

RETIREMENT BOARD MEETING
CITY OF WATERBURY

DECEMBER 10, 2009

Stenographic Recording of Retirement Board City of Waterbury Meeting Minutes, held at 236 Grand Street, Waterbury, CT, before Elisa Sczurek, LSR, a Notary Public and Court Reporter in and for the State of Connecticut, License No. 233, on Thursday, December 10, 2009, commencing at 4:30 p.m.

A+ REPORTING SERVICES
P.O. Box 831
Wallingford, CT 06492
(203)269-9976

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IN ATTENDANCE:

COMMISSIONERS:

Lisa Martin - Chairperson

Rachel Sabetta

Steven Giacomi

Michael LeBlanc

Christopher Corbett

ALSO PRESENT:

Karen Lang

Cindy Van deursen

Heather Cianciolo

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MADAM CHAIRPERSON: Good afternoon, everyone. I think we'll begin as we traditionally do. We'll begin with the Pledge of Allegiance and if Commissioner LeBlanc would lead us in the Pledge of Allegiance; and we'll have a moment of silence.

(Whereupon, Pledge of Allegiance and moment of silence.)

MADAM CHAIRPERSON MARTIN: Thank you.

For the benefit of our attendance record, I would ask the commissioners to state your names for the record.

Lisa Martin.

COMMISSIONER CORBETT: Chris Corbett.

COMMISSIONER GIACOMI: Steven Giacomi.

COMMISSIONER LeBLANC: Michael LeBlanc.

COMMISSIONER SABETTA: Rachel Sabetta.

MADAM CHAIRPERSON MARTIN: Thank you.

At this time, I would ask if there is any member of the public wishing to address the board this afternoon. Any member of the public wishing to address the board?

(Whereupon, No response.)

MADAM CHAIRPERSON MARTIN: Hearing none, I would entertain a motion to move into Executive

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Session. And the purpose of our session this afternoon is to discuss two applications for disability retirement for Reardon and Noll.

Is there a motion?

COMMISSIONER CORBETT: A motion to move into Executive Session.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER GIACOMI: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All in favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

(Whereupon, off the record, Executive Session, at 4:32 p.m.)

(Whereupon, back on the record at 4:56 p.m.)

MADAM CHAIRPERSON MARTIN: At this time, I would ask for a motion to return to the regular order of business.

COMMISSIONER GIACOMI: So moved.

MADAM CHAIRPERSON MARTIN: Is there a

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second?

COMMISSIONER CORBETT: Second.

MADAM CHAIRPERSON MARTIN: I would just indicate that during Executive Session, there were no votes taken today.

All in favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

Next on our agenda we have two disability applications. We will begin with the application for William J. Reardon, Jr.

If I could have a motion regarding Mr. Reardon.

COMMISSIONER SABETTA: I make a motion on Mr. Reardon's disability, based on the two IMES we've already received, that we request a third.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER CORBETT: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All those in

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favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

Next is Wilbur T. Noll. If I could ask for a motion with regards to Mr. Noll.

COMMISSIONER CORBETT: I make a motion that we approve retirement disability for Mr. Noll, based upon the terms of the relevant collective bargaining agreement under the Retirement System Ordinance and on the opinions of the physicians who performed two independent medical exams and upon the analysis provided by Disability Management Services who reviewed the independent medical examinations as well as all medical records submitted with the application for disability retirement and pension benefits.

I move to approve the disability pension for Mr. Wilbur Noll in the monthly amount of \$2,394.29 as a work-related disability benefit subject to all applicable offsets provided in the ordinance and in the city's contract with the Fire Union. This disability is to commence January 1, 2010, and is subject to verification of the pension calculation by the benefits

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office.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER SABETTA: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

COMMISSIONER CORBETT: Under discussion, Dr. David Bernstein of Farmington Valley Orthopedic Associates found that Mr. Noll is unable to perform the duties of a firefighter due to the restrictions and limitations that have been placed upon him; and these restrictions and limitations are reasonable. Dr. Christopher Lynch of the Orthopedic Group also found that Mr. Noll was unable to perform the duties of a firefighter. And upon the review of all these reports, all available medical records, and Mr. Noll's job duties, the analysis provided by Disability Management Services shows that Mr. Noll would be unable to perform the duties of a firefighter.

Based upon representations from the city, it appears that there is no other position available to Mr. Noll at a base pay rate at least equal to 75 percent of the base pay of his job. Given that he is disabled from his own occupation, based on a work-related

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disability, the formula applies under the

ordinance is the one that provides for the greater of 50 percent of base pay or his regular service pension with the 50 percent of base pay provided greater benefit than the regular service pension.

MADAM CHAIRPERSON MARTIN: Any other discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All those in favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

Under new business, we have two items under new business, one with regards to the pension obligation bonds integration status update and another item with regards to changes in the plan net assets.

Commissioner LeBlanc, I know you've handed out an updated sheet for us.

COMMISSIONER LeBLANC: Yes.

Just to discuss that briefly with the handout, the statement of changes and plan net assets for the month ending November 30 it was

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a rebound month. We are currently up for the year at \$10.4 million as far as investment

income and appreciation in the value of the investments. In totality the net assets held in trust as of November 30 is \$373,734,000.

Are there any questions on that?

(Whereupon, No response.)

COMMISSIONER LeBLANC: The benefit payments and the contributions are turned in according to normal pattern. As it relates to the employer contribution, we have requested an updated pension valuation and that will reaffirm or modify, if necessary, the annual required contribution for the city for fiscal year 2010. Currently we're contributing based on a projection a monthly distribution of that projection and that will get firmed up before the end of the fiscal year.

I only bring that out because of the fact that the employer contribution is going to be a reduced amount compared to the prior years as a result of the deposit of the pension obligation bonds. So stay tuned, and as soon as we have that pension valuation, I'll inform the board of the updated annual required amount.

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MADAM CHAIRPERSON MARTIN: Thank you.

COMMISSIONER LeBLANC: As it relates to the

investing of the pension obligation bonds, nothing significant happened in the market over the past month so we're staying according to plan with transitioning over in this case since the last time we met approximately \$30 million more was moved over from the fixed income side into the equity side of the portfolio.

I just wanted to add one other item. Joe Bivona, our investment adviser, is continuing to work with each and every one of the fund managers to negotiate down the fees associated with the assets under management. He's reporting to me that every one has been reduced to this point by at least five to ten basis points and there are further negotiations; and he'll give a full report to the board next month.

The last item I would like to mention is Victory Capital, one of our fund managers, is being currently moved into the master's program with Wells Fargo. They were one of the fund managers that were not a participant under that master's program and recently was added in. So

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that will actually provide another benefit as far as a reduction in the fees that we're paying for those assets under management.

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COMMISSIONER GIACOMI: I guess that's me. I guess if there's nothing else, as far as that, any questions about that? Any questions for Mr. LeBlanc? Comments?

(Whereupon, No response.)

COMMISSIONER GIACOMI: Did that cover both the status update as well as changes in plan net assets?

COMMISSIONER LeBLANC: Yes, it did.

COMMISSIONER GIACOMI: So if there's not anything new for that, we'll move on to the next item on the agenda, which is service pension.

And as temporary chair, the chair will entertain a motion to either accept or deny the pensions as they were submitted.

COMMISSIONER CORBETT: I make a motion that we approve the service based pension for Sherman R. McGrew in the annual amount of \$40,869.98; monthly amount \$3,405.83, effective December 1, 2009 under the Labor Contract Police 2005 to 2009.

COMMISSIONER SABETTA: Second.

COMMISSIONER GIACOMI: All those in favor?

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(Whereupon, Aye expressed by all present.)

COMMISSIONER GIACOMI: On to survivorship.

COMMISSIONER CORBETT: I make a motion

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that we approve the following survivorship
pensions. First, Brenda M. Halloran in the
annual amount of \$8,983.62; monthly amount
\$748.64, effective November 12, 2009 under the
Labor Contract WTA '94 to '96.

A. Robert McKnack in the annual amount of
\$11,631.51; monthly amount \$969.29, effective
November 8, 2009 under Labor Contract SAW
1990-1993.

And, finally, Beatrice G. Solomita in the
annual amount of \$14,724.66; monthly amount
\$1,227.06, effective November 12, 2009 under
Police Contract 1984 to 1986.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER SABETTA: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All those in
favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

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MADAM CHAIRPERSON MARTIN: Motion carries.

Next we have our contribution refunds and
we have three of those.

COMMISSIONER CORBETT: I make a motion to

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approve the following contribution refunds:

Francis P. Brevetti of the Police.

Pre-tax amount \$21,243.29; interest \$1,909.44;
total of \$23,152.73. No taxes withheld. Age
29, Code G.

Terence D. Lott from the White Collar
Union. Pre-tax amount \$863.58; interest \$7.51;
for a total of \$871.09. Amount payable to the
individual \$696.87. Federal income withheld
\$174.22 under Code 1, Age 35.

Maria O'Donnell from the Blue Collar
Union. Pre-tax amount \$21,918.13; interest
\$9,994.04; for a total of \$31,912.17. Amount
payable to the individual \$25,529.74. Federal
income tax withheld \$6,382.43 under Code 4, Age
31.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER SABETTA: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All those in

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favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

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MADAM CHAIRPERSON MARTIN: Motion carries.

Next on our agenda is our secretary's report. The first item under is the approval of the minutes from our November 12 meeting. Is there a motion to approve those minutes?

COMMISSIONER GIACOMI: So moved.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER CORBETT: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?
(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All those in favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?
(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

We have some invoices from A+ Reporting; we have actually two. We have one in the amount of \$339; and there's a note there that says in error we were never billed for this

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DECEMBER 10, 2009 RETIREMENT BOARD MINUTES meeting. This dates back to June 11, 2009 and it has been verified by Heather that we never paid this bill so I would entertain a motion to approve the two bills to A+ Reporting Services, one in the amount of \$443 and then payment of

\$339 for the June meeting. Is there a motion to approve?

COMMISSIONER GIACOMI: So moved.

MADAM CHAIRPERSON MARTIN: Is there a second?

COMMISSIONER SABETTA: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All in favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

And then one other invoice is from Wiggin & Dana, and this has to do with legal work that was done by Attorney Arnedt for two QDR0s, Briglia and Tompkins; and the total amount due on this invoice is \$201.

Is there a motion to approve that payment?

COMMISSIONER SABETTA: Motion to approve.

MADAM CHAIRPERSON MARTIN: Is there a

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second?

COMMISSIONER CORBETT: Second.

MADAM CHAIRPERSON MARTIN: Any discussion?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: All in favor?

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(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

Under old business, we don't have any updates with regard to the bylaws and regulations or the disability audit.

MS. LANG: They were never really passed, the board bylaws?

MADAM CHAIRPERSON MARTIN: I don't know if they were. I don't recall.

MS. LANG: I don't think they were. And what I was thinking is maybe we should get a fresh copy around to everyone because since this discussion took place, and we can include it with the next packet.

MADAM CHAIRPERSON MARTIN: Sure.

MS. LANG: We can talk about changes at the next meeting and then come back and make whatever modifications we feel are necessary and maybe the meeting after that get it passed.

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MADAM CHAIRPERSON MARTIN: If you could include those in the packet that we receive before the January meeting and that will be a topic of discussion at the January meeting. So if the commissioners could review those bylaws before the meeting so any discussion we have, we can come back

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with the draft to approve at the February meeting.

MS. LANG: Yes.

MADAM CHAIRPERSON MARTIN: Any other
business?

(Whereupon, No response.)

MADAM CHAIRPERSON MARTIN: Hearing none, I
would ask for a motion to adjourn.

COMMISSIONER CORBETT: Motion to adjourn.

MADAM CHAIRPERSON MARTIN: Is there a
second?

COMMISSIONER GIACOMI: Second.

MADAM CHAIRPERSON MARTIN: All in favor?

(Whereupon, Aye expressed by all present.)

MADAM CHAIRPERSON MARTIN: Any opposed?

(Whereupon, No Response.)

MADAM CHAIRPERSON MARTIN: Motion carries.

(Whereupon, Meeting was adjourned at 5:10
p.m.)

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STATE OF CONNECTICUT :

S.S. MERIDEN

COUNTY OF NEW HAVEN :

I, Elisa Sczurek, LSR, a Notary Public for the
State of Connecticut, do hereby certify that the minutes
of the Retirement Board Meeting, City of Waterbury, held

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at 236 Grand Street, Waterbury, CT, Thursday, December 10,
2009, were stenographically recorded and transcribed by
Elisa Sczurek, commencing at 4:30 p.m.

I certify that I am not related to the parties
hereto and that I am not in any way interested in the
events of said cause.

Dated at New Haven, Connecticut, this 14th day
of December 2009.

Notary Public

My Commission Expires: December 31, 2011.

License No. 233

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