



OFFICE OF THE MAYOR
THE CITY OF NEW YORK

RANDY MASTRO
FIRST DEPUTY MAYOR

July 10, 2025

Hon. Brad Lander
Comptroller
Office of the New York City Comptroller
1 Centre Street, 15th Floor
New York, NY 10007

Re: Fiduciary Compliance and Governance Review of Israel Bond Investment Decisions

Dear Comptroller Lander:

I write on behalf of the Adams Administration to request a review of the decision-making process surrounding the effective withdrawal of New York City pensions fund from investment in State of Israel Bonds. Your public characterization of this shift as a mere “decision not to reinvest” does not insulate it from scrutiny. As Comptroller, you are the Trustee and the investment advisor for each of New York City’s Public Pension Funds. As such, you have a fiduciary duty to act in the best interests of the City’s pensioners in making investment decisions. In this capacity, you are also required to keep accurate records of all transactions *and* decisions.

We request a review because the public record is incomplete as to the basis for and impact of your decision to withdrawal investment in Israel Bonds. It appears, based on available information, that the city’s pension systems had held tens of millions of dollars in State of Israel Bonds across multiple decades, with a record of strong returns and minimal risk. Under your tenure, those holdings have declined sharply, from tens of millions of dollars across multiple pension funds, to now less than \$1.2 million held only by the Police Pension Fund. This reduction appears to be the result of a sustained and coordinated decision on your part not to reinvest in State of Israel Bonds upon maturity. Moreover, this decision has adversely affected the performance of the pension funds’ bond portfolios because State of Israel bonds have outperformed other bonds in which the pension funds are invested.

You have publicly stated that your decision was based on limiting investment in foreign sovereign debt, not to divest Israel Bonds. But it appears that the only sovereign bonds in which

the city has invested are Israel Bonds, so this policy appears to target *only* Israel Bonds. This divestment, occurring amid a global "Boycott, Divestment, and Sanctions (BDS)" campaign against Israel, appears to be in furtherance of that BDS campaign, regardless of the adverse financial consequences for city pensioners. You have a fiduciary duty to the city's pensioners that is now called into question by your decision in this regard.

The Mayor's Office therefore requests that your office provide copies of all documents and communications relating to the decision to purchase Israel Bonds, the maturation of such bonds, any discussion or consideration to reinvest in Israel Bonds upon maturation, any decisions not to re-invest, and any consideration or determination of how to invest monies obtained due to maturation. Such documents should include any investment recommendations, whether written or oral, and should be sufficient to reflect the approval process such decisions underwent. Your communications with third parties on these topics should also be produced. We request that your office provide copies of all relevant internal memoranda, consultant reports, board communications, and investment committee records related to the treatment of Israel Bonds.

As Comptroller, you are legally and ethically obligated to safeguard the integrity of our public pension system. Investment decisions must be based solely on the best financial interests of New York City's public employees and retirees. Because this matter implicates the financial security of hundreds of thousands of New Yorkers, we anticipate your complete cooperation and expect your full response by one week from today.

Respectfully,

A handwritten signature in cursive script, appearing to read "Randy Mastro".

Randy M. Mastro