

New Jersey State Investment Council

January 27, 2021 Annual Meeting

Minutes of the Annual Meeting

Due to public health considerations related to COVID-19, this meeting was held remotely via videoconference on January 27, 2021.

Council Members in Attendance:

Deepak Raj, Chair
Adam Liebttag, Vice-Chair
Theodore Aronson
Wasseem Boraie
Thomas Bruno
Michael Cleary
Vaughn Crowe
Michael Greaney
James Hanson
Timothy McGuckin
Samir Pandiri
Eric Richard
Jerome St. John
Edward Yarusinsky

Roll Call and Meeting Notice

The meeting was called to order by Deepak Raj, Chair of the State Investment Council (Council), at 10:03 a.m. Ernestine Jones-Booker, Council Secretary, performed roll call. Ms. Jones-Booker announced that notice of the annual meeting schedule for 2021 was posted on the public website of the Division of Investment (Division); mailed to the Times of Trenton, the Star Ledger, the Bergen Record, and the Courier Post; and e-mailed to the Secretary of State on January 08, 2021. A copy of the notice is on file at the Division.

Report from the State Treasurer

Dini Ajmani, Assistant Treasurer, discussed fiscal year 2021 revenues, including lottery revenues, and described the fiscal year 2022 budget process.

Director's Report

Division Director Corey Amon presented an overview of the Division and the Council, and introduced newly hired investment professionals and employees, including Shoaib Khan, Deputy Director, Eddie Ramos, Diversity Portfolio Manager, Bill Connors, Head of Fixed Income, Niraj Agarwal, Head of Real Assets, and James Ochido, Compliance Analyst. Mr. Amon summarized the pension fund's historical and recent performance and asset allocation, and reviewed capital market trends. Mr. Amon reported on the progress of key Division initiatives in 2020 and proposed initiatives for 2021.

Jeff Warshauer, the Division's Corporate Governance Officer, gave an overview of the Division's ESG activities, and Suzanne Hannigan, the Division's Sustainable Investing Portfolio Manager, the Division's efforts regarding sustainable investing. Mr. Ramos discussed the Division's diversity portfolio management initiatives.

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Opportunity for Public Comment

Jordan Dale of 350NJ-Rockland and Tina Weishaus of Divest NJ spoke regarding fossil fuel investments.

Adjournment

Michael Cleary made a motion to adjourn the Annual Meeting, with Adam Liebttag seconding the motion. All Council members present voted in favor of the motion. The meeting was adjourned at 11:31 a.m.

New Jersey State Investment Council

January 27, 2021 Regular Meeting

Minutes of the Regular Meeting

Due to public health considerations related to COVID-19, this meeting was held remotely via videoconference on January 27, 2021.

Council Members in Attendance:

Deepak Raj, Chair
Adam Liebttag, Vice-Chair
Theodore Aronson
Wasseem Boraie
Thomas Bruno
Michael Cleary
Vaughn Crowe
Michael Greaney
James Hanson
Timothy McGuckin
Samir Pandiri
Eric Richard
Jerome St. John
Edward Yarusinsky

Roll Call and Meeting Notice

The regular meeting was called to order by Deepak Raj, Chair of the State Investment Council (Council), at 11:46 a.m. Ernestine Jones-Booker, Council Secretary, performed roll call. Ms. Jones-Booker announced that notice of the annual meeting schedule for 2021 was posted on the public website of the Division of Investment (Division); mailed to the Times of Trenton, the Star Ledger, the Bergen Record, and the Courier Post; and e-mailed to the Secretary of State on January 08, 2021. A copy of the notice is on file at the Division.

Minutes for the Regular Meeting held November 18, 2020

Mr. Raj presented the minutes of the regular meeting held on November 18, 2020. Theodore Aronson made a motion to approve the minutes, with Thomas Bruno seconding the motion. A roll call vote was taken, with all Council Members present voted in favor of the motion, except for Mr. Bruno who abstained since he was not present during the meeting.

State Investment Council Fiscal Year 2020 Annual Report

Corey Amon, Director of the Division, presented a draft of the State Investment Council Annual Report for Fiscal Year 2020. James Hanson made a motion to approve the report as presented, with Mr. Bruno seconding the motion. A roll call vote was taken, with all Council Members present voting in favor of the motion.

Director's Report/Portfolio Update

Mr. Amon presented the Director's Report, providing an update on capital markets, portfolio performance and asset allocation through December 31, 2020.

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Proposed Readoption of the State Investment Council Regulations

Susan Sarnowski of the Division presented a proposed readoption of the Council's regulations, describing proposed changes to the existing regulations. Eric Richard, Adam Liebttag and Mr. Bruno each expressed concerns regarding the revised process regarding presentation of alternative investments to the Council.

Mr. Raj made the following motion to go into Executive Session:

In accordance with the provisions of N.J.S.A. 10:4-12(b)(7) and N.J.S.A. 10:4-13, BE IT RESOLVED THAT the State Investment Council (SIC) go into closed (executive) session under the Open Public Meetings Act to discuss matters falling within the attorney-client privilege.

The minutes of such meeting shall remain confidential until after such time as the SIC determines that the need for confidentiality no longer exists and the matters discussed can be disclosed and the Council waives the attorney-client privilege.

The motion was seconded by Mr. Bruno, and, on a roll call vote, all members present voted in favor.

The Council adjourned to go into Executive Session.

Edward Yarusinsky left the meeting at this time.

At the conclusion of the Executive Session, Mr. Bruno made the following motion:

In accordance with the provisions of the Open Public Meetings Act, BE IT RESOLVED THAT the State Investment Council reconvene to public session.

The motion was seconded by Michael Greaney, and, on a roll call vote, all members present voted in favor.

Mr. Raj deferred further discussion on this item until later in the meeting.

Report on Northern Ireland

Ms. Sarnowski presented to the Council the Division's annual report to the Governor and the Legislature with respect to U.S. corporations doing business in Northern Ireland and their adherence to the MacBride Principles of nondiscrimination in employment.

Deferred Compensation Plan Annual Update

Todd Rowohl of the Division provided an annual update on the New Jersey State Employees Deferred Compensation Plan (DCP), reporting one change in the DCP's fund lineup.

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Proposed RFP for Emerging Markets Equity & International Small Capitalization Advisory Services

Mr. Rowohlt and Eddie Ramos of the Division presented a report of the Division's intent to issue a Request for Proposals for investment advisers within the Emerging Markets Equity and International Small Capitalization Equity asset classes.

Real Asset Investment

Digital Colony Partners II

Kevin Higgins and Ryan Goodwin of the Division presented a commitment of up to \$100 million to Digital Colony Partners II, L.P. and up to \$50 million to a related co-investment vehicle. Digital Colony is a real asset fund focused on digital infrastructure assets, including tower, fiber, small cell, and data centers. Mr. Goodwin described the fund's management team, including its track record, and summarized the fund's investment strategy and business terms. Mr. Raj reported that the IPC had reviewed the investment and recommended presentation to the Council.

Private Equity Investments

Separate Account with Fairview Capital Partners

Ting Yang of the Division presented an investment of up to \$200 million in a separately managed investment vehicle to be managed by Fairview Capital Partners, seeking to invest in US next-generation venture capital funds. Ms. Yang described the fund's management team, including its track record, and summarized the fund's investment strategy and business terms. Mr. Raj reported that the IPC had reviewed the investment and recommended presentation to the Council.

Mr. Raj reported that he recused himself from the IPC discussion of the Strategic Value Special Situations Fund V, L.P investment and was also recusing himself from the Council's discussion of this investment. Upon Mr. Raj's departure from the meeting, Mr. Liebttag, as Vice Chair, chaired the meeting for the following agenda item.

Mr. Aronson also departed the meeting at this time.

Strategic Value Special Situations Fund V, L.P.

Jessie Choi and Karl Schwing of the Division presented an investment of up to \$125 million in Strategic Value Special Situations Fund V, L.P., a fund targeting middle-market distressed opportunities in North America and Europe. Mr. Schwing described the fund's management team and investment strategy and the attractive market environment for distressed investing. Mr. Liebttag reported that the IPC had reviewed the investment and recommended presentation to the Council.

Mr. Raj returned to the meeting at this time.

Proposed Readoption of the State Investment Council Regulations

Mr. Bruno made a motion to table Agenda Item 4 (Proposed Readoption of the State Investment Council Regulations), which motion was seconded by Mr. Greaney. On a roll call vote, all members present voted in favor.

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Public Comment

There were no speakers for public comment.

Adjournment

Mr. Raj made a motion to adjourn the meeting, with Mr. Hanson seconding the motion. On a roll call vote, all Council members present voted in favor of the motion. The meeting was adjourned at 2:10 p.m.