DRAFT

A meeting of the Trustees of the Classified Employees Retirement Fund was held on Monday, April 27, 2015, in the Republican Caucus Room, Fourth Floor of the Stamford Government Center, 888 Washington Boulevard, Stamford, Connecticut.

Those in attendance were:

Mayor David Martin	David Yanik - Controller
Joseph Caruso	Clemon Williams – Human Resources
Mary Lou Rinaldi	Mary Beth Troy– Human Resources
Burt Rosenberg	Nancy Markey – Human Resources
Randy Skigen	
Joyce Sun	

Acting Chairperson Randy Skigen called the meeting to order at 9:05 a.m.

Randy Skigen – The March 12, 2015 minutes need to be corrected to reflect that Mayor Martin stated that until the policy is in place people can participate by phone, but it would not count towards a quorum or a vote.

A motion to approve the March 12, 2015 minutes was made and seconded to reflect the above-noted change to the minutes. The minutes were approved 5 – with 1 abstention. Burt Rosenberg abstained.

Public Participation - Alvin Siegartel, Paul Vakos and John Perkins (see video).

Mayor Martin made a motion to take an item out of order, the second opinion attorney (Attorney Rachel Kushel). The motion was seconded by Mary Lou Rinaldi. The vote was 6 – 0 unanimous.

Burt Rosenberg made a motion to go into Executive Session at 9:19 a.m. to discussion the attorney opinion (Clemon Williams was asked to stay and Joyce Sun recused herself). The motion was seconded by Mayor Martin. The vote was 6 – 0 unanimous.

At 9:59 a.m. the Trustees came out of Executive Session and no votes were taken.

I. Old Business

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

B. RFP for Financial Manager – Mary Lou Rinaldi stated that she would like to give her opinion.

Burt Rosenberg made a motion to go into Executive Session. The motion was seconded by Mary Lou Rinaldi. The vote was 2 in favor, 3 opposed and 1 abstention.

Mary Lou Rinaldi gave her opinion regarding why the Trustees should vote for Morgan Stanley as the new Financial Manager.

Joseph Caruso gave his opinion regarding why that the Trustees should stay with Fiduciary Investment Advisors (FIA).

Joseph Caruso made a motion for a five minute recess so Clemon Williams could retrieve documents responsive to Ms. Rinaldi's question with regard to alleged pricing changes. The vote was seconded by Joyce Sun. The vote was 4 -2.

After the recess, Clemon Williams returned with documents showing that he had submitted the following question to the three (3) finalists via separate e-mails: Assuming a $250 million portfolio with a 70% equities, 30% fixed income, please price out the following:

- Your Investment Consultant Fees
- Your Custodian Fees
- Your Asset Management Fees
- Your Trading Costs
- The number of Investment products followed/analyzed by your research group

Since this question was in addition to the original RFP information the finalists responded with pricing to reflect the new assumptions.

Mary Lou Rinaldi made a motion to approve Morgan Stanley as the Investment Advisor for the CERF Fund. The motion was seconded by Burt Rosenberg.

Joseph Caruso objected to the question submitted by Ms. Rinaldi stating that he didn't think that the approval of Morgan Stanley was the appropriate question but that the question should be whether FIA should be approved.

Mayor Martin then submitted the question: How many Trustees are in favor of Morgan Stanley and how many are in favor of FIA?

Morgan Stanley – Mayor Martin, Mary Lou Rinaldi, Burt Rosenberg

FIA – Joseph Caruso, Randy Skigen, Joyce Sun

Since there was a 3-3 tie, Joseph Caruso stated that the Trustees should go with recommendation of the other two (2) pension boards.

Mary Lou Rinaldi indicated that a previous tie vote by the Trustees regarding the selection of a Financial Manager was broken by the Chairman (the Mayor).

Mayor Martin then stated he would like Clemon Williams to prepare a contract with Morgan Stanley as the financial advisor for CERF and see if FIA would provide pricing for handling two (2) funds (Custodians and OPEB) and if Morgan Stanley would provide pricing for handling one (1) fund (CERF).

Randy Skigen objected stating that since the RFP had been for the financial advising for three (3) funds, he didn't think the Trustees could award (1) of the three (3) funds to Morgan Stanley. He stated that he believed there needed to be three (3) separate RFP's issued.

Clemon Williams will check next week with Beverly Aveni (she is on vacation this week) about the RFP issue.

III. New Business

A. Return of Contributions - None

B. Retirements

Tony Vaccaro	$1,604.97 per month

C. Disability Retirements

Alfred Gorenflo	$ 3,060.37 per month

Mayor Martin made a motion to postpone items B and C until we receive the second attorney opinion. The motion was seconded by Mary Lou Rinaldi. The vote was 6 – 0 unanimous.

D. Vested – None

E. Bills

Blum Shapiro Audit for June 30, 2014	$6,000.00
Fiduciary Investment Advisors 1st Quarter	$8,250.00
Payroll Processing July, August, September 2014	$2,250.18
Payroll Processing January, February, March 2015	$2,323.92
Durant, Nichols, Houston, Hodgson & Cortese-Costa, P.C. – Conf. Call with Atty. Houston	$ 275.00

Bills continued

Durant, Nichols, Houston, Hodgson & Cortese-Costa, P.C. – Conference Call with Attorney Houston	$ 275.00
Wells Fargo February 2015	$5,260.07

Randy Skigen had to leave.

Mayor Martin made a motion to approve the above bills. The motion was seconded by Mary Lou Rinaldi. The vote was 5 – 0 unanimous (Randy Skigen was not present).

F. Frank Kirwin's retirement calculation.

Burt Rosenberg made a motion to return the overpayment of pension contributions made by Mr. Kirwin in connection with his buyback of service. The vote was 5 -0 unanimous (Randy Skigen was not present).

G. Report on monies that Fred Manfredonia stole from the City.

Clemon Williams will send the appropriations that should be returned to the different pension funds to the Board of Finance and Board of Representatives for approval.

H. Draft of QDRO Form.

Joseph Caruso made a motion to accept the Draft of the QDRO Form (Qualified Domestic Relations Order. The motion was seconded by Burt Rosenberg. The vote was 5 – 0 unanimous (Randy Skigen was not present).

I. David Yanik – Draft of Interim Financial report 2015.

David Yanik reviewed the report with the Trustees. Mr. Yanik will have the GASBE 2657 report posted to the website.

OPM setting the budget will be on the agenda for the next meeting.

The meeting was adjourned at 11:19 a.m.

The next regularly scheduled CERF Trustees meeting is scheduled for Thursday, May 21, 2015 at 9:00 a.m.

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Clemon Williams
CERF Secretary

CW/mbt

cc: Town Clerk