procedures for statutory and regulatory compliance;
- Develop and monitor investment policies, practices and procedures for best practices;
- Provide legal analysis and advice on investment compliance matters;
- Review investment-related agreements, in coordination with the Legal and Procurement departments;
- Independently monitor and report to the Investment Committee at each of its regular meetings as to the compliance of investments with statutes, regulations and Board Resolutions;
- Report to the Investment Committee annually on the investment compliance program;
- Monitor and coordinate with external entities, including investment consultants, investment advisors and external investment managers on NYSIF's statutory, regulatory and Board-imposed investment restrictions and compliance with their contractual agreements with NYSIF.

Investment Consultant

The Board may engage independent investment consultant(s) to assist the Board, Investment Committee and the Investment Department with the management of NYSIF's investments. The investment consultant(s) shall provide an independent perspective on the objectives, structure, performance and managers of NYSIF's investments to the Board and the Investment Department. The investment consultant(s) will:

- Participate in regular meetings with the Board, the Investment Committee and the Investment Department;
- Work directly with the Investment Department to review asset allocation and performance, and to make recommendations to the Investment Committee, Executive leadership and the Board as appropriate;
- Assist the Investment Department, the Investment Committee and the Board with the selection of external investment managers;
- Conduct routine due diligence on NYSIF's external investment managers and report its findings to the CIO and the Investment Committee;

- Promptly inform the CIO and the Investment Committee and discuss the impact of material changes taking place within any current external investment manager's organization or investment process;
- Provide the Investment Department, the Investment Committee and the Board with such research and advice as may be required from time to time;
- Perform any other duties as specified in the contractual agreement with NYSIF.

External Investment Managers

The primary responsibility of the external investment manager is to invest assets in accordance with the manager(s) specific guidelines and objectives. External investment managers shall act as fiduciaries and have the following responsibilities:

- Use the care, skill, prudence and diligence, under the circumstances then prevailing, when managing NYSIF's assets that a prudent person would use in the conduct of an enterprise of a similar character with similar aims;
- Exercise full investment discretion subject to its mandate, as specified in the Investment Manager Agreement and any accompanying portfolio guidelines;
- Communicate with NYSIF's Investment Department and investment consultant in writing, regarding performance, market values and significant changes pertaining to the NYSIF's assets being managed by the under its investment strategy;
- Vote proxies on behalf of NYSIF (if so authorized).

Article IV. Risk Management Policy

The Investment Department will monitor and manage risk of the portfolios and report to the Board on a periodic basis. Key risks include, but are not limited to: credit, liquidity and market risk. NYSIF's risk management objectives are to (1) maintain asset allocations within specified ranges (see Article V), (2) manage the interest rate risk of the portfolio by adhering to "duration risk" ranges, (3) manage portfolio "credit risk" to mitigate credit related losses, and (4) ensure meeting anticipated liabilities by managing "liquidity risk."

Duration Risk

To minimize interest rate risk, NYSIF will monitor that asset cashflows are closely matched to its anticipated claims reserve cashflows. NYSIF shall manage the duration of the portfolios to the duration targets set forth below:

WCF Duration Target:

For the WCF fixed income portfolio, NYSIF will maintain a strategic asset allocation duration target of eight years +/- 1 year.

DBF Duration Target:

For the DBF fixed income portfolio, NYSIF will maintain a duration target of less than three years.

ATF Duration Target:

Not applicable.

Credit Risk

To limit exposure to losses stemming from credit impairment, while maintaining suitably diversified portfolios, NYSIF shall adopt a minimum weighted average credit rating target for its fixed income portfolios as follows:

WCF Credit Target:

NYSIF shall maintain a minimum weighted average credit rating of mid-single A/A2. for the fixed income portfolio.

DBF Credit Target:

NYSIF shall maintain a minimum weighted average credit rating of mid-single A/A2.

ATF Credit Target:

NYSIF shall maintain a minimum weighted average rating of AA-/Aa3.

Liquidity Risk

To ensure that NYSIF has sufficient liquidity to meet its liabilities as they come due, while allowing for any unanticipated drop in premiums or rise in claims, NYSIF shall maintain investments that meet the following requirements:

WCF Liquidity Target:

NYSIF will maintain sufficient combined market value of US government securities to pay 75% of liabilities coming due in the next 365 days.

DBF Liquidity Target:

For the DBF, NYSIF will maintain sufficient combined market value of US government securities to pay 75% of liabilities coming due in the next 365 days.

ATF Liquidity Target:

Not applicable.

Adjustments

The Investment Department will review the actual duration, minimum average credit rating and liquidity of the portfolios, as applicable, no less than monthly. If a portfolio falls outside of the above risk management target(s) set forth, above, the CIO will notify Executive staff and the

Investment Committee, and adjust the portfolio back to target(s) as promptly as would be prudent considering market conditions, transaction costs, and any other relevant factors, and inform Executive staff and the Investment Committee of the plan to adjust the portfolio back to target(s).

Revisions

If unforeseen and exigent market or other conditions require a change to the risk management policy target(s) prior to the next IPS annual review, the CIO may seek approval from the Investment Committee to revise the target(s). The Investment Committee may impose whatever conditions and time-limits for approval that it deems appropriate, provided that in no event will a revision be approved by the Investment Committee for longer than three months without Board approval, and that the Investment Committee report to the Board on the revision at the next meeting of the Board.

Article V. Asset Allocation Policy

To meet its investment objectives, NYSIF has established the strategic asset allocations (“SAA”) set forth below, through consideration of each portfolio’s liabilities, risk tolerance and liquidity needs, and NYSIF’s statutory restrictions. The SAA will be reviewed at a minimum of every four years based upon the results of an asset liability study.

NYSIF will regularly review and tactically adjust the composition of its portfolios, within the ranges set forth below, and adjust its exposures based upon the market environment, NYSIF’s risk tolerance and other factors.

The WCF will be invested across the following asset classes:

- Investment Grade Fixed Income
- Public Equities
- Risk Assets (i.e. High Yield, Real Assets and Alternatives)
- Cash

The DBF will be invested across the following asset classes:

- Investment Grade Fixed Income
- Cash

The ATF will be invested across the following asset classes:

- US Investment Grade Fixed Income
- Cash

Assets will be broadly diversified to minimize the impact of loss on any single investment in the total portfolio.

The current SAA policy targets and ranges are set out, below, for the allocation of NYSIF assets on a market value basis. The ranges are boundaries for individual asset classes.

WCF Asset Allocation Policy

Asset Class	Min Range	Policy Target	Max Range	Benchmark
Investment Grade Fixed Income	78%	85%	100%	NYSIF Custom Benchmark
High Yield	0%	4%	7%	High Yield Custom Index
Public Equities	0%	5%	8%	Russell 3000 Index
Alternatives	0%	4%	7%	TBD
Cash	0%	2%	3%	ICE BofAML 3-month T-Bill Index

ATF Asset Allocation Policy

Asset Class	Min Range	Policy Target	Max Range	Benchmark
US Investment Grade Fixed Income	95%	100%	100%	ICE BofAML 7-10 Year AAA-A US Corp. & Gov't Index
Cash	0%	0%	5%	ICE BofAML 3-month T-Bill Index

DBF Asset Allocation Policy

Asset Class	Min Range	Policy Target	Max Range	Benchmark
Investment Grade Fixed Income	95%	100%	100%	ICE BofAML 0-1 Year AAA-A US Corporate Index
Cash	0%	0%	5%	ICE BofAML 3-month T-Bill Index

Asset Allocation Rebalancing

The Investment Department and the investment consultant will review the actual asset allocation percentages no less than quarterly. If an asset allocation falls outside of the minimum or maximum range limits set forth, above, the CIO will notify Executive staff and the Investment Committee, and will rebalance the portfolio back to within the SAA policy ranges as promptly as would be prudent considering market conditions, transaction costs, and any other relevant factors, and inform Executive staff and the Investment Committee of the plan to adjust the portfolio back to target(s).

Revisions

If unforeseen and exigent market or other conditions require a change to the asset allocation targets and ranges prior to the next IPS annual review, the CIO may seek approval from the Investment Committee to revise the SSA policy targets and ranges. The Investment Committee may impose whatever conditions and time-limits for approval that it deems appropriate, provided that in no event will a revision be approved by the Investment Committee for longer than three months without Board approval, and that the Investment Committee report to the Board on the revision at the next meeting of the Board.

Article VI. Derivatives

Derivatives can be a useful tool in portfolio management.

A derivative instrument is defined as an “agreement, option, instrument or a series or combination thereof: (A) to make or take delivery of, or assume or relinquish, a specified amount of one or more underlying interests, or to make cash settlement in lieu thereof; or (B) that has a price, performance, value or cash flow based primarily upon the actual or expected price, level, performance, value or cash flow of one or more underlying interests.” Insurance Law § 1401(7)

NYSIF may invest surplus funds in derivative instruments as permitted under Workers’ Compensation Law § 87.

Article VII. External Investment Managers

If the CIO and the investment consultant determine that NYSIF lacks the necessary expertise to manage a specific asset allocation internally, or that certain assets would be more effectively managed by a third party, they may recommend to the Investment Committee that the hiring of one or more external investment managers.

External investment managers will have discretionary authority over day-to-day management of NYSIF assets consistent with this IPS and all statutory and regulatory requirements applicable to NYSIF. External investment managers will enter into NYSIF’s Investment Manager Agreement which sets out duties and responsibilities of an external investment manager. External investment managers will report directly to the Investment Department and the Investment Committee.

Watch List and Termination

The CIO and the investment consultant may recommend to the Investment Committee placing an investment manager on a Watch List or terminating a manager for any of the following reasons:

- Performance: Performance shortfalls or risk profile discrepancies as compared with peers with a similar mandate; and the agreed upon performance benchmark;
- Change in strategy: Departures from the directed strategy or investment philosophy;
- Change in organizational structure or personnel: Significant personnel departures from the investment team, or a shift in culture, activity or managerial roles due to a merger or other event;
- Changes in ownership or business plan;
- Compliance: Any gross negligence, willful misconduct, investment policy violation, or breach of federal or state securities laws or regulations;
- Advent of material litigation;
- Material change in number of clients or AUM at the firm or within the directed strategy;
- In the discretion of NYSIF.

In general, managers placed on a Watch List will not receive additional assets to manage.

The investment Department and investment consultant will conduct a monthly review of any manager placed on a Watch List.

Article VIII. Securities Lending

WCL § 87 (4) permits NYSIF to loan its securities under a security loan agreement, by order of the Board and approved by the superintendent of financial services. The Investment Department will oversee Securities Lending program which will be administered by one or more chosen lending agent. The Securities Lending policy will be reviewed.

Article IX. Proxy Voting

The Investment Department will oversee the voting of proxies for NYSIF's internally-managed equity holdings, if any. For externally managed equities, the Investment Department will ensure that the external managers have policies for proxy voting. NYSIF will retain the right to direct the voting of any proxy as NYSIF determines in its absolute discretion to be appropriate.

Article X. Ethics

NYSIF Officers and Employees, including those involved with NYSIF's investments, must refrain from having any interest, or engaging in any business or transaction, which conflicts with their NYSIF duties. All Officers and Employees are subject to, and will comply with, New York's ethics laws (including, without limitation, Public Officers Law Article 4) and NYSIF's Employee Vendor Policy, Code of Ethics and Commissioners Code of Ethics, as applicable.

MWBE Investment Manager Policy

Addendum to IPS - as adopted by the Board on November 17, 2021

Purpose

The Board of Commissioners ("Board") of the New York State Insurance Fund ("NYSIF") values diversity and inclusion and is committed to providing ongoing opportunities for minority and women owned investment management firms to manage assets on behalf of NYSIF. As such, it shall be the policy of NYSIF to ensure that no barrier exists to the full participation of MWBE managers in the investment opportunities afforded by the NYSIF. NYSIF believes that effectively accessing and managing MWBE talent, inclusive of varied backgrounds, age, experience, race, gender, ethnicity, and culture, leads to improved outcomes. NYSIF expects all its external investment managers and investment consultants to respect NYSIF's values of diversity and inclusion, reflect them in their own organizations and strive to establish similar MWBE goals as defined within this Policy for their external service providers.

This MWBE Policy is intended to be an addendum to the Investment Policy Statement ("IPS") and, therefore shall be subject to all provisions of applicable law and the applicable limitations and requirements of the NYSIF IPS. The Board of Commissioners may amend, supplement or rescind this MWBE Policy at any time.

Definition of Minority and Women Owned Business Enterprises ("MWBE")

NYSIF defines MWBE owned firms and women owned firms using the following definitions:

Minority Owned

A business enterprise in which at least fifty-one percent (51%) is owned, operated and controlled by person(s) of color that identify as one (or more) of the following ethnic categories:

- Black: Persons having origins from any of the Black African racial groups
- Hispanic: Persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Native American or Latin American origin, regardless of race
- Asian-Pacific: Persons having origins from the Far East, Southeast Asia or the Pacific Islands
- Asian-Indian Subcontinent: Persons having origins from the Indian subcontinent
- Native American or Alaskan Native: Persons having origins in any of the original peoples of North America

Woman Owned

A business enterprise in which at least fifty-one percent (51%) is owned, operated, and controlled by a person(s) who is/are a woman

Although this Policy is not limited to Empire State Development ("ESD") Certified MWBE managers, it is the preference of the Board to retain managers that are ESD certified or are willing to undergo the process of certification.

Goals for MWBE Manager Utilization

The goals defined below are established by reviewing the universe of MWBE managers based on, but not limited to, the investment consultant's internal and external databases, as well as NYSIF Staff's and the investment consultant's collective knowledge of the MWBE manager space.

The percentages established below are defined as a percentage of externally managed assets:

Equities – 55%
Fixed Income – 30%
Alternative Investments – 30%

By utilizing the established asset class goals defined above, the goal for the total externally managed assets is set at 35%.

Emerging Managers

Many MWBE investment management firms are also considered emerging investment management firms. Emerging investment managers are firms that have less substantial assets under management or in the case of alternative investments may be a first time fund. NYSIF is interested in emerging managers that have strong alignment of interest with their investors and expects principals of the firm to hold substantial majority of the ownership interest of the company.

The primary goals for retaining emerging managers are to:

- Identify and gain early access to talented asset managers in their early business stages
- Generate strong absolute and risk adjusted returns on an after-fee basis

NYSIF defines emerging investment managers as follows:

- *Public Markets Equity and Fixed Income* – Investment managers that are limited to under \$2 billion of firm-wide assets under management and must have at least \$25 million of assets under management in the same investment style to be managed for NYSIF at the time of initial funding.
-
- *Private Equity/Debt* – Investment managers currently raising a first, second, or third fund and targeting a fund size up to \$1 billion with an institutional client base.
-
- *Real Estate* – Investment managers currently raising a first, second, or third fund, and are targeting a fund size of less than \$500 million with an institutional client base.

Structure/Procurement

NYSIF may retain MWBE managers either through direct relationships or by employing a fund-of-funds/ manager of managers program(s) that are skilled at sourcing MWBE managers. Either type of mandate must adhere to NYSIF's defined procurement procedures. Investment strategies managed by MWBE managers must be suitable for NYSIF's portfolio and fit within the approved strategic asset allocation and asset class structure, as well as the portfolio's risk and liquidity constraints.

When procuring for investment management services:

- NYSIF Staff and NYSIF's investment consultant will establish minimum criteria that will be inclusive for emerging managers.
- NYSIF Staff and NYSIF's investment consultant will proactively identify qualified MWBE managers and notify them of pending/published request for proposals

Reporting Guidelines

On an annual basis, Staff and NYSIF's investment consultant will review this policy and provide a report to the Board of Commissioner detailing the Fund's progress towards meeting the goals set in this policy, as well as providing a review of all MWBE investment managers as it relates to performance and any issues/significant developments.

PROPOSED MINUTES OF THE REGULAR MEETING
OF THE COMMISSIONERS OF THE STATE INSURANCE FUND
HELD ON WEDNESDAY, NOVEMBER 17, 2021 AT 10:00 A.M.
AT 199 CHURCH STREET, 12 FLOOR BOARDROOM, NEW YORK, NY 10007

PRESENT

Board

Kenneth Theobalds, Chairman
Sean Graham
Alexis Thomas
Bhakti Mirchandani
Louis Roberti
Dennis Kessler
Charles MacLeod
Navneet Kathuria
Ryan Delgado
Scott Melvin, *ex officio*¹

Executive Staff

Gaurav Vasisht, Executive Director & CEO
Joseph Mullen, Deputy Executive Director
Tanisha Edwards, General Attorney
Gregory Francis, Chief Investment Officer
Patricia Carroll, Director of Administration
William Gratrix, Chief Financial Officer

Additional Staff & Guest(s)

Michael Totaro, Assistant Secretary to the
Board of Commissioners
Andrew Lawler, Acting Investment Compliance Officer
Kevin Leonard, NEPC Investment Advisor
Deanna Jones, NEPC Investment Advisor
Karen Anderson, NYSIF Retiree
Robert Sammons, Recipient of Steven M. Licht Award
Diana Bain
James Licht
Lisa Hirsch
Malka Hirsch

¹ *absent from the November Board meeting*

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

1. Standing Report(s)

Report of Deputy Executive Director & Director of Policyholder Services Joseph Mullen

Deputy Executive Director Joseph Mullen began the meeting by recognizing Karen Anderson, who is retiring after working with NYSIF since 2005. Ms. Anderson began as a claims representative and has held many leadership capacities in the claims department, including most recently Claims Regional Director.

Report of General Attorney Tanisha Edwards

General Attorney Tanisha Edwards provided the Board an update on legislation. A bill passed by the State legislature that would allow for time-barred claims for cancer for diesel exhaust exposure was signed by the Governor. A bill that makes the care of a sibling eligible for benefits under the paid family leave law was also signed by the Governor. Lastly, the Governor signed a bill increasing the weekly rate disability benefits for volunteer firefighters and volunteer ambulatory workers. Ms. Edwards had an additional matter for Executive Session, pending a motion to enter into executive session.

2. Motion to Accept Consent Agenda

Upon motion by Commissioner MacLeod duly seconded by Commissioner Thomas, the Board unanimously voted to accept the minutes of the October 20 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 Roberti – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

3. Executive Session

Upon motion by Commissioner Thomas, duly seconded by Commissioner MacLeod, the Board unanimously voted to enter Executive Session for a discussion regarding the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation - - specifically this applies to the appointment of an Executive Director and an ongoing discussion regarding NYSIF's real estate projects. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

4. Report of Executive Session

Assistant Secretary Michael Totaro announced that the Board took one official action in executive session:

Upon motion by Commissioner Thomas, duly seconded by Commissioner Kathuria, the Board unanimously voted for the following:

WHEREAS, under the provisions of Sections 79 and 82 of the Workers' Compensation Law, the Commissioners of the New York State Insurance Fund are authorized and empowered to appoint an Executive Director of the State Insurance Fund for a term of nine year,

NOW, THEREFORE BE IT RESOLVED, that pursuant to such authority, the Board of Commissioners hereby appoints GAURAV VASISHT as Executive Director of the New York State Insurance Fund to complete the remainder of the current unexpired nine-year term, such appointment to become effective the 17th day of November 2021 and ending on the 22nd day of March 2030, with all privileges and immunities thereto pertaining, and be it further,

RESOLVED that the Presiding Chairman of the Board of Commissioners shall, at the appropriate time, execute and sign the Commission of Appointment to be presented to Mr. Vasisht and be further,

RESOLVED, that a copy of Mr. Vasisht's appointment be filed in the Office of the Secretary of State.

The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Following the vote, Executive Director Gaurav Vasisht thanked the Board of the Commissioners for their support and stated he looked forward working with them and NYSIF employees to face the challenges ahead.

5. Report(s) of Standing Committees

Investment Committee

Chairman Theobalds reported that the Investment Committee met on October 19, 2021. The committee heard a report from NYSIF's investment advisor on investment performance. There were no compliance issues to report.

Chief Investment Officer Gregory Francis discussed a proposed resolution to temporarily increase the public equity allocation in the Investment Policy Statement. Upon motion by Commissioner Kathuria, duly seconded by Commissioner Graham, the Board unanimously approved the following:

RESOLVED, that the Board of Commissioners hereby temporarily amends and modifies the portion of the New York State Insurance Fund Investment Policy Statement that sets the maximum range for the "Public Equities" allocation in the "WCF Asset Allocation Policy" as follows:

The maximum range for the Public Equities allocation in the WCF Asset Allocation Policy is increased from 8% to 10% until November 30, 2022, on which date it will return to 8%.

The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Mirchandani – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Next, Kevin Leonard of NECP, NYSIF's investment advisor, outlined the proposed "MWBE Investment Manager Policy" that, if adopted, would be added as an addendum to the Investment Policy Statement. Upon motion by Commissioner Thomas, duly seconded by Commissioner Kathuria, the Board approved and adopted the MWBE Investment Manager Policy, as submitted, as an addendum to the Investment Policy Statement. The MWBE Investment Manager Policy shall supersede and replace the New York State Insurance Fund Emerging Manager Investment Policy adopted by the Board on May 18, 2011. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Mirchandani – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Lastly, Acting Investment Compliance Officer Andrew Lawler presented an annual resolution authorizing trading by the Investment Department for the calendar year 2022. Upon motion by Commissioner MacLeod, duly seconded by Commissioner Kessler, the Board of Commissioners approved and authorized the Investment Department for the calendar year 2022 to purchase securities or investments eligible for investments under Section 87 of the Workers' Compensation Law and to sell such securities or investments for the workers' Compensation Fund, Disability Benefits Fund, and Aggregate Trust Fund, subject to the limitations and restrictions set forth in

the Investment Policy Statement regarding asset allocation and duration, credit and liquidity risks, as the same may be modified pursuant to the provisions of the Investment Policy Statement, subject to such approval by the Superintendent of the Department of Financial Services as may be required. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Mirchandani – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Budget & Audit Committee

Commissioner Thomas reported that the Budget & Audit Committee met individually with the committee members on November 9th and November 12th to discuss the 3rd Quarter financials and the 2022 budgets.

Chief Financial Officer William Gratrix presented on the 3rd Quarter financials, highlight some positive financial developments due to higher premium and release of prior year's reserves.

Mr. Gratrix then presented the proposed 2022 Workers' Compensation budget. Upon motion by Commissioner Thomas, duly seconded by Commissioner Kathuria, the Board unanimously adopted the following resolution:

RESOLVED, that the Board of Commissioners, under Section 82 of the Workers' Compensation Law, approves the 2022 Workers' Compensation Fund Administrative Budget as submitted.

The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Mirchandani – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Mr. Gratrix then presented the 2022 Disability Benefits Fund budget. Upon motion by Commissioner Thomas, duly seconded by Commissioner MacLeod, the Board unanimously adopted the following resolution:

RESOLVED, that the Board of Commissioners, under Section 82 of the Workers' Compensation Law, approves the 2022 Disability Benefits Fund Administrative Budget as submitted.

The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Mirchandani – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

6. Steven [M. Licht](#) Service Award

Chairman Theobalds closed the meeting with presenting the newly dedicated award honoring former employee Steven Licht. Mr. Licht served at NYSIF for 28 years with exemplary service, expertise, mentorship, and guidance. The Steven M. Licht Service Award was created as a tribute to him and to recognize other NYSIF claim employees with a commitment to excellence. The first recipient of the award was Robert Sammons. Mr. Sammons began his work at NYSIF in 1976 and retired in 2019 after serving in many roles, including Assistant Deputy Executive Director. Mr. Licht's family, including his wife Diana Bain, his daughter Lisa Hirsch, his son James Licht, and his

granddaughter Malka Hirsch, were present for the award, as were Mr. Sammons and his wife Sue Sammons and his son Robert Michael Sammons.

7. Adjournment of Meeting

The Assistant Secretary announced the next meeting of the New York State Insurance Fund Board of Commissioners will be held on Wednesday, December 15, 2021 at 10:00 a.m.

Upon motion by Commissioner Thomas, duly seconded by Commissioner MacLeod, the Board unanimously voted to adjourn the October 20 regular meeting of the Board of Commissioners. The vote: Commissioner Delgado – yes; Commissioner Kathuria – yes; Commissioner MacLeod – yes; Commissioner Kessler – yes; Commissioner Roberti – yes; Commissioner Mirchandani – yes; Commissioner Thomas – yes; Commissioner Graham – yes; Chairman Theobalds – yes.

Respectfully submitted,

Michael Totaro, Assistant Secretary



2022 BOARD OF COMMISSIONERS REGULAR MONTHLY MEETING SCHEDULE

JANUARY 19

FEBRUARY 16

MARCH 16

APRIL 20

MAY 18

JUNE 15

JULY 20

SEPTEMBER 21

OCTOBER 19

NOVEMBER 16

DECEMBER 21

NYSIF Board of Commissioners generally meet at 10:00 a.m. on the third Wednesday of every month, unless otherwise noted.

The Board does not convene during the month of August.

199 Church Street, New York, NY 10007 | nysif.com

December 2021



KATHY HOCHUL
GOVERNOR



PROPOSED MOTION*

The following is a procedural vote considered by the NYSIF Board of Commissioners at a meeting held on Wednesday, December 15, 2021. A quorum was present throughout:

A motion was made that the minutes of the November 17, 2021 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 Mirchandani	_____	_____	_____
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, December 15, 2021. A quorum was present throughout:

A motion was made to proceed into Executive Session for a discussion regarding the proposed acquisition, sale, or lease of real property, for a discussion regarding the proposed acquisition of securities, and for a discussion regarding current litigation.

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 Mirchandani	_____	_____	_____
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, December 15, 2021. 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 Mirchandani	_____	_____	_____
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, December 15, 2021. 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 Mirchandani	_____	_____	_____
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)