

A meeting of the Trustees of the Classified Employees Retirement Fund was held on Thursday, December 13, 2012, in the Mayor's Conference Room, Tenth Floor of the Stamford Government Center, 888 Washington Boulevard, Stamford, Connecticut.

Those in attendance were:

Michael Briscoe
Joseph Caruso
Burt Rosenberg
Randy Skigen

Clemon Williams – Human Resources
Mary Beth Troy – Human Resources
David Yanik – Controller's Office

Mayor Michael Pavia called the meeting to order at 9:10 a.m.

Alvin Siegartel - Paragraph H of the November 15 minutes regarding Vanguard Small Cap Growth Fund there are actually multiple classes of that fund. The 24% basis points and the 10% basis points is a 58% savings. I don't think there is anything called Admiral.

Mary Beth Troy reviewed the November 15th minutes tape. The Vanguard Small Cap Growth Index Investors shares is 24 basis points and the Vanguard Small Cap Growth Index Admiral shares is 10 basis points is a 14% basis points savings.

The November 15 minutes will now state that Randy Skigen made a motion to move Vanguard Small Cap Growth Index Investors into Vanguard Small Cap Growth Admiral Index shares. The motion was seconded by Michael Briscoe. The vote was 5 – 0 unanimous.

Randy Skigen withdrew his motion to approve the November 15th minutes and suggested to hold the minutes until the next meeting.

I. Public Participation – Penny Kristoff and other retirees were present.

David Franco – Words of wisdom from Warren Buffett “That one of his biggest worries these days is about what's going to happen to all the pension monies that are being invested in the markets, Often with little success. Investors are constantly buying and selling securities on the advise of brokers and advisors, rather than holding them for the long term.”

II. Old Business

- A. Wells Fargo Report – Joseph DePalma gave the monthly report.

Joseph Caruso would like to know the cost three (3) years from now the cost of retirees. The Mayor would like a graph for next month's meeting.

III. New Business

- A. Return of Contributions - None

B. Retirements

Taylor Bova \$ 1,628.20 per month

Taylor Bova's retirement is tabled until next month's meeting to show the early reduction calculation backup.

Mayor Pavia wanted to know is there any changes that can be made to the form to be more helpful in reviewing the calculation.

Clemon Williams - I can add another page to show how we arrived at the calculation.

C. Disability Retirements - None

D. Vested - None

E. Bills

CERF Election 2nd Mailing	\$ 243.90
to retirees notifying no election	
Reimburse Human Resources Department	
Hooker and Holcombe for Actuarial Services	\$ 4,312.50
Hooker and Holcombe for Pension Calculations	\$ 1,939.00
State Street Global Advisors 3 rd Quarter	\$ 1,105.84
(already debited)	
Wells Fargo October 2012	\$ 4,647.47

Michael Briscoe made a motion to approve the above bills. The motion was seconded by Randy Skigen. The vote was 5 – 0 unanimous.

Randy Skigen made a motion to suspend the rules to add the Wells Fargo September bill. Michael Briscoe seconded the motion. The motion was 5 – 0 unanimous

Wells Fargo September 2012 \$ 5,742.05

Randy Skigen made a motion to approve the Wells Fargo September bill. The motion was seconded by Michael Briscoe. The vote was 5 – 0 unanimous.

F. CERF Meeting Revised Dates for 2013. The February 21st date is changed to February 14th and the November 21st date is changed to November 14th.

G. David Yanik – Monies were inadvertently deposited into the Custodian Pension

Fund, instead of being deposited into the CERF Pension Fund. Mr. Yanik will be going before the Custodian Pension Board to ask them to refund the money back to the CERF Fund.

Randy Skigen wanted to know when the Custodian Pension Fund received the money.

David Yanik stated July 17, 2011. The reason that I did not come before the pension boards is that I was waiting for the audit to be completed. I did not want to compound the mistake.

Randy Skigen - Do we know what their return of investment was over the 18 months?

David Yanik – The interest was \$32,000. \$533,000 plus \$32,000 = \$565,000. For the 2012 and 2013 contribution is estimated at \$1.2 million.

Randy Skigen – What is the rate of the return on the Custodian fund versus the rate of return for the CERF Fund? How has this happened at least twice maybe three times?

David Yanik – The information that comes from the actuary and the information from the budget are sometimes different. I will make sure that going forward the monies will be deposited properly.

Clemon Williams going forward the amounts from Hooker and Holcombe will be broken down by Board of Education, City, Registrar of Voters and Water Pollution Control Authority.

Mayor Pavia going forward what procedures should be put in place.

David Yanik – I will come back to the boards with procedures.

Joseph Caruso – Please inform this Board the outcome from the Custodian Pension meeting. In the future we will have documentation showing this.

Mayor Pavia would like to have a copy of the Custodian Pension minutes to be distributed to the CERF Pension Board.

There won't be a CERF Election on December 18, 2012 due to the fact that Joseph Caruso ran unopposed.

Michael Briscoe made a motion to suspend the rules to discuss old business. The motion was seconded by Burt Rosenberg. The vote was 5 – 0 unanimous.

Randy Skigen – At last month's meeting I thought we had come to an agreement regarding language for a Memorandum of Understanding concerning Beverly Aveni's buy-back.

In the pension section there are three (3) relevant provisions and Tim Beeble last month read two (2) of them. Provision K in Section 10.4 states that any MAA member who has twenty-five (25) years of credited service regardless of age will be able to retire. If you read this section in conjunction with the retiree benefits section you could make the inference that if someone was hired with 25 years of service they would be eligible for medical benefits. The way the MOU reads it says the monies would only count for calculation of pension benefits similar to the way we treat military buy-back.

Ms. Aveni will receive credit for the years she bought back but will not be eligible for retiree medical benefits until she reaches the normal retirement age.

Clemon Williams – The normal retirement date for employees is age sixty (60) with at least ten (10) years of credited service to the City, or age fifty-eight (58) with at least fifteen (15) years of credited service to the City. The question is credited service to the City. The Board can deal with pension calculations and that is a separate issue from providing for retiree medical.

Burt Rosenberg – It's in the minutes of the new language that was given to you.

Clemon Williams – I had to follow my directives.

Mayor Pavia – Is there anything that this Board needs to do further. Or is something that you need to do.

December 13, 2012

Clemon Williams – I need to have a conversation with someone.

Mayor Pavia - I understand and I'll be part of that conversation.

Randy Skigen would like this item on next month's agenda.

Randy Skigen – Debra Katz's calculation. At last month's meeting we had a lengthy discussion on this. I believe that we had reached an understanding that Ms. Katz would buy-back a little over eight (8) months of service time. Mr. Williams was going to provide her with a calculation and then from what I heard Mr. Williams had some difficulty in talking with the actuary.

Clemon Williams – No difficulties. There are three (3) provisions in the CERF Plan to buy-back time which are military service, if you previously worked for the City, collective bargaining agreement between the City and the MAA. In speaking with the actuary the eight (8) months would have to be bought back outside of the CERF plan. To provide her with the extra \$114.90 per month will cost approximately \$15, 000. To purchase an annuity.

Burt Rosenberg – Why can't you do a Memorandum of Agreement?

Clemon Williams – If I do a Memorandum of Agreement I have to open it up for everyone. Someone has to come up with the funds.

Randy Skigen – The Board could agree to buy the annuity for \$15,000. Ms. Katz is buying back the eight (8) month which should offset the amount to about \$12,000. Or as the retirement date receive an increase in salary or a stipend to reflect the \$114.90 per month going forward.

Clemon Williams – Ms. Katz could work another seven (7) months.

Randy Skigen – I remember Ms. Katz's presentation to the Board of Representatives stating that our grant was cut and rather than layoff an employee I took a reduction in salary.

At 10:15 Mr. Skigen wanted to take a five (5) minute recess.

At 10:30 back on record.

Randy Skigen the annuity is \$15, 111.10 and with Ms. Katz offset to buy-back \$2,056.16 and that the city will pay approximately \$12,950.00 to purchase the annuity which would make Ms. Katz whole. The monies would come out of the CERF Plan and the actuary would have to calculate for the determination of the arc for next year.

At 10:45 Mr. Rosenberg wanted to caucus.

At 10:45 back on record.

Randy Skigen – It appears there is not sufficient support to my suggestion regarding Ms. Katz. I would suggest that the parties try to work it out and to keep this item on the agenda.

Debra Katz – I will have to retire. It will be an item on next month's agenda.

The meeting was adjourned at 10:50 a.m.

The next regularly scheduled CERF Trustees meeting is scheduled for Thursday, January 10, 2013 at 9:00 a.m.

Emmet P. Hibson, Jr.
CERF Secretary

cc: Town Clerk