

## MINUTES

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### SPECIAL JOINT MEETING OF THE BOARD OF TRUSTEES OF THE CITY EMPLOYEES' RETIREMENT FUND AND THE BOARD OF TRUSTEES OF THE POLICE & FIREMEN'S PENSION FUND

City Hall Auditorium / Zoom

August 1, 2022

A **SPECIAL JOINT MEETING** of the Board of Trustees of the City Employees' Retirement Fund and the Board of Trustees of the Police & Firemen's Pension Fund was held on Monday, August 1, 2022, in the City Hall Auditorium and via Zoom.

Those in attendance included Mayor Elinor Carbone, Corporation Counsel Victor Muschell, Treasurer Dan Farley, and members of the Board of Trustees of the City Employees' Retirement Fund, Councilors Anne Ruwet, Armand Maniccia, Keri Hoehne, Supervisors Edward Tousey, and Tim Cote. Attending via Zoom were Councilors Drake Waldron, David Oliver, and Paul Cavagnero. Also present were members of the Board of Trustees of the Police & Firemen's Pension Fund Commissioner Darlene Battle, and Battalion Chief Thomas Sterling. Attending via Zoom were Commissioners Joseph McElroy, Gregg Cogswell, Glenn McLeod, Nicholas Lettieri, and James Foley. Also present was Public Works Director Ray Drew.

Members Sheryl Lewis, Ralph Boscarino, Craig Audia, Chris Paganini, Commissioner Douglas Benedetto, Commissioner Molly Spino, and Lieutenant Edward DeLisle were absent.

Mayor Carbone called the meeting to order at 6:31 p.m. beginning with the Pledge of Allegiance.

#### Minutes

On a motion by Councilor Maniccia, seconded by Commissioner Battle, the Board of Trustees of the City Employees' Retirement Fund and the Board of Trustees of the Police and Firemen's Pension Fund voted unanimously to approve the minutes of the regular joint meeting held on February 7, 2022.

#### Presentation: Fiducient Advisors

Mr. Anthony Tranghese updated the boards on the market performance for the first two quarters of 2022. He reported that the City Employees Plan is at \$42,782,975 and the Police & Firemen's Plan is at \$69,726,958, as of July 31, 2022, which is roughly a 5% increase since the end of the fiscal year. Mr. Tranghese said that he has some recommendations for changes to the portfolios at this time. Commissioner Battle asked what the position is going forward for the pension funds, Mayor Carbone let her know that as of June 30, 2021, the City Employees' Pension Plan is funded at 91% and the Police and Firemen's Pension Fund is funded at 71%.

#### Proposed update to Asset Allocation Targets

On a motion by Battalion Chief Sterling, seconded by Commissioner Battle, the **Board of Trustees of the Police and Firemen's Pension Fund** voted unanimously to approve the recommended changes, which is to terminate Artisan International and replace it with Harding Loevner International, as presented by Fiducient Advisors, for the Police and Firemen's Pension Fund. **See addendum 1.**

On a motion by Supervisor Tousey, seconded by Councilor Oliver, the **Board of Trustees of the City Employees' Retirement Fund** voted unanimously to approve the recommended changes, which is to terminate Artisan International and replace it with Harding Loevner International, as presented by Fiducient Advisors, for the City Employees' Retirement Fund. **See addendum 2.**

#### Pension Computations – City Hall Employees Retirement Fund

On a motion by Councilor Ruwet, seconded by Councilor Oliver, the **Board of Trustees of the City Employees' Retirement Fund, AFSCME Council 4, Local 2212 City Hall Employees** voted unanimously to accept the pension computation effective April 30, 2022, for Brenda Reginatto, Senior Account Clerk for the City of Torrington Finance Department, after 21 years of service.

On a motion by Councilor Hoehne, seconded by Councilor Maniccia, the **Board of Trustees of the City Employees' Retirement Fund, AFSCME Council 4, Local 2212 City Hall Employees** voted unanimously to accept the pension computation effective May 12, 2022, for Lynn Florio, Senior Account Clerk for the City of Torrington City Clerk Department, after 15 years of service.

#### Pension Computations – Management Resolution

On a motion by Councilor Hoehne, seconded by Councilor Maniccia, the **Board of Trustees of the City Employees' Retirement Fund, Management Resolution**, voted unanimously to accept the pension computation effective April 23, 2022, for Albert Vasko, Corporation Counsel for the City of Torrington, after 16 years of service.

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**SPECIAL JOINT MEETING OF THE BOARD OF TRUSTEES OF THE CITY EMPLOYEES' RETIREMENT FUND AND  
THE BOARD OF TRUSTEES OF THE POLICE & FIREMEN'S PENSION FUND**

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**Pension Computations – Public Works**

On a motion by Councilor Hoehne, seconded by Councilor Ruwet, the **Board of Trustees of the City Employees' Retirement Fund, AFSCME Council 4, Local 2212 Public Works Employees** voted unanimously to accept the pension computation effective March 16, 2022, for John E. Godenzi, Public Works Maintainer II for the City of Torrington Public Works Department, after 14 years of service.

**Pension Computations – Police Department**

On a motion by Commissioner Battle, seconded by Commissioner McLeod, the **Board of Trustees of the Police and Firemen's Pension Fund - AFSCME Council 15, Local 442** voted unanimously to accept the pension computation effective June 30, 2022, for Jennifer Hayes, Patrolman A for the City of Torrington Police Department, after 15.12 years of service.

On a motion by Commissioner McLeod, seconded by Commissioner Battle, the **Board of Trustees of the Police and Firemen's Pension Fund - AFSCME Council 15, Local 442** voted unanimously to accept the pension computation effective March 27, 2022, for James Crean, Detective for the City of Torrington Police Department, after 25.02 years of service.

On a motion by Commissioner Battle, seconded by Commissioner McLeod, the **Board of Trustees of the Police and Firemen's Pension Fund - AFSCME Council 15, Local 442** voted unanimously to accept the pension computation effective July 3, 2022, for Keith Dablain, Detective for the City of Torrington Police Department, after 23.01 years of service.

**Adjournment**

On a motion by Councilor Hoehne, seconded by Councilor Maniccia, the Boards voted unanimously to adjourn the meeting at 7:08 p.m.

*Respectfully submitted by*  
*Heather Abraham, Asst. City Clerk*

ATTEST:

*Carol L Anderson*

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**City Hall Auditorium / Zoom**

**August 1, 2022**

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| CITY OF TORRINGTON EMPLOYEES PENSION PLAN   |                           |                       |                   |                    |                  |                     |                      |
|---|---------------------------|-----------------------|-------------------|--------------------|------------------|---------------------|----------------------|
| CASH FLOW WORKSHEET   |                           |                       |                   |                    |                  |                     |                      |
| Objectives: Updated Balances, replace Artisan with Harding Loevner, allocate upcoming contribution of \$220,000 |                           |                       |                   |                    |                  |                     |                      |
| Fund  | Balances as of<br>7/31/22 | Current<br>Allocation | Current<br>Target | Proposed<br>Target | Cash Flow (\$)   | Resulting Balance   | Resulting Allocation |
| <b>FIXED INCOME</b>   |                           |                       |                   |                    |                  |                     |                      |
| Vanguard Total Bond Mkt Index Adm   | \$1,740,715               | 4.1%                  | 4.0%              | 4.0%               |                  | \$1,740,715         | 4.1%                 |
| MetWest Total Return Bond Fund Pl   | \$5,285,344               | 12.4%                 | 12.0%             | 12.0%              |                  | \$5,285,344         | 12.3%                |
| BlackRock Strategic Income K  | \$3,905,291               | 9.1%                  | 9.0%              | 9.0%               |                  | \$3,905,291         | 9.1%                 |
| Eaton Vance Floating Rate Bond I  | \$855,371                 | 2.0%                  | 2.0%              | 2.0%               |                  | \$855,371           | 2.0%                 |
| Brandywine Global Opportunities IS  | \$1,296,396               | 3.0%                  | 3.0%              | 3.0%               |                  | \$1,296,396         | 3.0%                 |
| Residual BofA Fixed Income  | \$113                     | 0.0%                  | 0.0%              | 0.0%               |                  | \$113               | 0.0%                 |
| <b>Total Fixed Income</b>   | <b>\$13,083,230</b>       | <b>30.6%</b>          | <b>30.0%</b>      | <b>30.0%</b>       | <b>0</b>         | <b>\$13,083,230</b> | <b>30.5%</b>         |
| <b>DOMESTIC EQUITY</b>  |                           |                       |                   |                    |                  |                     |                      |
| Vanguard Institutional Index I  | \$5,474,737               | 12.8%                 | 12.5%             | 12.5%              |                  | \$5,474,737         | 12.8%                |
| MFS Value R6  | \$4,321,974               | 10.1%                 | 10.0%             | 10.0%              |                  | \$4,321,974         | 10.1%                |
| MainStay Large Cap Growth Fund I  | \$3,902,667               | 9.1%                  | 9.0%              | 9.0%               |                  | \$3,902,667         | 9.1%                 |
| Boston Trust Small Cap Fund   | \$2,447,409               | 5.7%                  | 5.5%              | 5.5%               |                  | \$2,447,409         | 5.7%                 |
| <b>Total Domestic Equity</b>  | <b>\$16,146,787</b>       | <b>37.8%</b>          | <b>37.0%</b>      | <b>37.0%</b>       | <b>0</b>         | <b>\$16,146,787</b> | <b>37.6%</b>         |
| <b>INTERNATIONAL EQUITY</b>   |                           |                       |                   |                    |                  |                     |                      |
| Dodge & Cox International Stock   | \$4,053,733               | 9.5%                  | 10.0%             | 10.0%              |                  | \$4,053,733         | 9.4%                 |
| Artisan International Inst  | \$4,035,780               | 9.4%                  | 10.0%             | 0.0%               | (4,035,780)      | \$0                 | 0.0%                 |
| Harding Loevner Intl Eq Z   | \$0                       | 0.0%                  | 0.0%              | 10.0%              | 4,035,780        | \$4,035,780         | 9.4%                 |
| Fidelity Global ex US Index I   | \$3,570,512               | 8.4%                  | 8.5%              | 8.5%               | 220,000          | \$3,790,512         | 8.8%                 |
| <b>Total International Equity</b>   | <b>\$11,660,025</b>       | <b>27.3%</b>          | <b>28.5%</b>      | <b>28.5%</b>       | <b>220,000</b>   | <b>\$11,880,025</b> | <b>27.7%</b>         |
| <b>INFLATION HEDGING</b>  |                           |                       |                   |                    |                  |                     |                      |
| Principal Diversified Real Assets Fund R6   | \$1,828,941               | 4.3%                  | 4.5%              | 4.5%               |                  | \$1,828,941         | 4.3%                 |
| <b>Total Inflation Hedging</b>  | <b>\$1,828,941</b>        | <b>4.3%</b>           | <b>4.5%</b>       | <b>4.5%</b>        | <b>0</b>         | <b>\$1,828,941</b>  | <b>4.3%</b>          |
| <b>PORTFOLIO INVESTED TOTAL</b>   | <b>\$42,718,983</b>       | <b>100.0%</b>         | <b>100.0%</b>     | <b>100.0%</b>      | <b>\$220,000</b> | <b>\$42,938,983</b> | <b>100.0%</b>        |
| <b>CASH RESERVES</b>  |                           |                       |                   |                    |                  |                     |                      |
| Cash  | \$63,992                  | 0.1%                  | 0.0%              | 0.0%               |                  | \$63,992            | 0.1%                 |
| <b>TOTAL PORTFOLIO</b>  | <b>\$42,782,975</b>       |                       |                   |                    | <b>\$220,000</b> | <b>\$43,002,975</b> |                      |
| <i>Source: Principal</i>  |                           |                       |                   |                    |                  |                     |                      |

You acknowledge and agree that you are solely responsible for issuing any instructions and implementing any transactions that may be necessary or appropriate in order to make any changes that we may recommend in light of your objectives and policies, performance of your investment managers, and such other market conditions and factors that we deemed relevant. You understand and agree that our duties and responsibilities under this Agreement do not include acting as your agent in connection with: (a) establishing or terminating client accounts with investment managers, (b) providing any type of instructions to custodian, (c) providing investment or withdrawal instructions to any person or entity, (d) providing or relaying wire transfer or payment instructions relating to the settlement of transactions, or (e) advising on or voting proxies on your behalf. We shall not be liable to you for any failure relating to the issuance, delivery, timeliness, accuracy or completeness of instructions as to securities transactions approved by you in connection with any Account changes. You are responsible for verifying the issuance, timeliness, delivery, completeness, and accuracy of all instructions to third parties and for directly communicating any instructions to appropriate parties. We are not authorized to initiate transactions on your behalf nor can we assume responsibility for untimely, inaccurate, or incomplete information. You understand that recommended purchase and sale transactions are not necessarily performed simultaneously and that implementation of investment decisions may result in sale proceeds and/or cash being reinvested for some period of time. Our Services do not include analyzing and minimizing the short-term effects that may accompany the implementation of recommended Account changes.