

UNAPPROVED – SUBJECT TO CORRECTION

**Pension and Retirement Board
Regular Meeting
January 19, 2023**

The Pension and Retirement Board held their Regular Meeting on Thursday, January 19, 2023, via Audio/Tele Conferencing. Chairman Kimmel called the meeting to order at 6:08 p.m.

Members Present via Audio/TeleConference

M. Chaco
S. DuBrow
T. Harrigan
C. Hiza
G. Kimmel (left at 6:21 p.m.)
A. Maher
L. Mahoney
C. McInnis
C. McKenna
M. O'Neil
M. Palumbo
G. Tweedie
R. Williams
M. Dooling (Alt)
J. Grady (Alt)

Members Absent

W. Farrell
M. Hedman
K. Frank (Alt)
M. Glennon (Alt)
M. Moreno (Alt)
J. Goiran (Alt)
B. Broesder (BOA Liaison)
D. German (BOA Liaison)

Also Present

Tania, Barnes, Human Resources
M. Carrasquillo, Benefits & Pension Coordinator
L. DiCocco, Recording Secretary
John Oliver Beirne, Beirne Wealth
Rodger Metzger, Hooker & Holcombe

Elections:

Chairman Kimmel called for nominations.

Mr. Chaco and Mr. McInnis made and seconded a motion to nominate Mr. Kimmel as Chairman. Motion passed unanimously.

Mr. Kimmel and Mr. Chaco made and seconded a motion to nominate Mr. McInnis as Vice Chairman. Motion passed unanimously.

Mr. McInnis and Mr. Kimmel made and seconded a motion to nominate Mr. Chaco as Secretary. Motion passed unanimously.

Consideration of Minutes:

Mr. Chaco and Mr. McInnis made and seconded a motion to approve the minutes of the Regular Meeting held on November 17, 2022. Motion carried unanimously.

Chairman's Report:

Mr. Kimmel said the ad hoc COLA study done by Hooker and Holcombe to determine adjustments is at the three-year time period. Mr. Kimmel asked Ms. Barnes to get in touch with Steve Lemanski to get the pricing and the timeframe, and report back at the next board meeting with the information for it to be considered and voted on. Ms. Barnes noted that this is the COLA study for the non-uniform members.

New Business:

None

Old Business:

Michael J. Paolini, CPA, Independent Accountant
Financial Statement Report for the year Ending June 30, 2022
Money-Weighted Rate of Return for Year Ending June 30, 2022

Executive Session:

(a)	John M. Cronin	Code 5 – BOE (Maint) SCD w/ 50% CA option Beneficiary: Jane Cronin	Supporting documentation
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Mr. McInnis and Mr. McKenna made and seconded a motion to move into Executive Session to review supporting documentation for a SCD with 50 percent contingent annuitant option. Motion carried unanimously.

Adjourned to Executive Session at 6:18 p.m.

Reconvened to Public Session at 6:24 p.m.

Chairman Kimmel turned the meeting over to Vice Chairman McInnis.

Pension Requests:

(a) Ronald J. Borecki Code 5 – City (PW) Application/Calculation
Vested

Ms. Palumbo and Mr. Chaco made and seconded a motion to accept the application and calculation for a Code 5 City (PW) Vested Retirement Pension for Mr. Borecki in the annual amount of \$24,861.50, gross monthly payments of \$2,071.79 commencing 5/4/2024. Motion carried unanimously.

(b) Elizabeth Carr Code 5 – BOE (Secretary) Calculation
Normal

Mr. Williams and Mr. Chaco made and seconded a motion to accept the calculation for a Code 5 BOE (Secretary) Normal Retirement Pension for Ms. Carr in the annual amount of \$21,514.65, gross monthly payments of \$1,792.89 commencing 10/28/2022. Motion carried unanimously.

(c) John M. Cronin Code 5 – BOE (Maint) Application/Calculation
SCD w/ 50% CA option
Beneficiary: Jane Cronin

Mr. Williams and Mr. Chaco made and seconded a motion to accept the application and calculation for a Code 5 BOE (Maintenance) Service-Connected Disability Retirement Pension for Mr. Cronin with 50 percent Contingent Annuitant option with Jane Cronin as Beneficiary in the annual amount of \$31,820.84, gross monthly payments \$2,651.74 commencing 7/1/2022. Motion carried unanimously.

(d) Matthew D. Hedge Code 5- City (PW) Application/Calculation
Vested

Ms. Palumbo and Mr. Grady made and seconded a motion to accept the application and calculation for a Code 5 City (PW) Vested Retirement Pension for Mr. Hedge in the annual amount of \$10,754.19 gross monthly payments \$896.18 commencing 7/16/2047. Motion carried unanimously.

(e) Nicholas W. Holinko Code 3F- City (Fire) Calculation
Normal

Mr. O'Neil and Mr. Chaco made and seconded a motion to accept the calculation for a Code 3F City (Fire) Normal Retirement Pension for Mr. Holinko in the annual amount of \$127,716.11, gross monthly payments \$10,643.01 commencing 11/12/2022. Motion carried unanimously.

(f) Lisa Morales Code 8 – BOE (Food Svc) Application/Calculation
Vested

Ms. Palumbo and Mr. Chaco made and seconded a motion to accept the application and calculation for a Code 8 BOE (Food Service) Vested Retirement Pension for Ms. Morales in the annual amount of \$6,233.43, gross monthly payments \$519.45, commencing 3/30/2027. Motion carried unanimously.

Withdrawals and Refunds:

(a)	Ann Bartlett	Code 5 – City (PW) Entered: 09/04/2018	Application/Calculation Terminated: 10/07/2022
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Ms. Palumbo and Mr. Chaco made and seconded a motion to accept the application and calculation for a withdrawal and refund request of Ann Bartlett in the amount of \$9,434.77. Motion carried unanimously.

(b)	Lesley Darling	Code 5 – City (Human Svcs) Entered: 12/03/2018	Application/Calculation Terminated: 09/02/2022
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Ms. Palumbo and Mr. Chaco made and seconded a motion to accept the application and calculation for a withdrawal and refund request of Lesley Darling in the amount of \$13,424.90. Motion carried unanimously.

(c)	Tressa Nolfi	Code 8 – BOE (Food Svc) Entered: 12/12/2017	Application/Calculation Terminated: 10/07/2022
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Mr. Williams and Mr. Chaco made and seconded a motion to accept the application and calculation for a withdrawal and refund request of Tressa Nolfi in the amount of \$4,645.13. Motion carried unanimously.

(d)	Thomas O'Shea, Jr.	Code 8 – BOE (Purchasing) Entered: 07/13/2020	Application/Calculation Terminated: 09/09/2022
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Mr. Williams and Mr. Chaco made and seconded a motion to accept the application and calculation for a withdrawal and refund request of Thomas O'Shea, Jr. in the amount of \$5,867.85. Motion carried unanimously.

(e)	Ana Osegueda	Code 8 – BOE (Food Svc) Entered: 09/16/2019	Application/Calculation Terminated: 10/27/2019
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Mr. Williams and Mr. Chaco made and seconded a motion to accept the application and calculation for a withdrawal and refund request of Ana Osegueda in the amount of \$44.56. Motion carried unanimously.

(f)	Iris Villanueva	Code 9 – City (Assessor) Entered: 12/24/2018	Application/Calculation Terminated: 10/20/2022
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Ms. Palumbo and Mr. Chaco made and seconded a motion to accept the application and calculation for a withdrawal and refund request of Iris Villanueva in the amount of \$8,258.98. Motion carried unanimously.

Buy Ins:

(a)	Marc E. LaBrecque	Code 3F- City (Fire) MBI	Calculation
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Mr. O'Neil and Mr. Chaco made and seconded a motion to accept the calculation for a Code 3 City (Fire) Military Buy-In in the amount of \$23,034.81 with payment due 1/31/2023. Motion carried unanimously.

Contingent Annuitant Options:

None

Applications of Entry:

(a)	Jacqueline Ambrose	Code 9 – City (Tax Collector's Office)	Entry: 12/12/2022
(b)	Tina M. Capozzi	Code 8 – BOE (Food Svc)	Entry: 11/14/2022
(c)	Brooke Carlson	Code 9 – City (Recreation Dept)	Entry: 12/27/2022
(d)	Dawne R. Castellon	Code 5 – City (Fire Dept)	Entry: 11/21/2022
(e)	Adrienne Davignon	Code 8 – BOE (Food Svc)	Entry: 11/07/2022
(f)	David Detoro	Code 5 – City (PW)	Entry: 11/07/2022
(g)	Lana DiCostanzo	Code 8 – BOE (Food Svc)	Entry: 12/06/2022
(h)	Madeline Fatovic	Code 5 – City (Police Dispatcher)	Entry: 01/06/2023
(i)	David Hotchkiss	Code 5 – City (PW)	Entry: 11/07/2022
(j)	Mark Morin	Code 5 – City (PW)	Entry: 11/07/2022
(k)	Aura Reyes DeMejia	Code 8 – BOE (Food Svc)	Entry: 01/03/2023
(l)	Orlando Sanchez	Code 5 – City (PW)	Entry: 12/05/2022

Invoices:

(a)	Beirne Wealth	\$82,563.64	Period: 01/01/2023 – 03/31/2023
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Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Beirne Wealth in the amount of \$82,563.64 for invoice dated January 9, 2023 for the period of 01/01/2023 – 03/31/2023. Motion carried unanimously.

(b)	Boyd Watterson	\$12,565.00	Period: 07/01/2022 – 09/30/2022
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Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Boyd Watterson in the amount of \$12,565.00 for invoice dated October 26, 2022 for the period of 7/1/2022 – 9/30/2022. Motion carried unanimously.

(c) Columbia Management \$4,084.79 Period: 01/01/2023 – 03/31/2023

Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Columbia Management in the amount of \$4,084.79 for invoice dated January 5, 2023 for the period of 01/01/2023 – 03/31/2023. Motion carried unanimously.

(d) Michael J. Paolini, CPA \$5,200.00 Period: 07/01/2022 – 09/30/2022

Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Michael J. Paolini, CPA in the amount of \$5,200.00 for invoice dated January 9, 2023 for the period of 07/01/2022 – 09/30/2022. Motion carried unanimously.

(e) Principal \$1,687.50 Period: 09/01/2022 – 09/30/2022

Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Principal in the amount of \$1,687.50 for invoice dated October 10, 2022 for the period of 09/01/2022 – 09/30/2022. Motion carried unanimously.

(f) Principal \$1,734.80 Period: 10/01/2022 – 10/31/2022

Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Principal in the amount of \$1,734.80 for invoice dated November 7, 2022 for the period of 10/01/2022 – 10/31/2022. Motion carried unanimously.

(g) Principal \$1,708.30 Period: 11/01/2022- 11/30/2022

Mr. Chaco and Mr. O'Neil made and seconded a motion to authorize payment to Principal in the amount of \$1,708.30 for invoice dated December 6, 2022 for the period of 11/01/2022 – 11/30/2022. Motion carried unanimously.

Committee Report:

None

Financial Report:

Michael J. Paolini, CPA
Independent Accountant's Compilation Report 01/06/2023

Asset Allocation:

None

Report of Investment Advisor: Beirne Wealth

J.O. Beirne reviewed the Beirne Wealth Consulting report for the month ending December 31, 2022. He noted that 40 percent of the portfolio is unpriced. U.S. stocks are all down. The international markets slightly over performed the past year. The bond market is down 13 percent. Adjusting the bond market for the inflation of the past year, this is the worse bond market return in 97 years. Going forward the concern is earnings and where the U.S. market is priced relative to the earnings resulting in the portfolio having a high level of cash. The portfolio has \$373 million which will change once the quarterly and monthly numbers come in.

The Boyd Diversified REIT fund was called in December. The portfolio has just under 15 percent in cash, the purpose of which is to make the portfolio more defensive. In answer to Mr. Chaco's question, Mr. Beirne confirmed the 15 percent cash is still within the guidelines voted on previously.

In response to Mr. Chaco's inquiry if there are any capital calls coming up, Mr. Beirne said there are 2 funds - Arsenault 4 Fund and Longford 3 Fund.

Mr. Mahoney asked why so many returns come in late and aren't in the reports. Mr. Beirne explained some of the managers are a quarter or so behind, private equities are priced quarter. Most of the pricing will be received sometime in February, some longer but will have for year end.

Mr. Hiza and Mr. Beirne discussed the possible future of the bond market all depending on the federal government and their raising of rates or not. Mr. Beirne said when the federal government sees inflation coming down, rates will come down and that will be an opportunity to look at risk free government bonds.

Mr. Harrigan said usually when the market starts going down growth usually gets hurt worse than value, and in the future do we want to be more diversified in between growth and value. Mr. Beirne discussed growth is expensive so there is a bit more value on the large cap side. We have been reducing the U.S. exposure has been in growth. When we see inflation coming down, there will be seen a rally in the growth stocks. Currently, growth stocks are not particularly attractive due to them being higher and over-priced relative to other markets. Mr. Beirne noted that most of the portfolio's cash has come from growth stocks.

Mr. Chaco and Mr. Williams made and seconded a motion to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 7:12 p.m.

The next regular meeting of the Pension & Retirement Board will be held on February 16, 2023.

Respectfully submitted,



Lesley DiCocco
Recording Secretary