



CITY OF STAMFORD
OFFICE OF LEGAL AFFAIRS
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DRAFT MINUTES

Classified Employees Retirement Fund
Regular Meeting held remotely on Thursday, June 9, 2022 via a Zoom meeting

Those in attendance were:

Mary Lou Rinaldi, Acting Chair, Trustee	Alfred Cava, Director – Human Resources	David R. Javaheri, Morgan Stanley
Mayor Caroline Simmons (9:15 am)	James Lavin, Retirement Benefits Specialist Human Resources	Joseph J. Matthews, Morgan Stanley
Eric Newman, Trustee	Angelo Sestito, Assistant Director Human Resources	Kevin Nichols, Morgan Stanley
Joyce Sun, Trustee	Anabel Arquello, Northern Trust	Lindsay Pereguda, Morgan Stanley
Steven Bonaparte, Trustee	Patricia Koulouris, Northern Trust	Nikoleta McTigue, CliftonLarsonAllen, LLC
David Yanik, Controller	Adam Savett from Levi & Korsinsky LLP	Rick Petersen, Retiree Association

With a Quorum present, Mary Lou Rinaldi called the meeting to order at 9:00 a.m.

I. Minutes:

- A. A motion to approve the May 19, 2022 CERF Board meeting Minutes was made by Joyce Sun and seconded by Steven Bonaparte. The motion was approved by unanimous consent.

II. Public Participation:

A. COLA Update:

Alfred Cava, Director of Human Resources and Pension Secretary indicated that a draft report was received from outside counsel regarding a COLA. Rick Petersen from the Retirement Association requested further information regarding the report. At which time, Director Cava stated that the report would first be reviewed by City Corporation Counsel and then shared with Trustees. Director Cava will continue to provide updates to the Trustees as they become available.

III. New Business:

A. Pension Financial Statements (Final Draft) – David Yanik, Controller, City of Stamford, Nikoleta McTigue & Santo Carta, CliftonLarsonAllen, LLC

David Yanik, Controller for the City of Stamford introduced Nikoleta McTigue who summarized the Independent Auditors Report. The report presented was an unmodified, clean opinion, specific to the CERF Fund. The information included the Statement of NET position, deductions, contributions and year-over-year history of the plan. The report indicated that the Fund was 99.6% funded.

The report prompted Trustee, Joyce Sun to inquire about the rate of assumption for inflation. Nikoleta McTigue and David Yanik indicated the Morgan Stanley and Milliman would have to adjust and account for those changes in order to provide Trustees with an update.

A motion to approve the Pension Financial Statements was made by Joyce Sun and seconded by Eric Newman. The motion was approved by unanimous consent.

B. Administrative Report – Anabel Arguello, Northern Trust

Anabel Arguello reviewed the Administrative Report for the month dated, May 31, 2022, noting both the monthly and fiscal year opening balances, contributions, distributions, fees, expenses and end balances. Although the market continues to be highly volatile there was a 1% gain for the month, but overall a loss for the fiscal year to date. Ms. Arguello reported that the Fund typically holds the equivalent to three times worth of cash in the account. At the time of this report, there was 3.6 million in cash.

David Yanik, Controller reiterated what he communicated at the May 2022 meeting stating that the City contribution would most likely be made the third or fourth week of July.

C. Wealth Management Update & Investment Performance Report – Morgan Stanley

Morgan Stanley team members in attendance included Lindsay Pereguda, David R. Javaheri, Managing Director/Senior Institutional Consultant, Kevin Nichols, Senior Vice President and Joseph J. Matthews, Vice President.

Kevin Nichols, Senior Vice President presented a Performance Report, which included a summary of the total Fund as of May 31, 2022. The report provided detail on Asset Allocations by Manager, Annualized Performance, and a summary for both the Gain/Loss and Overweight/Underweight performance of the Fund.

Mr. Nichols reported that the common theme in the report shows that the Fund is doing better than benchmark since switching to more active management structure in order to protect against the current volatile market, which has resulted in a well-diversified portfolio.

Vice President, Joseph J. Matthews presented on how the stock market compares to the economy, and what that means for 2022. Mr. Matthews provided a Capital Market review with information on current indicators, timeline of federal tightening and the global inflation forecasts. As a result, interest rates have moved up very quickly. Lastly, Mr. Matthews reviewed market expectations.

D. Vested Pensions: The following requests were originally listed on the Agenda for this meeting under retirements, but should have been placed under this category, vested pension requests.

- i. Robert Boender \$808.74

Joyce Sun made a motion to approve the vested term retirement request for Robert Boender. Steven Bonaparte seconded the motion. The motion was approved unanimously.

- ii. Abdesslam El-Biti \$319.15

Steven Bonaparte made a motion to approve the vested term retirement request for Abdesslam El-Biti. Joyce Sun seconded the motion. The motion was approved unanimously.

- iii. Anthony Piselli \$1,754.13

Steven Bonaparte made a motion to approve the vested term retirement request for Anthony Piselli. Joyce Sun seconded the motion. The motion was approved unanimously.

- iv. Michael Romaniello \$1,576.58

Steven Bonaparte made a motion to approve the vested term retirement request for Michael Romaniello. Joyce Sun seconded the motion. The motion was approved unanimously.

E. Return of Contributions: NONE

F. Retirements:

- i. Krista Belmont \$1,090.49

Steven Bonaparte made a motion to approve the retirement request for Krista Belmont. Eric Newman seconded the motion. The motion was approved unanimously.

- ii. Clyde Levine \$433.07

Steven Bonaparte made a motion to approve the retirement request for Clyde Levine. Joyce Sun seconded the motion. The motion was approved unanimously.

G. Disability Retirements:

- i. Anthony Smith

Mary Lou Rinaldi made a motion to deny the disability retirement request submitted by Anthony Smith. Steven Bonaparte seconded the motion to deny the disability retirement request. The motion was unanimously denied.

- ii. Thomas Vecsey

Mary Lou Rinaldi made a motion to deny the disability retirement request submitted by Thomas Vecsey with the possibility to revisit the request pending the outcome of the related Worker's Compensation case. Joyce Sun seconded the motion to deny the request as stated above. The motion was unanimously denied.

H. Buy Back: NONE

I. Bills: Alfred Cava, Director of Human Resources presented the invoices to the Board as one vote:

- i. City of Stamford Invoice# 0111211009APR22POS \$272.00
(April 2022: Printing Charges – CERF Election)
- ii. City of Stamford Invoice# 0111211009APR22POS \$652.67
(April 2022: Postage Charges – CERF Election)
- iii. Morgan Stanley Invoice# 10916022130 \$12,950.00
(Investment Advisory Fee: April 1, 2022 – June 30, 2022)

Steven Bonaparte moved to approve the bills as presented by Director Cava. Eric Newman seconded the motion. The motion was approved unanimously.

J. Trustee Election Results

Alfred Cava, Director of Human Resources and Fund Secretary provided the Trustees with the results of the CERF Election. The incumbent, Eric Newman received (138) votes and Gennaro Catino received (35) votes. The incumbent, Eric Newman will continue to serve as a Trustee, effective June 18, 2022 through June 17, 2025.

K. Appointment of a trustee to OPEB Board of Trustees

Alfred Cava, Director of Human Resources and Fund Secretary communicated that the CERF Board appoints one member to the OPEB Board of Trustees for a three-year term. Eric Newman is the current CERF appointed trustee on the OPEB Board of Trustees whose term expires June 18, 2022.

Mary Lou Rinaldi made a motion to nominate Eric Newman to continue to serve as the CERF appointed trustee on the OPEB Board of Trustees, term effective June 19, 2022. Steven Bonaparte seconded the motion. The motion was approved unanimously.

L. Trustee Education: Best Practices for Securities Litigation & Portfolio Monitoring for Public Pensions – Shannon Hopkins, Partner, Levi & Korsinsky LLP

Due to a scheduling conflict, Shannon Hopkins was not available to present. Therefore, Trustee, Eric Newman introduced Director of Communications, Adam Savett from Levi & Korsinsky LLP who provided the Trustees with information on best practices, common policy and procedures for actively monitoring the Fund investment portfolio.

Steven Bonaparte made a motion to adjourn, which Eric Newman seconded. Mary Lou Rinaldi adjourned the meeting at 10:23 a.m.

The next Meeting of the Trustees for the Classified Employees Retirement Fund will be a Quarterly Meeting scheduled for Thursday, July 21, 2022 at 9:15 a.m.

Minutes prepared by: Kimberly Hawreluk
Human Resources Processing Technician