



# ***STAMFORD FIREFIGHTERS PENSION FUND***

---

## **City of Stamford, CT**

**Chairman Michael Golden**  
**James R. Fountain**  
**Richard Freedman**  
**Gerald J. Kutz**  
**Matthew T. Palmer**

### **Meeting purpose: Regular Meeting**

#### **February 3, 2020 1200**

A Regular meeting of the Stamford Firefighters Pension Fund was held at 1200 on Monday February 3<sup>rd</sup> at Stamford Fire Headquarters.

Present at the meeting were: Chairman Michael Golden, Trustee Richard Freedman, Trustee James Fountain, Trustee Deputy Chief Matthew Palmer and Trustee Gerald Kutz. Absent: None. Guests included: Past Chairman Robert Berlingo, City alternate Stephen Cohen and Union alternate Firefighter Michael Gallas, Union President David Davis, Fund Advisor John Oliver Beirne, Fund Advisor Associate Taylor Garguilo.

The meeting was called to order at 1210 by Chairman Golden.

### **Public Comment**

#### **Jaramillo – Osorio**

At a previous meeting, a letter was read to the board from Attorney Hunsberger of Maurer and Associates PC regarding an ex-spouse of a deceased retired firefighter. In the letter he requested notification and to be placed on the agenda for the next board meeting. He was notified of the date well in advance by Ms. Barbara Murphy and also placed on the agenda. No one attended the January meeting from Maurer and Associates. The board agreed that our previous response from our attorney still stands and considers the matter closed.

Attorney Hunsberger presented at this meeting. He stated that he came to the meeting to find out if there is some sort of compromise with the board before he pursues other options.

Trustee Palmer asked Attorney Hunsberger if by other options, he meant litigation against the board. Attorney Hunsberger responded that it was one possible option.

Trustee Kutz restated the history of the situation and asked Attorney Hunsberger for his concurrence, which he gave. Trustee Kutz restated the position of the board, which is that the proper pension amount was paid to the pensioner until his passing. Once the pensioner passed, in the absence of qualified dependents, the pension was terminated.

Trustee Kutz then asked Attorney Hunsberger what he was asking for? Attorney Hunsberger said he was simply looking to see where the board stands on this issue. The position of the board was previously sent to Attorney Hunsberger in writing by our council in the fall of 2019.

No further public comment.

Trustee Kutz asked if anyone minded allowing Beirne Wealth Consulting went first to minimize the time they need to spend at the meeting. All agreed.

A **MOTION** was made by Trustee Kutz and seconded by Trustee Freedman at 1225 to go out of order from the agenda and allow Beirne Wealth Consulting to present. Motion **PASSED** unanimously.

### **Beirne Wealth Consulting**

Beirne Wealth Consulting presented the following:

- Investment Policy
- Asset Allocation
- Proposal for Investing available cash in the portfolio

### **Investment Policy**

Advisor Beirne presented the current “City of Stamford Firemen’s Pension Trust Investment Policy” as well as a proposed revision of the document. He reviewed the major changes and asked the board to review the document and be prepared to ratify it at the March board meeting.

Trustee Freedman asked the board if this document should be part of the new Pension Trust document currently under review. After discussion, the consensus of the board was: The requirement for an Investment Policy should be included, but it should not be part of the Pension Trust document

Mr. Cohen asked a question about the watch list. Advisor Beirne pointed to page 17 of the revised document under the heading “Manager Changes”.

Trustee Palmer asked a question regarding “Green” investments, minority and woman owned businesses etc. Advisor Beirne responded with a discussion on “ESG” environmental social governance. The board discussed it and Advisor Beirne talked about the screening criteria for funds that are included in the portfolio. Mr. Cohen commented that some of the ESG investments are not necessarily the highest performing funds, and our fiduciary responsibility is to utilize the best performing investments for our constituents. Advisor Beirne mentioned that most portfolios that utilize ESG as a driving standard are individual or foundation accounts where the directors are concerned about ESG.

Advisor Beirne requested that someone on the board review the dates in Section II – Authority. Trustee Kutz agreed to review that section in detail and suggest modification if needed.

Trustee Fountain asked Advisor Beirne to explain the new categories on Page 11 of the new policy. Advisor Beirne went through each category. Trustees Fountain and Freedman asked Advisor Beirne to

further break down some of the categories in Credit and Equity. Advisor Beirne stated that he would send out a new version prior to the next meeting for review.

Mr. Cohen asked about a Risk Assessment and Asset/Liability Study. Advisor Beirne stated that it has been a few years since the last one and it would probably be advisable to execute one soon. Trustee Kutz stated that the board should talk to the actuary about performing it as part of the experience study planned for presentation at the March meeting.

Mr. Cohen asked why the S+P 500 was not in the strategic asset allocation policy benchmarks. Advisor Beirne stated that it was there as part of the other benchmarks, but that it was definitely used as a benchmark for some of the underlying funds within the portfolio. He commented the policy benchmarks were more of a strategic view and requires more global benchmarks.

### **Asset Allocation**

Advisor Beirne presented the final fund results from 12/31/2019. He gave a general market review again reinforcing Growth over Value and Domestic over International. He also mentioned that he did some work on the Corona Virus and it's possible effects on the portfolio and the broader markets. He concluded that the initial effects should be minimal, however will increase volatility in the short term.

Advisor Beirne distributed a copy of his "Trustee Education – Investment Manager Summaries" to the board. He said with the new trustees, it made sense to do a quick introduction to the portfolio and invited the trustees up to his offices to do a more in-depth presentation about each investment.

Chairman Golden commented that the description of two of the funds was identical and that there was probably a typo in creating the document. Advisor Beirne apologized and committed to send out a modified copy with the corrected information included. The paragraph is correct for Neuberger Berman Summary and incorrect for the Columbia Treadneedle Summary.

### **Proposal for Investing available cash in the portfolio**

Advisor Beirne passed out a recommendation to move two million dollars (1.3% of portfolio) from Cash to Large Cap Equity. He recommended the following:

- \$1 million addition to Columbia Dividend Income
- \$1 million addition to Eagle Equity

The board discussed the recommendation.

A **MOTION** was made by Trustee Kutz and seconded by Trustee Fountain at 1345 to invest \$1 million in cash in Columbia Dividend Income and \$1 million in cash in Eagle Equity. Motion **PASSED** unanimously.

### **Fidelity Investments**

With the change to Chairman Golden and the change to City Alternate Cohen imminent, the board asked Trustee Kutz to work with Fidelity to create 5 separate log-ins to their system for each of the 5

new trustees. Trustee Kutz reported that Fidelity defaults to the Social Security number of clients to determine what accounts can be viewed with a client's individual sign-on. Therefore, Fidelity needs to create a separate account number for individuals who use Fidelity for their private investment.

Fund Advisor Associate Garguilo will make new Fidelity sign-on's for Trustee Kutz and each of the new trustees by the March meeting.

### **Resolutions for Pension**

#### **Resolution for a Fire Lieutenant**

Trustee Palmer presented the retirement package of a Fire Lieutenant. Trustee Freedman and Trustee Fountain reviewed the financials. The resolution was signed off by the actuary.

A **MOTION** was made by Trustee Kutz and seconded by Trustee Fountain at 1400 to execute the Regular Retirement Resolution of a Fire Lieutenant effective March 31, 2020. Motion **PASSED** unanimously.

#### **Resolution for a Firefighter**

Trustee Palmer presented the retirement package of a Firefighter that had previously retired effective June 30, 2019. The firefighter subsequently provided the proper documentation of outstanding work related PPD ratings on outstanding medical claims. Trustee Freedman and Trustee Fountain reviewed the financials. The resolution was signed off by the actuary.

A **MOTION** was made by Trustee Freeman and seconded by Trustee Fountain at 1410 to execute the Disability Retirement Resolution of a Firefighter effective June 30, 2019. Motion **PASSED** Chairman Golden, and Trustees Freedman, Fountain and Palmer in favor, Trustee Kutz abstained.

### **Old Business**

Trustee Freedman is the Mayoral Appointee to the Firefighter Pension Fund. Trustee Freedman announced that effective April 1, 2020, Mr. Stephen Cohen will become the Mayoral Appointee. Trustee Freedman will have the Mayor's Administrative Assistant create the resolution necessary to make the change and present it to the March meeting.

Trustee Freedman had to leave the meeting for another engagement at 1410.

#### **Last Payment to a Pensioner**

The paperwork for a recent incident where a pensioner passed away was submitted to the board. The pensioner's estate did not receive the final partial month payment for his last days of life. Per the resolution passed at the January meeting, the payroll department was instructed to pay the partial months payment to the pensioner.

Secretary Kutz signed the order on behalf of the fund.

### **Review of request submitted by Mr. Kevin Beirne**

At the January meeting a letter from Mr. Kevin Beirne was read to the board by Trustee Kutz. It characterized a special circumstance of his family. After further review of the letter, Mr. Beirne was asked to provide some additional information to the board. None of the requested information was available at this meeting. Mr. Beirne was contacted and he requested additional time to provide the information.

The issue was tabled until the March meeting for action if the additional information is available.

A **MOTION** was made by Trustee Palmer and seconded by Trustee Fountain at 1355 to table the Kevin Beirne Request pending additional information to the March meeting. Motion **PASSED** all in favor, trustee Freedman absent.

### **Medicare Reimbursement**

As an update, Ms. Murphy from the Stamford Fire Department provided the following summary for the current process:

When a Fire Pension recipient wishes to be reimbursed for their Medicare Part B, they would need to:

- Provide to the City processing department(s), i.e. HR/Benefits & Payroll their statement from Social Security, or Medicare if they are not eligible for Social Security, showing what their costs are.
- The City processing department(s), would begin the reimbursement process to the individual, if approved/applicable.
- Currently Medicare Part B reimbursement is given back to fire retirees in their monthly Pension payment.
- If the individuals cost of their Medicare goes up for the next year, the individual would, each year, have to provide their statement to the City processing departments.
- No notices are sent to individuals each year requesting what their current amount is. It is up to the individual to provide their statement.

The process for reimbursement is expressed to individuals at their appointment that they make with HR/Benefits to discuss their retirement process. Ms. Murphy also informs individuals of this benefit. She recommends they inform the City when they start paying for Medicare and supply the appropriate documentation, accordingly.

Trustee Kutz and President Davis wish to find out if this process changes with the benefits now being paid from the OPEB Fund. Trustee Fountain asked that we again table this issue to the March meeting, as the benefits department is still working on the process.

### **Pension Statements**

At a previous meeting trustee Kutz raised the following issue:

The city used to produce "Pension Statements" for the active employees. The last one received by any of the firefighters is around 2014. Why did the practice stop and isn't it the employers responsibility to produce these statements?

Trustee Fountain stated that the city is developing an online system that the employees can query the information on their own. He contacted Mr. Al Cava on this issue and will report back at the March meeting on the progress the city has made.

### **Comptroller Role**

At the December and January meetings, the board discussed all the roles that Chairman Berlingo currently performs. It was determined that the board needs to hire a person to perform the "Comptroller" role for the board. This is in line with the Police Pension Board.

Trustees Palmer and Kutz were to investigate candidates to perform this role and return to the board with recommendations.

Trustees Palmer and Kutz interviewed a potential candidate for the role. It is clear that the board does not have a clear definition of what duties the individual will be responsible for. Chairman Golden and Past Chairman Berlingo will meet and determine what duties the Comptroller will be responsible for.

They were given the authority from the board to enlist the help of the candidate to define the role. In so doing, they will also interview the potential candidate and determine if they are the appropriate person to fill the role.

### **New Business**

None.

### **Invoice(s)**

The following invoice(s) was/were presented to the board for payment:

Arthur J Gallagher Risk Management Services	\$9,552.00	D and O Premium
City of Stamford	\$117.65	Jul 2019 Postage Charges
City of Stamford	\$116.65	Aug 2019 Postage Charges
City of Stamford	\$117.15	Sep 2019 Postage Charges
City of Stamford	\$116.65	Oct 2019 Postage Charges
City of Stamford	\$116.65	Nov 2019 Postage Charges
City of Stamford	\$115.65	Dec 2019 Postage Charges
Milliman	\$5362.50	Quarterly Retainer Jan-Mar 2020 Benefit Assistance
City of Stamford	\$4584.25	Payroll Processing Oct-Dec 2019

A **MOTION** was made by Trustee Kutz and seconded by Trustee Fountain at 1515 to pay each of the above listed invoice(s). Motion **PASSED** all in favor, trustee Freedman absent.

### **Correspondence**

A letter from Reid and Riege, the Pension Plans council. The letter outlined rate adjustments effective February 1, 2020. The board discussed the rates and rate increase.

A **MOTION** was made by Trustee Kutz and seconded by Trustee Fountain at 1520 to approve the new rates for Reid and Riege. Motion **PASSED** all in favor, trustee Freedman absent.

### **Approval of Previous Minutes**

Trustee Kutz read the minutes from the January 6, 2020 regular board meeting. Trustee Fountain pointed out that Chairman Golden and Trustee Palmer were not in attendance at the meeting. Trustee Freedman is absent, so we cannot approve the minutes with only 2 votes. It was recommended that we table the approval of the minutes of the January meeting to the March meeting.

A **MOTION** was made by Trustee Fountain and seconded by Chairman Golden at 1530 to postpone the acceptance of the minutes from the January board meeting until the March meeting. Motion **PASSED** all in favor, Trustee Freedman absent.

### **Next Meeting.**

The next **Regular** meeting will be scheduled for **Monday March 2<sup>nd</sup>, 2020 at 1200** in the Commissioner's Conference Room at Fire Headquarters. Milliman will be invited to discuss the GASB 67 and 68 Disclosure as well as the proposal and kickoff for the experience study. We will review the proposed changes to the Pension Trust Agreement. Beirne Wealth Consulting will also be on the agenda.

The following **Regular** meeting will be scheduled for **Monday April 6<sup>th</sup>, 2020 at 1200** in the Commissioner's Conference Room at Fire Headquarters. Beirne Wealth Consulting will begin bringing in fund managers for their periodic review by the board.

The board decided to move all the meetings for 2020 to the first Monday of the month, rather than the first Tuesday.

A **MOTION** was made by Trustee Fountain and seconded by Trustee Palmer at 1532 to move all the subsequent meetings in 2020 to the first Monday of the month. Motion **PASSED** all in favor, Trustee Freedman absent.

### **Adjournment**

A **MOTION** was made by Trustee Fountain and seconded by Trustee Palmer at 1535 to adjourn the meeting. Motion **PASSED** all in favor, trustee Freedman absent.