

CITY EMPLOYEES RETIREMENT FUND BOARD

MINUTES

April 27, 2009

PLACE: City Hall
200 Orange Street
Dept. of Finance Conference Room
New Haven, Connecticut 06510

PRESENT: Jerry Sagnella, Chairman
Thomas Cama
John Varrone, Members' Representative
Mark Pietrosimone, Secretary

ABSENT: Mayor John DeStefano, Jr.
David Slifka

ALSO PRESENT: Joann Giri, Benefits Auditor
Derek Ciampini, Merrill Lynch
Chris Coppola, Merrill Lynch
Wendy Coppola, Merrill Lynch
Patricia Solomon, Local 3144 Rep.

Mr. Sagnella convened the meeting at 11:15 a.m.

1. ESTABLISH SUBCOMMITTEE TO HEAR PRESENTATION BY BOYD WATTERSON TO REVIEW THE FEASIBILITY OF INVESTMENT IN TERM ASSET SECURITIES LOAN FACILITY (TALF)

Mr. Pietrosimone made a motion to establish a subcommittee to hear a presentation by Boyd Watterson; Mr. Varrone seconded, and the vote was unanimous.

The subcommittee will consist of Jerry Sagnella, Mark Pietrosimone and Patricia Solomon. The presentation is scheduled for 9:30 Tuesday, April 28, 2009.

Mr. Ciampini stated this is a unique opportunity and is a federal government sanctioned investment. The government is trying to create liquidity in the current environment. It is very risk averse and could be very profitable. Mr. Sagnella asked about liquidity. Mr. Ciampini stated they are very liquid. Mr. Sagnella asked what is the funding level. Mr. Ciampini stated the minimum is \$5 million.

2. INVESTMENT POLICY STATEMENT UPDATE

Mr. Ciampini stated he made some changes to the investment policy. The domestic fixed income benchmark was Lehmann Aggregate Bond Index; it is now the Barclay

Aggregate Bond Index. The high yield fixed income benchmark is now the Merrill Lynch High Yield Cash Pay index.

The equity target range is now 90-40%, the mid/small cap target is 12%; the high yield bond range is 15-0% and the fixed target range is 50-15%.

Also they gave Emerald Advisors the latitude to invest in TIPS, Agencies and Corporate Bonds at their discretion. The attached the individual investment guidelines for each money manager to the investment policy statement.

Mr. Sagnella stated upon approval we should send copies to legal counsel and the money managers. Mr. Ciampini stated the managers already have the revised guidelines.

Mr. Cama made a motion to adopt the revised investment guidelines; Mr. Varrone seconded, and the vote was unanimous.

The meeting adjourned at 11:30 a.m. on a motion by Mr. Varrone and seconded by Mr. Pietrosimone the vote was unanimous.

ATTEST:

Secretary