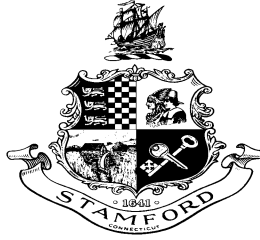


MAYOR
DAVID R. MARTIN



RICHARD FREEDMAN
CHAIRMAN
MARY LOU T. RINALDI
VICE CHAIR
DUDLEY N. WILLIAMS
SAL GABRIELE
DAVID KOORIS
SHELLEY A. MICHELSON

TEL: (203) 977-4699
FAX: (203) 977-5030

CITY OF STAMFORD BOARD OF FINANCE

STAMFORD GOVERNMENT CENTER
888 WASHINGTON BOULEVARD
P.O. BOX 10152
STAMFORD, CONNECTICUT 06904-2152

MINUTES - SPECIAL MEETING OF THE BOARD OF FINANCE

Thursday, June 29, 2017

Stamford Government Center

Board of Finance Conference Room

Pursuant to Sec. 6-20-2 of the *City of Stamford Charter*, Chairman Richard Freedman and Vice-Chair Mary Lou T. Rinaldi called a special meeting in the Conference Room of the Board of Finance on Thursday, June 29, 2017 at 7:00 p.m.

Attendees: Board of Finance Members Richard Freedman, Mary Lou T. Rinaldi, Dudley N. Williams, Sal Gabriele, David Kooris and Shelley A. Michelson. Also present were Mayor David Martin, Ernie Orgera, Director of Operations; Thomas Turk, Traffic and Road Maintenance Supervisor; Jay Fountain, Interim Director of OPM; and Chris Dellaselva, Assistant Corporation Counsel

Call to Order: Performed by Chairman Richard Freedman at 7:07 p.m., noting that all members were present. (*Video:00:00*):

Pledge of Allegiance: Chairman Freedman

MINUTES

1. (*Video: 00:00:29*) Extension of Deed Restrictions on the Holly Mansion Property for Soundwaters, Inc. Boat Shed Grant Application

Chris Dellaselva, Assistant Corporation Counsel gave a brief background on the history of the deed restrictions and explained the need for an extension of the agreement. This extension effectively amends the restrictions to go from 15 to 20 years and also incorporates the Boat Shed into the maintenance agreement. He also answered questions posed by Ms. Rinaldi and Mr. Kooris.

There being no further questions, Mr. Freedman called for a motion to approve the extension of Deed Restrictions. A motion to approve was made by Mr. Kooris, seconded by Mr. Williams. The motion passed 6-0-0.

Continued...

2. (Video: 00:05:30) Review of City of Stamford Highways Road Improvement Plan

Mayor David Martin, Ernie Orgera, Director of Operations, Louis Casolo, City Engineer and Thomas Turk, Traffic and Road Maintenance Supervisor, were in attendance. Mayor Martin spoke of changes in our highways activities starting with the first year he took office. He also talked about the prior highway maintenance approach and directional economics related to that, new strategies that have been implemented, new road pavement priorities and additional funding requests, which will be coming our way in July.

(Video: 01:19:23) There was a short recess at this time.

3. (Video: 01:32:33) Pension and OPEB Plans Review

Mayor Martin provided an overall review of the Pension and OPEB Plans to provide preliminary data on the following issues:

- Status of Plans' By-laws
- Governance of Plans
- Recording of Meetings
- Investment Rates of Return
- Unfunded Actuarial Accrued Liability
- Changes in Actuarial-Determined Contributions

Mr. Martin utilized a PowerPoint presentation to indicate the status of the City's five pension plans, including a comparison of three (3) years' returns with data from other communities. He said that four (4) of the plans were performing at an average return of 4.6%, excluding the Fire plan which was performing materially worse. Ms. Rinaldi suggested that the different pension funds would benefit from seeing Mr. Martin's presentation.

Mr. Freedman commented that the administrative details of these plans are complicated and said he is shocked at how casual the involvement of the City has been on the fire pension fund. The numbers are enormous and the complexity of this problem, with huge numbers, and the potential for mistakes is enormous - a small mistake repeated over and over again adds up to an enormous amount of money.

Mayor Martin announced that he will be forming a task force, which should include people from the Board of Finance, Board of Representatives, the five pensions, union representation and people knowledgeable in the field. Mr. Gabriele made suggestions on how that could be accomplished. Mr. Williams said there needs to be discussion about best practices on the task force or from people who present to the task force. He added that in the management of these funds there is a level of expertise needed, which we don't have right now. The level of performance is important - we are throwing millions away because of the poor performance of these funds. Mr. Kooris suggested having a blueprint for changes so we know the steps: which aspects are covered by Charter, which are changed by law. We will need to understand what leverage we have. Ms. Rinaldi agreed that people on the task force should be individuals who have a specific financial direction.

Mr. Martin commented that pension funds have two responsibilities: deciding the benefits for retirees and managing the fund. He would like the task force formulated within a month or so and be able to say that we are making some heady progress before January 1st. Mr. Freedman added that the amount of expertise required to discharge their duty on these boards is significant.

Mr. Martin asked Mr. Freedman to help him make decisions on setting up this task force.

Continued...

Mr. Barry Weston who is on the Stamford Republican Town Committee, suggested that there are two big questions: (1) how is it that over the last 6-7 years the funding has declined by 20 points? He said he actuaries ought to be able very quickly to help us understand that. With regard to question (2) he gave the example of Vanguard's Wellington fund investment philosophy and asked what has caused our investment performance to be so dismal? Mayor Martin responded to Mr. Weston's questions.

The Mayor thanked the Board for the opportunity to discuss this important matter.

(Video: 02:45:20) Mr. Freedman called for a motion to adjourn. A motion to adjourn was moved by Mr. Williams and seconded by Ms. Rinaldi. The motion passed 6-0-0.

[This meeting is on video.](#)

The Board of Finance conducted a special meeting for the above-stated purpose at the Stamford Government Center on Thursday, June 29, 2017 from 7:07 p.m. to 9:52 p.m.

cc: Mayor David Martin
Michael Handler, Director of Administration
Kathryn Emmet, Director of Legal Affairs
Jay Fountain, Interim Director of OPM
Randal Skigen, Board of Representatives

Donna Loglisci, City and Town Clerk
David Yanik, Controller
Clemmon Williams, Director of Human Resources
Jon Fontneau, Police Chief