

**MINUTES OF
PENSION AND RETIREMENT BOARD
MEETING HELD
NOVEMBER 20, 2014 – 6:00 P.M.
CONFERENCE ROOM A - PARSONS GOVERNMENT COMPLEX**

MEMBERS PRESENT

C. Cody
R. Elwell
W. Eisenhandler (Alt.)
S. Firmender (Alt.)
M. Hedman
G. Kimmel
M. Palumbo
T. Bradbury
M. Chaco
T. Beirne

MEMBERS ABSENT

F. Murphy
L. Lah (Alt.)
M. Moreno (Alt.)
L. Mahoney
A. Maher
R. Anderson
R. Petitti
R. Smith (Alt.)
P. Beckwith
P. Staneski
J. Keeler (Alt.)

ALSO PRESENT

John Beirne, Beirne Wealth
John Oliver Beirne, Beirne Wealth
Jane Sterback, Pension office
Maryanne DeTullio, Rec. Secr.

The meeting was called to order at 6:00 p.m. by C. Cody, Chairman.

Disposition of Minutes:

A motion to approve the minutes of the October 16, 2014 meeting was made by Mr. Chaco, seconded by Mr. Elwell. Chm. Cody stated that on Page 5 of the minutes it should be corrected to read "He stated that if the Board elects to recommend the 2% increase with a minimum of \$120.00 then he would stipulate that as long as the Board of Aldermen will allocate the funds necessary to fund the increase then it would be the recommendation." The motion was carried unanimously.

Report of the Chairman

Mr. Cody stated that he was invited to attend the Board of Aldermen meeting when they considered the recommendation regarding the COLA. He was unable to attend due to a conflict but submitted a letter to them explaining the process the Board took and what they considered in making the recommendation. He also informed them that the vote by the Board was 11-1. The Board of Aldermen had some discussion on the matter and the recommendation was adopted by them.

Pension & Retirement Board

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November 20, 2014

Pension Requests

(a) Dawn Sena

Code 5 – BOE (Secretary)
Regular Retirement - Calculations

Mr. Bradbury moved that Dawn Sena be granted a regular retirement pension in the annual amount of \$15,582.03, monthly payments of \$1,298.50, retroactive to 10/04/14. The motion was seconded by Mr. Elwell and carried unanimously.

(b) Bernard McDermott

Code 5 – BOE (Bldg. Maint.)
Regular Retirement (early) - Calculations

Mr. Bradbury moved that Bernard McDermott be granted a regular retirement (early) pension in the annual amount of \$12,657.56, monthly payments of \$1,054.80 retroactive to 10/03/14. The motion was seconded by Mr. Elwell and carried unanimously.

(c) John Burton

Code 3 – Police
Regular Retirement – Calculations

Mr. Eisenhandler moved that John Burton be granted a regular retirement in the annual amount of \$75,808.82, monthly payments of \$6,317.40, retroactive to 10/31/14. The motion was seconded by Mr. Elwell and carried unanimously.

(d) Lawrence Hoyt III

Code 3 – Fire
Service Connected Dis. Retirement –
Calculations

Mr. Eisenhandler moved that Lawrence Hoyt III be granted a service connected disability pension in the annual amount of \$62,701.17, monthly payments of \$5,225.10, retroactive to 10/18/14. The motion was seconded by Mr. Elwell and carried unanimously.

(e) Todd Richards

Code 3 – Police
Regular Retirement – Application & Cals.

Mr. Eisenhandler moved that the application from Todd Richards for a regular retirement pension be accepted. The motion was seconded by Mr. Hedman and carried unanimously.

Mr. Eisenhandler moved that Todd Richards be granted a regular retirement pension in the annual amount of \$42,683.34, monthly payments of \$3,556.94, retroactive to 11/14/14. The motion was seconded by Mr. Elwell and carried unanimously.

Pension & Retirement Board

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November 20, 2014

Withdrawals & Refunds

(a) Gregory Prior

Code 3 – Fire

Entered: 08/27/12 Term: 09/19/14

Principal: \$8,822.95

Interest: 566.61

Total: \$9,389.56

Mr. Eisenhandler moved that the withdrawal request from Gregory Prior be approved. The motion was seconded by Mr. Elwell and carried unanimously.

(b) Cynthia Terasowich

Code 5 – City (Empl. & Training)

Entered: 03/23/11 Term: 07/25/14

Principal: \$5,749.14

Interest: 694.95

Total: \$6,444.09

Ms. Palumbo moved that the withdrawal request from Cynthia Terasowich be approved. The motion was seconded by Mr. Elwell and carried unanimously.

(c) Michael Chapman

Code 5 – City (PW)

Entered: 03/12/12 Term: 10/17/14

Principal: \$5,742.68

Interest: 428.15

Total: \$6,170.83

Mr. Hedman moved that the withdrawal request from Michael Chapman be approved. The motion was seconded by Mr. Elwell and carried unanimously.

Buy Ins

(a) Michael Gresko

Code 5 – City (PW)

Military Buy-In – Application & Cals.

Mr. Hedman moved that the buy-in request from Michael Gresko in the amount of \$3,218.79 be approved. The motion was seconded by Mr. Elwell and carried unanimously.

Contingent Annuitant Option

(a) Louis Tibor

Code 5 – City (Fire Dispatch)

Request for 100% Cont. Annuitant Opt.

Beneficiary – Christine Tibor

Mr. Firmender moved that the 100% contingent annuitant option request from Louis Tibor be approved. The motion was seconded by Mr. Elwell and carried unanimously.

Contingent Annuitant Option, Cont'd.

(b) Robert Trapp

Code 5 – City (PW)
Request for 100% Cont. Annuitant Opt.
Beneficiary – Susan Trapp

Ms. Palumbo moved that the 100% contingent annuitant option request from Robert Trapp be approved. The motion was seconded by Mr. Elwell and carried unanimously.

Invoices

(a) Neuberger Berman – Value - \$63,413.28

Mr. Elwell moved that Neuberger Berman Value be paid the sum of \$63,413.28. The motion was seconded by Mr. Chaco and carried unanimously.

(b) Neuberger Berman – Large Cap - \$119,884.14

Mr. Elwell moved that Neuberger Berman Large Cap be paid the sum of \$119,884.14. The motion was seconded by Mr. Chaco and carried unanimously.

(c) Neuberger Berman – Mid Cap - \$10,494.36

Mr. Elwell moved that Neuberger Berman Mid Cap be paid the sum of \$10,494.36. The motion was seconded by Mr. Chaco and carried unanimously.

(d) WHV Investment - \$30,948.00

Mr. Elwell moved that WHV Investment be paid the sum of \$30,948.00. The motion was seconded by Mr. Chaco and carried unanimously.

(e) Boyd Watterson - \$45,575.00

Mr. Elwell moved that Boyd Watterson be paid the sum of \$45,575.00. The motion was seconded by Mr. Chaco and carried unanimously.

(f) Lazard Asset Management - \$19,552.99

Mr. Elwell moved that Lazard Asset Management be paid the sum of \$19,552.99. The motion was seconded by Mr. Chaco and carried unanimously.

(g) Beirne Wealth Consulting - \$153,462.82

Mr. Elwell moved that Beirne Wealth Consulting be paid the sum of \$153,462.82. The motion was seconded by Mr. Chaco and carried unanimously.

Invoices, Cont'd.

(h) GAMCO - \$17,567.00

Mr. Elwell moved that GAMCO be paid the sum of \$17,567.00. The motion was seconded by Mr. Chaco and carried unanimously.

(i) Zesiger Capital Group - \$101,474.40

Mr. Elwell moved that Zesiger Capital Group be paid the sum of \$101,474.40. The motion was seconded by Mr. Chaco and carried unanimously.

Report of the Investment Advisor

Mr. Beirne presented the investment report for the month ending 10/31/14 and reviewed it with the Board.

Applications of Entry

(a) Kathleen Bruno	Code 3 – Police Entry: 10/17/14 DOB: 03/10/88
(b) Karen Banks	Code 3 – Police Entry: 10/17/14 DOB: 12/14/79
(c) Erik St. Germain	Code 3 – Police Entry: 10/17/14 DOB: 07/05/91
(d) Zachary Milsagle	Code 3 – Police Entry: 10/17/14 DOB: 11/18/92
(e) James Preto	Code 3 – Police Entry: 10/17/14 DOB: 08/03/84
(f) Justin Eddy	Code 3 – Police Entry: 10/31/14 DOB: 09/02/80
(g) Lindsey Abbotts	Code 5 – City (Empl. & Training) Entry: 09/23/14 DOB: 05/27/59
(h) Margaret Allan	Code 8 – BOE (Cafe) Entry: 10/22/14 DOB: 07/29/69
(i) Gregory Kealey	Code 5 – BOE (Bldg. Maint.) Entry: 10/07/14 DOB: 07/21/73
(j) Mark Bernard	Code 5 – BOE (Bldg. Maint.) Entry: 11/03/14 DOB: 09/15/61

Committee Reports

(a) Asset Allocation & Disbursing Comm.

Chm. Cody stated that the Committee met with John Beirne and he took them through the current positions. Due to increasing equity markets we are near the top of equity exposure limits and given that equity markets are trading at all-time highs, the Committee feels that it is a good time to reallocate some funds away from equities. While markets can clearly go higher in the short-term, history suggests that returns from these levels are sub-par in the mid-to-long term.

He stated that the Committee interviewed a number of managers in the past two months, especially ones taking advantage of distorted credit markets to obtain yields well in excess of current bond yields. Bonds too are trading at all-time highs; buying bonds today (even “high yield” ones) gets you low coupons and the risk of significant capital losses if yields move higher in the next few years, which is the forecast of many in the markets.

Mr. Cody moved that the Committee recommends that \$20 million be removed from Neuberger Large Cap Growth (still leaving approximately \$85 million in this fund) and \$5 million be removed from Zesiger (leaving in excess of \$15 million there). These funds are to be distributed equally (\$5 million each) to:

Sterling Ridge Long/Short Equity
Corrum Capital Credit
EnTrust Greywolf Credit
Beach Point OPS Fund II Credit
Omega Structured Credit.

He stated that this will not only further diversify the fund, it will also improve cash flow in this low yield environment, helping to meet monthly obligations. Mr. Cody stated that this is a Committee recommended motion and does not require a second. The motion was carried unanimously.

Miscellaneous

A motion to approve the meeting schedule for 2015 as presented was made by Mr. Chaco, seconded by Mr. Hedman and carried unanimously.

A motion to adjourn was made by Mr. Chaco, seconded by Mr. Firmender and carried unanimously. The meeting was adjourned at 7:15 p.m.

ATTEST:

Maryanne DeTullio
Recording Secretary