

**NEW HAVEN CITY EMPLOYEES' RETIREMENT FUND (CERF)
TRUSTEE REGULAR MEETING MINUTES
WEDNESDAY, OCTOBER 20TH, 2021, 8:00 A.M.
VIRTUAL MEETING**

Dial in Numbers: US: +1 929 205 6099 or +1 301 715 8592

Password: 40357912

Meeting ID: 994 5311 7376

Meeting URL:

[https://newhavencity.zoom.us/j/99453117376?pwd=WmwwZkltMmVlbnQ5ZnNhc1JxNWZCLzNlZz09&from=ad](https://newhavencity.zoom.us/j/99453117376?pwd=WmwwZkltMmVlbnQ5ZnNhc1JxNWZCLzNlZz09&from=addon)

Meeting ID: 994 5311 7376

Password: c0fkZuJ8

TRUSTEES PRESENT:

Jerome Sagnella, Chairperson, Trustee
Cathy Graves, Trustee
Mark Pietrosimone, Trustee (exited 9:35am)
Mario Zangari, Trustee (exited 9:48am)
Michael Gorman, Acting Controller, Trustee (exited 9:55am)
Susan Whetstone, Trustee
Justin Elicker, Mayor, Trustee (exited 9:23am)

ALSO, PRESENT:

Leanna Ambersley, Pension Administrator
Taylor Cannon, Payroll/Benefit Auditor
Fayan Robinson-Sims, Payroll/Benefit Auditor
Carolyn Kone, Fund Counsel, Brenner, Saltzman & Wallman
Jack Strother, Fund Counsel, Brenner, Saltzman & Wallman
Derek Ciampini, Raymond James, Fund Financial Consultant
Wendy Coppola, Raymond James, Fund Financial Consultant
Dave Moran, Raymond James, Fund Financial Consultant
Nancy Kulesa, Bleichmar Fonti & Auld LLP
Patrick Cannon, NH Firefighter, NHFD Union President
Kevin Balaod, Journalist

Trustee Sagnella commenced the meeting at 8:06 a.m.

ITEM 1: INVESTMENT REPORT:

**A. RAYMOND JAMES PRESENTS; INCLUDING LARGE CAP GROWTH
SEARCH**

ITEM 2: APPROVAL OF MEETING MINUTES:

**A. APPROVAL OF THE MINUTES FOR SEPTEMBER 15TH, 2021 VIRTUAL
MEETING**

MOTION: Made by Trustee Graves to approve the minutes.

MOTION SECONDED: by Trustee Pietrosimone

MOTION CARRIED: by unanimous vote

ITEM 3: ADMINISTRATIVE MATTERS:

A. REPORT BY CLASS ACTION COUNSEL

B. EXECUTIVE SESSION: DISCUSSION OF A LEGAL OPINION

REGARDING THE COMPUTATION OF BENEFITS FOR DISABLED

RETIRES WHO ENTER CERF AFTER AGE 40

MOTION: Made by Trustee Sagnella to move into executive session for Item 3B, and to include Carolyn Kone, Jack Strother, Leanna Ambersley and Taylor Cannon along with the Trustees.

MOTION SECONDED: By Trustee Graves

MOTION CARRIED: By unanimous vote

Enter Executive Session at 8:30am

Exit Executive Session at 9:14am

MOTION: Made by Trustee Ellicker to resolve that CERF will apply to the IRS' Voluntary Correction Program for permission to retroactively and prospectively amend the language in the plan to provide that a disability benefit for a retiree who enters CERF after age 40 will be calculated on the basis of the higher of (I) retiree's last budgeted pay (II) the average earnings over the best 5 years.

MOTION SECONDED: by Trustee Graves

AYES: Trustee Graves, Trustee Sagnella, Trustee Gormany, Trustee Ellicker, Trustee Whetstone, Trustee Pietrosimone

NAYS: Trustee Zangari

MOTION CARRIED: by majority vote

C. UPDATE ON NEW INVESTMENTS- BIG II & REDBRICK

OPPORTUNITY FUND II

- APPROVAL OF INDEMNIFICATION CLAUSE, REDBRICK

MOTION: Made by Trustee Whetstone to approve the indemnification language subject to removal of the initial reference to CT Law

MOTION SECONDED: by Trustee Graves

AYES: Trustee Graves, Trustee Whetstone, Trustee Sagnella

ABSTAIN: Trustee Zangari, Trustee Gormany

MOTION CARRIED: by majority vote

D. DISCUSSION ON FINANCIAL REPORTS MONTHLY VS. QUARTERLY

MOTION: Made by Trustee Graves to receive monthly financial reports and the financial consultants to come in quarterly to give a deeper dive.

MOTION SECONDED: by Trustee Zangari

AYES: Trustee Graves, Trustee Zangari, Trustee Sagnella, Trustee Gormany

NAYS: Trustee Whelstone

MOTION CARRIED: by majority vote

E. APPROVAL OF RESOLUTION AMENDING INVESTMENT GUIDELINES (ALTERNATIVES)

MOTION: Made by Trustee Zangari to accept resolution as presented.

MOTION SECONDED: by Trustee Graves

MOTION CARRIED: by unanimous vote

ITEM 4: AGE ANNUITY/ RULE OF 80 /EARLY RETIREMENT – INFORMATION ONLY

A. Frankie Norman

Position: Assistant Building Manager

Date of Birth: 10/10/1947

Participation Date: 07/10/2007

Department: Custodian - BOE

BU: 287

Retirement Date: 10/23/2021

B. Ashish Desai

Position: Foreperson

Date of Birth: 09/06/1974

Participation Date: 03/08/1999

Department: Public Works

BU: 3144

Retirement Date: 11/01/2021

C. Carol Keel

Position: Security

Date of Birth: 04/18/1968

Participation Date: 08/27/2001

Department: BOE

BU: 884

Retirement Date: 10/02/2021

D. Charles Brooks

Position: Caretaker

Date of Birth: 03/06/1947

Participation Date: 04/26/1988

Department: Parks

BU: 71

Retirement Date: 10/01/2021

E. Scott Nabel

Position: Public Safety HR Mgr

Date of Birth: 07/09/1968

Participation Date: 06/26/1997

Department: Labor Relations

BU: EXEC

Retirement Date: 03/06/2021

ITEM 5: CONDITIONAL MEMBER RETIREMENT – INFORMATION ONLY

A. Maria DiMonaco

Position: Nurse
Age Elected to collect: 55
Participation Date: 03/08/2000

Department: Health - BON
BU: 1303-467
Retirement Date: 09/02/2021

ITEM 6: CONTRIBUTION WITHDRAWALS – INFORMATION ONLY

A. Joan Tedaldi-Malonis

Department: Nurse
Participation date: 07/03/2017
Withdrawal date: 09/17/2021

BU: 1303-467
Termination date: 09/12/2021

B. Wanda Thompson

Department: Exec Admin Asst.
Participation date: 11/09/2020
Withdrawal date: 09/21/2021

BU: 3144
Termination date: 08/12/2021

C. Yesmarie Diaz

Department: Processing Clerk
Participation date: 05/22/2017
Withdrawal date: 10/12/2021

BU: 884
Termination date: 09/22/2021

D. Windy Clayton

Department: General Worker
Participation date: 03/04/2016
Withdrawal date: 10/14/2021

BU: Food Service - BOE
Termination date: 09/13/2021

E. Reginald Williams

Department: Admin Asst.
Participation date: 12/04/2017
Withdrawal date: 10/14/2021

BU: 884
Termination date: 10/01/2021

ITEM 7: DEATH AFTER RETIREMENT – INFORMATION ONLY

A. ERNESTO SANTAELLA (DATE OF DEATH: 08/12/2021)

B. PATRICIA RUSSELL (DATE OF DEATH: 06/28/2021)

C. ROBERT BURNLEY (DATE OF DEATH: 07/10/2019)

D. LOUIS URSINI (DATE OF DEATH: 09/23/2021)

Trustee Sagnella requests a moment of silence for those in Item 7

ITEM 8: SERVICE-CONNECTED DISABILITY RETIREMENT:

This applicant has submitted a service-connected disability application which has been pending receipt of medical records from Yale Occupational. Service-Connected Disability and Non-Service-Connected Disability retirement applications require trustee review of medical records, discretion, deliberation, and vote.

Donna Walker

Hired: 10/14/1998

Retired: 06/30/2021

Position at Retirement: Cook/Lead

MOTION: Made by Trustee Pietrosimone to approve.

MOTION SECONDED: by Trustee Graves

MOTION CARRIED: by unanimous vote

ITEM 9: PAYMENT OF THE BILLS: (See Attached Itemization)

MOTION: Made by Trustee Graves to approve 9A.

MOTION SECONDED: by Trustee Zangari

MOTION CARRIED: by unanimous vote

MOTION: Made by Trustee Elicker to approve 9B.

MOTION SECONDED: by Trustee Graves

MOTION CARRIED: by unanimous vote

ITEM 10: OLD BUSINESS:

ITEM 11: NEW BUSINESS:

ITEM 12: ADJOURNMENT:

MOTION: Made by Trustee Graves to adjourn.

MOTION SECONDED: by Trustee Whetstone

MOTION CARRIED: by unanimous vote

The meeting adjourned at 10:08 A.M.

NEXT REGULAR MEETING:

November 17, 2021

8:00 a.m.

ITEM 9: ITEMIZED BILLS FOR PAYMENT:

A) LEGAL EXPENSES:

BRENNER, SALTZMAN & WALLMAN LLP- PROFESSIONAL SERVICES: SEPTEMBER 2021 #66845	\$6,000.00
Total Legal Expenses	\$6,000.00

B) ADMINISTRATIVE EXPENSES:

TREASURER – CITY OF NEW HAVEN	\$5,291.70
PENSION CONTRIBUTION ERROR REFUND – ROSA MELENDEZ	
Total Administrative Expenses	\$5,291.70

Total Expenses	\$11,291.70
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ATTEST:



Michael Gormany, Acting Controller, CERF Trustee

RESOLUTION OF THE BOARD OF TRUSTEES OF THE CITY OF NEW HAVEN CITY
EMPLOYEES' RETIREMENT FUND

WHEREAS, the Board of Trustees of the City of New Haven City Employees' Retirement Fund ("CERF") adopted Investment Objectives and Guidelines, amended on May 15, 2019 (the "Guidelines"); and

WHEREAS, Appendix I of the Guidelines sets forth an Asset Allocation Policy Index, which lists Asset Classes and the percentages of target return and ranges of return for each Asset Class; and

WHEREAS, one of the Asset Classes set forth in Appendix I is the for investments that are classified as "Alternatives" which includes seven (7) subclasses of Alternatives, described as "Absolute Return, Equity Hedge, Equity Return, Private Credit, Private Equity, Private Real Estate and Managed Futures;" and

WHEREAS, for each subclass of Alternatives listed in Appendix I, a target percentage return and a target percentage range of return is set forth in Appendix I; and

WHEREAS, as a result of providing for numerous subclasses of Alternatives investments in the Guidelines which must be invested in, investment decisions may be required to be made by the Board of Trustees of CERF, which would otherwise not be made in view of the illiquidity of such investments, the risk factors involved in such investments and prevailing market conditions, in order to satisfy the requirements of the Guidelines; and

WHEREAS, because certain Alternatives which CERF may desire to invest in may not fit within the narrow descriptions of the subclasses of Alternatives in the Guidelines, and therefore, CERF may be required to forego investing in an Alternative investment that would otherwise be in the best interests of the Fund to make; and

WHEREAS, the Board of Trustees of CERF desires to provide for more flexibility in making Alternative investments in order for the Trustees to fulfill their fiduciary duties with respect to the investment of CERF's assets; and

WHEREAS, the Guidelines provide that they may be amended by the Board of Trustees.

NOW THEREFORE, the Board of Trustees hereby adopts the attached Amended Appendix I to provide for broader descriptions of the subclasses of Alternatives investments and their percentages of target returns and target return ranges permitted by the Guidelines.

Except as amended by this Resolution, all other provisions of the Guidelines shall remain unchanged

Adopted at a meeting of the Board of Trustees of the City of New Haven City Employees' Retirement Fund on October 20, 2021.



Michael Gormany, Acting Controller
Clerk

AMENDED APPENDIX I

City of New Haven City Employees' Retirement Fund ("CERF")

ASSET ALLOCATION POLICY INDEX

In order to have a reasonable probability of achieving the target return at an acceptable risk level, the Plan has adopted the asset allocation policy outlined below. The actual asset allocation will be reviewed on a quarterly basis and will be readjusted when an asset class weighting is outside its target range

<u>ASSET CLASS</u>	<u>TARGET%</u>	<u>TARGET RANGE%</u>
EQUITY	60	75-50
Large Capitalization	28	30-20
Mid/Small Capitalization	16	20-10
International Equity	8	10-5
Emerging Markets	8	10-5
FIXED INCOME	16	40-15
Core Bonds	2	20-5
High Yield Bonds	4	7.5-5
International Bonds	5	7.5-5
Emerging Market Bonds	5	5-0
ALTERNATIVES	24	30-10
Absolute Return	0	5-0
Equity Hedge	6	7.5-5
Equity Return	0	5-0
Private Credit	0	7.5-0
Private Equity	6	15-0
Private Real Estate	5	10-0
Managed Futures	7	7-0
Private Equity	6	5-16
Private Real Estate/Real Estate	5	5-15
Hedge/Other	13	0-20
CASH	0	5-0

The Plan's Asset Allocation Policy Index is a custom benchmark designed to indicate the returns that a passive investor would earn by consistently following the asset allocation targets set forth in this Investment Policy Statement. It is useful in separating the impact of this Investment Policy Statement from execution of the investment strategy in evaluating the performance of the Fund's investment program.

The Asset Allocation Policy Index is calculated by multiplying the target commitment to each asset class by the rate of return of the appropriate market index, as listed above, on a monthly basis.