



New York City Comptroller
John C. Liu

NEWS RELEASE

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NEW YORK CITY POLICE PENSION FUND VOTES TO ALLOCATE ASSETS TOWARDS HEDGE FUNDS

Seeks to Capitalize on Changing Market Conditions

New York, NY – The Board of Trustees at the New York City Police Pension Fund has unanimously voted to approve an initial allocation to hedge fund of funds in order to further diversify the Fund’s investment portfolio. The decision makes the Police Pension Fund the first New York City Pension Fund to invest in hedge funds.

The vote took place on March 1st at the Fund’s regularly scheduled investment meeting and was supported by a recommendation by the New York City Comptroller’s Office. After an ongoing selection and review process, the Permal Group was chosen by the Board. The award is subject to the negotiation of an acceptable contract.

“Consistent with the long-term objectives of providing reliable returns, reducing investment volatility, and capitalizing on the changing market landscape, the New York City Comptroller’s Office has recommended, and the Police Pension Board approved, an initial allocation to hedge funds,” said New York City Chief Investment Officer Larry Schloss. “Subject to satisfactory negotiations, we expect to initiate a hedge fund-of-funds program which is to be followed by a series of direct investments in hedge funds. This strategy builds on Comptroller John C. Liu’s and the Board’s commitment to protecting pensioners and taxpayers.”

“This investment will help to diversify the Fund’s assets in a prudent manner, which will in turn benefit the members, retirees and beneficiaries of the Police Pension Fund,” said Joseph Alejandro, Police Pension Board representative of PBA President Patrick Lynch. “We have been exploring this strategy for some time and the current market conditions present the right environment for this investment.”

The total allocation has yet to be determined.

In addition to Comptroller Liu, the New York City Police Pension Fund trustees are:

Mayor Michael Bloomberg; New York City Finance Commissioner David Frankel; New York City Police Commissioner Raymond Kelly (Chair); Patrick Lynch, Patrolmen’s Benevolent Association; Michael Palladino, Detectives Endowment Association; Edward D. Mullins, Sergeants Benevolent Association; Thomas Sullivan, Lieutenants Benevolent Association; and, Roy T. Richter, Captains Endowment Association.

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