



## MINUTES OF THE JOINT FINANCE AND GOVERNANCE COMMITTEES MEETING

**August 25, 2022, 2:00 PM  
Pier 40, 353 West Street  
New York, NY 10014  
Virtual Meeting via Zoom**

### **Attendees:**

**Directors:** Jeffrey Kaplan, Purnima Kapur, Lowell Kern, Idehen (ID) Aruede, Patrick Foster, James Archer for Director Joshi, Michael Kuh (for executive session only)

**HRPT Staff:** Noreen Doyle, Christine Fazio, Kimberly Quinones, Robert Atterbury, Nicole Cuttino, Robert Nguyen, Dan Kurtz

Noreen Doyle began with introductions and addressed the agenda for the meeting. Kim Quinones first provided an overview of the Trust's Draft Action Plan for 2040 Net-Zero Investment Portfolio that was shared with the two committees and will be filed with the Governor's office on September 1, 2022. She explained that New York State had recently mandated that all State Authorities and Public Benefit Corporations prepare an action plan to achieve a 2040 net-zero carbon neutrality within the entity's investment portfolio. Ms. Quinones first described the Trust's existing investment portfolio, with 92.8 percent invested in U.S. Treasuries and more than 76 percent of the investments maturing in less than one year. She then explained that the action plan for the first six to 12 months includes:

- Identify current investment allocation to sustainable investments and establish a prudent baseline measure for assets over one year in maturity.
- Prioritize allocation to approved credit issuers with net-zero carbon pledges when purchasing assets other than Treasury and US government guaranteed securities.
- Identify municipal issuers financing green, sustainable or environmental projects that are also committed to maintaining ongoing GHG emissions disclosure.

The 12 to 60 month and longer period would include additional monitoring, with metrics and analysis updated as market practices evolve. Ms. Quinones also explained that the Trust would be seeking to enter into a new contract with PFM Asset Management LLC for Investment Advising Services as a piggyback procurement from a recent procurement process undertaken by Battery Park City Authority at the September full board meeting. The Directors asked a number of questions and thanked Ms. Quinones for the overview.

Ms. Doyle then asked Christine Fazio to provide an overview of recent amendments to the Open Meetings Law. Ms. Fazio began by reminding the Directors that once the COVID state of emergency ends, the Trust would need to resume in-person Board meetings and a quorum requires 8 voting Directors. She explained that a recent amendment to the Open Meetings Law adopted with the State's 2022 Budget would allow the holding of a hybrid virtual meeting if a Director cannot attend in-person due to an extraordinary circumstance (such as illness or disability). In that case, the Trust could provide for a hybrid meeting to allow that Director to vote as long as there was still a full quorum attending the in-person meeting. The public would also have access to the hybrid virtual meeting and the Trust would need to post the video recording on its website and have the recording available for five years. The Directors discussed the pro's and con's including the need to ensure that the meeting room has good sound quality and staffing available to ensure all members can be clearly heard and seen. Overall, the Directors thought this option should be explored for the future and any future decision would first require a change to the Trust's By-laws and the holding of a public hearing.

The public portion of the meeting adjourned at 2:25 pm and the Directors moved into Executive Session to address pending litigation and real estate transaction matters. No decisions or actions were taken during either the public portion or Executive Session of the Joint Finance and Governance Committees meeting. The Executive Session adjourned at 3:25 pm.