



To: Norwalk Municipal Employees' Pension Board

From: Geri M. DiStefano, Benefits Manager

Date: April 8, 2022

Subject: Pension Board Meeting – Wednesday, April 13, 2022 - via Teleconference

A meeting of the Norwalk Municipal Employees' Pension Board will be held on **Wednesday, April 13, 2022 at 6:00 p.m.**, via teleconference.

To allow public access, anyone may access a meeting by telephone, Zoom, and/or the City of Norwalk YouTube channel. Specific instructions and links can be found at norwalkct.org/meetings

A G E N D A

1. Call to Order and Approval of Minutes from March 9, 2022
2. Public Comments
3. Approval of Pension Applications
4. Actuary Presentation
5. Performance Review
6. Adjourn

Next meeting scheduled for May 11, 2022.

cc: Mayor Harry Rilling
Irene Dixon, City Clerk
Britton Murdoch, Callan Associates Inc.
Tom Shingler, Callan Associates Inc.
Billy Ireland, Fire Union President
Al Palumbo, NASA President

**CITY OF NORWALK
MUNICIPAL EMPLOYEES' PENSION BOARD
VIA TELECONFERENCE
MARCH 9, 2022**

ATTENDANCE: Frank Nash, Chairman; Richard Baskin, James Hendrickson,
Charles Pirro, Joseph Pramer

STAFF: Chitsamay Lam, Comptroller

OTHER: Callan Associates LLC: Britton Murdoch
Artisan Representatives (as noted in handouts) Artisan: Ami Fox,
Sean Howley
Eileen Romeo, NFEP

Call to Order

Mr. Nash called the meeting to order at 6:30 p.m., noted above members in attendance, and a quorum was present.

Approval of Minutes

- ** **MR. HENDRICKSON MOVED TO APPROVE THE MINUTES FROM THE MEETING OF FEBRUARY 9, 2022 AS AMENDED WITH EDITS FROM CALLAN AS SUBMITTED.**
- ** **MR. BASKIN SECONDED THE MOTION.**
- ** **THE MOTION PASSED UNANIMOUSLY.**

Public Comments - None

Approval of Pension Applications

Ms. Distefano presented the following application and stated that all documentation was in as required:

Name	Years of Service	Age	Type of Pension	Final Average Salary	Option Selected	Monthly/ Annual Benefit
Marvin Sanders	28 Years	56	Early	\$75,885.99	Option I	\$3,066.21/ \$36,0794.52
Recreation & Parks						
Park Maintainer III						
Commencement Date	March 12, 2022					

- ** MR. PIRRO MOVED TO APPROVE THE ABOVE PENSION APPLICATION AS SUBMITTED**
**** MR. HENDRICKSON SECONDED THE MOTION.**
**** THE MOTION PASSED UNANIMOUSLY.**

Approval of Change in Beneficiary Designation

Ms. DiStefano noted that the next item was for a beneficiary designation that had been changed on a revised application for Stanley Schuler, which is required to come to the Board for all approval. Mr. Nash asked if this has happened before, as he does not recall a change in beneficiary done in this manner. Mr. Pirro answered that he did not recall this being done throughout his 20+ year tenure on the Pension Board.

Mr. Pramer asked who was the previous beneficiary, and Ms. DiStefano answered it was a sister, and the retiree is now changing that to his spouse. She reviewed the process and explained that the current beneficiary had come in to her office and she did witness the change in beneficiary designation signatures.

Mr. Pramer asked if this is something that should be in a Benefits handbook that highlights the need for Board approval for any changes to beneficiary designations. Mr. Pirro suggested that it would be an employee benefit practice for full disclosure of information, but not a required action under this Board's purview. It was noted to add this as a suggestion to the City Personnel Department.

Artisan International Equity Business Presentation

The Artisan representatives referred to charts of the presentation gave a background history of the ~~affiliation-relationship~~ with Norwalk Pension Fund. They highlighted historical performance and outlined their investment approach ~~and quantitative measures~~. Questions and comments from the Board members were fielded throughout the presentation.

The Board discussed the Artisan performance. Mr. Murdoch said that he would follow up with Artisan to answer additional questions from the Board.

~~Mr. Baskin questioned the performance reports and percentage measurements compared to last month's reports. He noted that reports of absolute return versus actual returns was not a consistent measure. Mr. Murdoch noted that he would examine the reports for consistency, but most likely January numbers had a negative impact on the year-to-date returns.~~

Performance Review

Mr. Murdoch referred to the Investment Measurement Service review the January monthly performance report, review as included in the presentation documents, and provided a summary of the performance for the Pension Fund. Questions and comments from the Board were fielded throughout the presentation.

A discussion ensued relative to the President's ban on Russian investments and the impact to the managers in the Pension fund. Mr. Pirro referred to a bulletin from the state and Mr. Hendrickson read from an article in the Wall Street Journal. Mr. Murdoch noted that the Russian stock markets as well as the various ADR exchanges were now closed. He reported that the industry is well-aware of the ban on Russian investments, and the complexity involved with identifying and potentially dissolving those funds is a task that the fund managers are facing. Mr. Murdoch reviewed the current Russian exposures with the Board and would follow up to clarify the inquiries from the Board.

ESG Discussion

Mr. Nash summarized last month's discussions on the topic of social matters of investments with environmentally aware companies. A discussion ensued relative to investments in companies that have an 'ESG initiative' investing and how this can have an actual measurable outcome. Mr. Murdoch noted that many of Norwalk's existing investment managers already incorporate ESG criteria into their investment processes.

Mr. Pramer reiterated his viewpoint that corporations are all in line with environmental initiatives and that this is somewhat standard in today's business and industry. Mr. Nash referred to the fiduciary responsibility of the Board is to maximize the financial outcome of the Pension Fund for maximum benefit to members of the City's retired workers. He added that the ESG issue is out of a response to concerned City officials to answer their constituents.

There was a debate on whether this was a political issue or if City employees or contributors of the pension fund were actually requesting a direction for investments into ESG companies. It was noted that there have not been members of the public questioning the fund investments, practices, or policies.

Mr. Nash thanked Mr. Murdoch for sending to the Board Members the Investment Guidelines Fiduciary Education and the role of members of the Municipal Employees' Pension Board.

There was further discussion on if ESG is appropriate for the Defined Contribution Fund, and if employees would prefer that as a self-directed option for investing. It was agreed to add ESG for further discussion to the agenda for the next DC meeting in the fall.

Mr. Murdoch will noted that this is something that Callan does recognize as a trend with investments and they will monitor and provide more information on ESG research and literature in advance of the next DC meeting.

FUND DISBURSEMENTS

Ms. Lam replied that based on the current liquid funds cash balance and scheduled Pension payments, the City would need to raise the \$6 million is needed to cover pension distributions in the coming months.

There was discussion on where to withdraw the cash needed for pension disbursements.

Mr. Baskin noted the Artisan under performance in that market segment, and he added that Silchester has been able to fill that target allocation in International Emerging Markets.

There was discussion on looking at the allocation following the Actuarial Review to re-balance the investment targets.

- ** MR. PIRO MOVED TO WITHDRAW \$6 MILLION FROM ARTISAN TO COVER CASH NEEDS FOR PENSION DISBURSEMENTS.
- ** MR. PRAMER SECONDED THE MOTION.
- ** THE MOTION PASSED UNANIMOUSLY.

ADJOURNMENT

- ** MR. HENDRICKSON MOVED TO ADJOURN.
- ** MR. PRAMER SECONDED THE MOTION.
- ** THE MOTION PASSED UNANIMOUSLY.

The meeting was adjourned at 8:12 p.m.

Respectfully submitted,

City of Norwalk
Norwalk Municipal Employees' Pension Board
March 9, 2022
Page 4 of 5

M. Knox
Telesco Secretarial Services

APPROVAL OF PENSION APPLICATIONS

MEETING OF: April 13, 2022

Name	Years of Service	Age	Type of Pension	Final Average Salary	Option Selected	Monthly/ Annual Benefit
Penny Arvanitakis Board of Education Special Ed Aide Commencement Date	17 Years, 3 Months January 2, 2022	65	Regular	\$32,331.08	Option III	\$1,031.66/ \$12,379.92
Patrice Klein Board of Education Nurse Commencement Date	14 Years March 2, 2022	62	Regular	\$58,433.86	Option III	\$1,328.74/ \$15,944.88
Debra Ciarletta Police Dispatch Supervisor Commencement Date	16 Years, 9 Months April 19, 2022	66	Regular	\$96,842.15	Standard	\$2,703.51/ \$32,442.12



To: Norwalk Municipal Employees' Pension Board

From: Geri M. DiStefano, Benefits Manager

Date: April 13, 2022

Subject: Defined Contribution Committee Meeting – Wednesday, April 13, 2022 - Teleconference

A Defined Contribution Committee meeting of the Norwalk Municipal Employees' Pension Board will be held on **Wednesday, April 13, 2022 at 6:30 p.m.**, via teleconference.

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******* REVISED AGENDA *******

AGENDA

1. Call to Order and Approval of Minutes from January 12, 2022
2. Performance Review
3. Callan Contract – EXECUTIVE SESSION
4. Adjourn

cc: Mayor Harry Rilling
Irene Dixon, City Clerk
Britton Murdoch, Callan Associates Inc.
Tom Shingler, Callan Associates Inc.
Billy Ireland, Fire Union President
Al Palumbo, NASA President

**CITY OF NORWALK
MUNICIPAL EMPLOYEES' PENSION BOARD
DEFINED CONTRIBUTION COMMITTEE
JANUARY 12, 2022**

ATTENDANCE: Frank Nash, Chairman; Richard Baskin,
James Hendrickson, Charles Pirro, Joseph Pramer,
Eileen Romeo, NFEP.
STAFF: Chitsamay Lam, Comptroller;
OTHER: Callan AssociatesLLC: Britton Murdoch

Call to Order

Mr. Nash called the meeting to order at 6:00 p.m., noted above members in attendance, and a quorum was present.

Approval of Minutes – October 13, 2021

**** MR. HENDRICKSON MOVED TO APPROVE THE MINUTES FROM
THE MEETING OF OCTOBER 13, 2021 AS SUBMITTED.
** MR. BASKIN SECONDED THE MOTION.
** THE MOTION PASSED UNANIMOUSLY.**

Capital Group American Funds TDF Portfolio Review

Mr. Murdoch introduced the representatives from Capital Group, American Funds: Christine Wahl, Ronan Burke, and Rich Lang. They provided an overview of their roles along with members of the firm.

Ms. Wahl outlined their objective-based approach and Mr. Lang provided the Target Datey Funds Review. He highlighted the charts in the report and outlined the fund performance, explaining their unique strategy, sector outlooks, and long-term performance.

Comments and questions from the Board members were addressed throughout the presentation.

Performance Review

Mr. Murdoch referred to the report of Investment Measurement Service review ending ~~November~~ September 30, 2021 and provided a summary of the asset allocation and performance for the 457b and 401A Defined Contribution ~~Funds~~ Plans.

ADJOURNMENT

- ** MR. HENDRICKSON MOVED TO ADJOURN.
- ** MR. PRAMER SECONDED THE MOTION.
- ** THE MOTION PASSED UNANIMOUSLY.

The meeting was adjourned at 6:30 p.m.

Respectfully submitted,

M. Knox
Telesco Secretarial Services