



CITY OF STAMFORD
OFFICE OF LEGAL AFFAIRS
HUMAN RESOURCES DIVISION
888 WASHINGTON BOULEVARD
P.O. BOX 10152
STAMFORD, CONNECTICUT 06904-2152
Tel. (203) 977-4070
Fax: (203)977-4075

DRAFT MINUTES

Classified Employees Retirement Fund Quarterly Meeting was held remotely on Thursday, February 15, 2024 via a Zoom meeting

Those in attendance were:

Mary Lou Rinaldi, Chair & Trustee	David Yanik, Controller	Kevin M. Nichols, Morgan Stanley
Steven Bonaparte, Trustee	Dr. Paula Russell Nisbett, Director of Human Resources	Joseph J. Matthews, Morgan Stanley
Jeff Curtis, Trustee	James Lavin, Retirement Benefits Specialist Human Resources	Lindsay Pereguda, Morgan Stanley
Eric Newman, Trustee	Kimberly Hawreluk, Human Resources & Benefits Assistant	Diana Kodanov, Northern Trust
Joyce Sun, Trustee	Rick Petersen – Representative, Retiree Association	Patricia Koulouris, Northern Trust
Benjamin Barnes, Director of Administration	Members of the public	Dan Colleluori, MAA Union President

Chair, Mary Lou Rinaldi called the meeting to order at 9:15 a.m.

I. Minutes:

A motion to approve the January 11, 2024 CERF Board meeting Minutes was made by Mary Lou Rinaldi. The motion was moved by Eric Newman and seconded by Jeff Curtis. The motion was approved by unanimous consent.

II. Public Participation: NONE

III. New Business:

A. Administrative Report – Northern Trust:

Diana Kodanov reviewed the Administrative Report for the month dated January 31, 2024 which included financials for the Fund, such as opening balance, contributions, distributions, fees and expenses. According to the report, the Fund had a gain for the month and fiscal year to date. Northern Trust stated that the custody fees were up to date, but cash needed to be raised for the next three months of benefit payments.

B. Morgan Stanley Consulting Group:

i. Wealth Management Update

A Capital Market update was provided by Joseph J. Matthews with information on Wealth Management Perspectives and the Institute for Supply Management Services index report. Topics discussed included the continued slowing of labor markets, high delinquencies in credit cards, auto loans and mortgages.

ii. Investment Performance Report

Mr. Nichols reviewed Asset Allocation, Portfolio Growth, Risk & Reward, and the Manager Performance report as of January 31, 2024. Overall, the current portfolio is performing as expected with fixed income resulting in very positive and attractive yields.

Morgan Stanley made suggestions to rebalance the fund to raise cash for pension payments to cover the next three months and make changes to fund managers as stated below:

Liquidate \$6.4 mm total from Bahl and Gaynor and \$4 mm total from Congress MCG resulting in a total of \$10.4 mm to be liquidated as follows:

- \$5 mm for benefit payments for the next 3 months (wire to Principal cash account).
- Remaining \$5.4 mm sale will be used to buy the following:
 - \$1,050,000 Blackrock Equity Dividend
 - \$1,600,000 SP500 Value ETF
 - \$750,000 Sage Intermediate Taxable
 - \$1,000,000 iShares Core S&P Mid Cap ETF
 - \$500,000 Segall Bryant & Hamill SMID
 - \$500,000 SLC Management Short Duration

Steven Bonaparte moved to approve the suggestions read into the record above by Morgan Stanley. Eric Newman seconded the motion. The motion was approved unanimously.

C. Review F2023 Draft Financial Statements – David Yanik, Controller

Controller, David Yanik reviewed the unedited and preliminary draft financial statements for the Fund dated June 30, 2023, which included: Statement of Net Position, Changes in Net Position and schedules of employer contributions and investment returns.

D. Vested Pensions: NONE

E. Return of Contributions: NONE

F. Retirements:

i. Eileen Broderick \$641.11

Eric Newman moved to approve the retirement request for Eileen Broderick. Steven Bonaparte seconded the motion. The motion was approved unanimously.

ii. Vito Candito \$5,648.56

Steven Bonaparte moved to approve the retirement request for Vito Candito. Eric Newman seconded the motion. The motion was approved unanimously.

iii. Paulette Dickens \$1,363.22

Steven Bonaparte moved to approve the retirement request for Paulette Dickens. Eric Newman seconded the motion. The motion was approved unanimously.

iv. Walter Michalsky \$2,546.39

Steven Bonaparte moved to approve the retirement request for Walter Michalsky. Eric Newman seconded the motion. The motion was approved unanimously.

G. Disability Retirements: NONE

H. Buy Back: NONE

I. Bills: Chair, Mary Lou Rinaldi read the bills into the record.

i. Milliman Invoice# 57STM0501245 TOTAL: \$10,289.12
Fees & Services: December 1, 2023 to December 31, 2023

ii. Morgan & Stanely Invoice# 10804024008 TOTAL: \$121,339.50
Manager Fees for Billing Period: January 1, 2024 to March 31, 2024

iii. Robinson+Cole Invoice# 50444252 TOTAL: \$148.50
Fees for Legal Services through January 31, 2024

Steven Bonaparte moved to approve the bills as read into the record by Chair, Mary Lou Rinaldi. Eric Newman seconded the motion. The motion was approved unanimously.

J. Milliman: Request to approve individual pension calculations and charge associated fees:

James Lavin, Retirement Benefits Specialist - Human Resources provided the Trustees with an update on this item, which had been held pending further information since the December 14, 2023 meeting. Mr. Lavin informed the Trustees that Milliman agreed to wave the fees and allow the Human Resources department access to download the paperwork directly from the secure site.

A motion was made by Joyce Sun to approve the request by Milliman, which was seconded by Eric Newman. At this time, a discussion regarding this matter was initiated based on the previous opinion provided by Legal Affairs and the update provided by Mr. Lavin.

Chair, Mary Lou Rinaldi requested a vote from the Trustees based on the discussion, either in favor or opposed, to which all Trustees in attendance opposed the request. The motion failed unanimously. As a result, the Trustees will continue to approve pension calculations with no associated fees added. In addition, the Human Resources department will have access to the Milliman system.

With no further business, Mary Lou Rinaldi motioned to adjourn the Meeting. The motion was moved by Eric Newman, which was seconded by Steven Bonaparte. Mary Lou Rinaldi adjourned the meeting at 9:58 a.m.

The next Meeting of the Trustees for the Classified Employees Retirement Fund will be a Regular Meeting scheduled for March 14, 2024 at 9:00 a.m.