

**MINUTES OF
PENSION AND RETIREMENT BOARD
MEETING HELD**

APRIL 19, 2012 – 7:30 P.M.

CONFERENCE ROOM A - PARSONS GOVERNMENT COMPLEX

MEMBERS PRESENT

J. Sartor
P. Beckwith
G. Behrle (Alt.)
M. Chaco
R. Elwell
M. Hedman
L. Lah (Alt.)
R. Lynch
L. Mahoney
T. Piskura
D. Sharoh
W. Shea
R. Smith (Alt.)
P. Staneski

MEMBERS ABSENT

K. Ali
C. Cody
S. Firmender (Alt.)
G. Kimmel (Alt.)
F. Murphy (Alt.)
R. Riordan (Alt.)
T. Bradbury

ALSO PRESENT

John Beirne, Beirne Wealth
John Oliver Beirne, Beirne Wealth
George Gasper (Board of Aldermen)
Jane Sterback, Pension Office
Meg Greene, Acting Rec. Sec.

Chairman Sartor called the meeting to order at 7:35 p.m.

Disposition of Minutes:

A motion to approve the minutes of the March 15, 2012 meeting was made by Mr. Elwell, seconded by Mr. Mahoney and carried unanimously

Report of the Chairman

The chairman reported that we have received the Hooker and Holcombe 2004-2011 Experience Study. A motion was made and seconded to table this report until the next meeting.

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Pension Requests*The following requests were presented for consideration.*

James Staurovsky	Code	3	-	Police
	Regular Retirement			– Calculations Pending
Frank Gall, Jr.	Code	3	-	Police
	Regular Retirement			– Calculations
Phyllis Kloeppner	Code	8	-	BOE (Cafeteria)
	Regular Retirement			– Application
Andrew Vargo	Code	3	-	Fire
	Non-Service Connected Dis. Ret.			– Application
William Healey	Code	3	-	Fire
	Regular Retirement			– Application

*Disposition of requests is as follows.***James Staurovsky**

Mr. Sharoh asked to read a motion regarding Mr. Staurovsky's pension status, as Mr. Staurovsky suffered a heart attack 8 days after retiring from the police department. Mr. Sartor asked that the motion be delayed a moment so he could share a written opinion from the city attorney as to whether Mr. Staurovsky's regular pension could be withdrawn and resubmitted as a disability pension. He wanted the opinion read into the minutes. Assistant City Attorney Debra Kelly provided the following opinion:

James Staurovsky retired effective February 17, 2012. It appears that his last actual day worked was February 2, 2012, however his last day on the payroll was February 16, 2012. I believe that he used his vacation time for time off with pay for the last two weeks of his employment. Mr. Staurovsky put in for his retirement on January 19, 2012. As of that date, he was actively employed as a Patrol Sergeant and he remained able to work up to and through the date of his retirement.

Therefore, Mr. Staurovsky did not qualify for either a service or non-service connected disability pension. The Pension and Retirement Board should continue to treat his retirement as a regular retirement and his calculations should be made in the regular course of the Board's business. There is nothing to suggest that a withdrawal of his regular pension and substitution of a disability pension is appropriate or warranted.

Mr. Sharoh then read his motion as follows:

I hereby move that:

- 1. James Staurovsky's application for a service connected disability pension pursuant to Section 6A of the Agreement Between The City Of Milford and Local 899, American Federation of State, County and Municipal Employees AFL-CIO, Concerning the Pension Plan and Benefits for Police Department Employees, Police Department Retirees, and Their Survivors, As Amended, executed September 21, 2001, be accepted and that he be allowed to pursue said pension if within the next twelve (12) months he meets the requirements set forth in Section 6A; and*
- 2. That he be allowed to collect his normal years-of-service pension pursuant to Section 2(2) of the City of Milford Pension Plan effective February 12, 2012, until his request for a service connected disability pension is granted.*

Mr. Sharoh further moved that Attorney Dave Morrissey, who represents Mr. Staurovsky, be allowed to address the board. The motion was seconded and Attorney Morrissey tried to clarify Mr. Staurovsky's plans. Attorney Morrissey stated that the heart attack Mr. Staurovsky had on February 24, 2012, was the result of extensive coronary artery disease. Attorney Morrissey stated that there might be tax advantages for Mr. Staurovsky's receiving a disability pension rather than a regular pension, and that it could be argued that the coronary arterial disease existed during Mr. Staurovsky's employment; therefore Mr. Staurovsky wished to see if medical evaluation supported the option of a disability pension. Attorney Morrissey stated that Mr. Staurovsky's payments would be identical whether drawn as a regular pension or disability pension. Attorney Morrissey also cited the Heart and Hypertension Act as being relevant to Mr. Staurovsky's case and elaborated on aspects of the act. Attorney Morrissey stressed that Mr. Staurovsky was only asking for the opportunity in 12 months to present a case for a disability pension based on the results of medical assessment, and that from a medical perspective, he shouldn't have been serving as a policeman, based on his health prior to retirement.

Substantial discussion ensued, including whether the board was authorized to take the action being requested. When the group decided that they could act, Mr. Sharoh's motion was seconded by Mr. Hedman with the calculations as read. The vote was as follows:

In favor: P. Beckwith, M. Hedman, R. Lynch, T. Piskura, D. Sharoh, W. Shea

Opposed: L. Mahoney, M. Chaco, P. Staneski, R. Elwell

The motion carried.

Frank Gall, Jr.

Mr. Sharoh moved to accept the regular calculations for Mr. Gall for a regular retirement pension in the annual amount of \$37,317.94, monthly payments of \$3,109.83, retroactive to 4/6/12. The motion was seconded by Mr. Piskura and carried unanimously.

Phyllis Kloeppner

Mr. Riordan moved to accept a request from Ms. Kloeppner for a regular retirement pension. The motion was seconded by Mr. Hedman and carried unanimously.

Andrew Vargo

Mr. Piskura moved to accept a request from Mr. Vargo for a non-service connected disability pension. The motion was seconded by Mr. Elwell and carried unanimously.

William Healey

Mr. Piskura moved to accept a request from Mr. Healey for a regular retirement pension. The motion was seconded by Mr. Elwell and carried unanimously. Mr. Sartor acknowledged Mr. Healey's long service on the Pension Board.

Withdrawals & Refunds – None

Buy Ins – None

Contingent Annuitant Option - None

Invoices:

- (a) Mr. Elwell moved that the invoice from Michael Paolini dated 4/3/12 in the amount of \$3,800.00 be paid. The motion was seconded by Mr. Chaco and carried unanimously.

Mr. Sartor noted that Mr. Paolini found significant accounting mistakes in the TALF account. He felt confident that the mistakes had been corrected, but wanted to be sure Mr. Beirne was aware of these issues.

- (b) Mr. Elwell moved that the invoice from Hooker & Holcombe dated 3/30/12 in the amount of \$33,769.00 be paid. The motion was seconded by Mr. Chaco and carried unanimously.
- (c) Mr. Elwell moved that the invoice from Boyd Watterson (TALF) dated 4/4/12 in the amount of \$ 6,314.00 be paid. Discussion of the accounting issues identified by Mr. Paolini ensued and Mr. Beirne clarified aspects of the fund valuations. The motion was seconded by Mr. Chaco and carried unanimously.

Applications of Entry

Mr. Sartor read the applications of entry.

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|----|--------------------|--------|--------------------|---------------|
| a) | Danny DaSilva | Code | 5 - PW (Hwy/Parks) | |
| | | Entry: | 3/5/12 | DOB: 11/4/89 |
| b) | Michael Chapman | Code | 5 - PW (Hwy/Parks) | |
| | | Entry: | 3/12/12 | DOB: 7/11/66 |
| c) | Bryan Jock | Code | 3 - Police | |
| | | Entry: | 3/30/12 | DOB: 2/6/85 |
| d) | Stephen Napoletano | Code | 3 - Police | |
| | | Entry: | 4/6/12 | DOB: 5/23/86 |
| e) | Joseph Dempsey | Code | 3 - Police | |
| | | Entry: | 3/30/12 | DOB: 8/12/83 |
| f) | Brandon Davidson | Code | 3 - Police | |
| | | Entry: | 3/30/12 | DOB: 5/25/84 |
| g) | Austin Groves | Code | 3 - Police | |
| | | Entry: | 3/30/12 | DOB: 5/15/89 |
| h) | Kyle Magnan | Code | 3 - Police | |
| | | Entry: | 3/30/12 | DOB: 12/14/88 |

Report of the Investment Advisor

Mr. Beirne handed each board member a book on the risks to international economic stability posed by national manipulations of currency valuations, and how such manipulations disturb efficient markets. He discussed projected market valuations based on energy concerns, lack of monetary circulation in the current weak economy, and ongoing issues with European debt. He discussed the balance of the portfolio and felt that although it is above its equity target, this has actually helped its performance, given current market conditions. He provided additional detail on other investments. Mr. J.O. Beirne advised the board that the firm had hired a new staff member, Phil Sloan, who is based in New Jersey.

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Committee Reports

- (a) Asset Allocation & Disbursing Comm – No Report
- (b) Committee for Proxy Voting – No Report
- (c) Committee Regarding Audit – No Report
- (d) Pension Asset Management Search Committee

Mr. Sartor asked for a motion to go off the agenda to discuss results of the RFQ sent out to evaluate investment advisers. Mr. Elwell made the motion, which was seconded by Mr. Chaco and carried unanimously. Although Committee Chair Cody was not in attendance, Mr. Sartor reported that of the 10 investment advisors who responded to the RFQ, 3 had been selected to make 45-minute presentations to the board: the Aegis Group of Morgan Stanley, Segal-RogersCasey and Beirne Wealth Consulting.

Mr. Elwell motioned that these three firms be scheduled for presentations by Jane. Mr. Beckwith seconded and the motion passed unanimously.

Also, the spring investment manager meetings are scheduled for May 8, 9, and 15.

A motion to adjourn was made by Mr. Elwell, seconded by Mr. Chaco and carried unanimously. The meeting was adjourned at 8:45 p.m.

ATTEST:

Meg Greene, Acting Recording Secretary