

## **I. Roll Call**

Meeting called to order by Paul Schroder at 6:09 pm.

### **A. Members Present**

1. Paul Schroder, Chair (voting member)
2. Peter Barber (voting member)
3. Zato Kadambaya (alternate – seated as a voting member)

### **B. Members Absent**

1. John John (voting member)
2. Scott Suplita, Vice Chair (voting member)
3. Shiela Hayes (voting member)
4. Andre Rosedale (alternate)

### **C. Others Present**

1. Michael Gualtieri, Treasurer, City of Norwich
2. Brigid Marks, HR Director, City of Norwich
3. Sandra Pimentel, P&P Board Secretary
4. Marc Shegoski, UBS (left after item III.A.)
5. Ashley Martella, UBS (left after item III.A.)

## **II. Minutes**

### **A. Minutes of the September 20, 2016 Regular Personnel & Pension Board Meeting.**

Motion to approve the September 20, 2016 Personnel & Pension Board meeting minutes made by Peter Barber, seconded by Zato Kadambaya, all in favor.

Motion to suspend the agenda to address Item IV.A made by Paul Schroder and seconded by Peter Barber, all in favor.

## **IV. New Business**

### **A. 2016 second and third quarter review of the OPEB Fund and Retirement Fund with Marc Shegoski and Ashley Martella of UBS.**

Marc Shegoski presented the UBS House View. The GDP growth rate has been slow (1.5%-2%) with low inflation. The Federal Reserve is not expected to raise interest rates until December and they remain at historic lows. The markets weathered the Brexit impact and emerging markets show signs of stabilization. China will not face an economic hard landing. Going forward, UBS believes earnings should pick up and the bull market should continue.

The portfolio was reviewed by Ashley Martella. Equity and bonds performed well this quarter. The fund is currently at 65% equity and 35% fixed income. He reported the pension fund increased from \$151,918,422 on June 30, 2016 to \$155,356,831 as of September 30, 2016. Investment income exceeded the net flow out in payments this quarter. OPEB increased to \$14,590,206.89 as of October 14, 2016. He reviewed the pension fund manager allocations against the targets; Palisade is on the watch list. NFJ International is underperforming in both the pension and OPEB funds, although the due diligence team still predicts they will do better going forward.

Motion to take the UBS recommendation to move from NFJ International with an equal split of the target allocation to Lazard Asset Management (4%) and Delaware

Investment Advisors (4%) in the pension fund made by Peter Barber, seconded by Zato Kadambaya, all in favor.

Motion to take the UBS recommendation to move from NFJ International with an equal split of the target allocation to Lazard Asset Management (3.625%) and Delaware Investment Advisors (3.625%) in the OPEB fund made by Peter Barber, seconded by Zato Kadambaya, all in favor.

Motion to resume the agenda at Old Business made by Paul Schroder, seconded by Peter Barber, all in favor.

### **III. Old Business**

- A. Review of the current interest rates for pension contributions was requested by Brigid Marks. Ms. Marks to contact Hooker & Holcombe to advise on establishing a policy to review rates annually against a matching index. Motion made at the September 2016 meeting to discuss at the October 2016 meeting.

Ms. Marks presented the response from Hooker & Holcombe. The various methods to establish an annual interest rate were discussed.

Motion to table to the November meeting for further discussion made by Paul Schroder, seconded by Peter Barber, all in favor.

### **IV. New Business (continuation)**

- B. Application for retirement:

1. George Gardner, Code Enforcement Officer, for a revised retirement date effective November 8, 2016. Original retirement date of December 17, 2016 approved at the December 2015 meeting.

Motion to approve the revised application for retirement made by Peter Barber, seconded by Zato Kadambaya, all in favor.

- C. Pension calculations:

1. Mark Gladue, retired September 10, 2016. His pension is calculated for \$30,264.91 annually. His application for retirement was approved at the July 2016 meeting.
2. James Kurasz, retired September 16, 2016. His pension is calculated for \$80,071.58 annually. His application for retirement was approved at the September 2016 meeting.

Motion to accept the pension calculations made by Peter Barber, seconded by Zato Kadambaya, all in favor.

- D. Applications for refund and/or rollover of pension contributions:

1. Heather (Aldi) Grisham, LPN-BOE, who terminated February 1, 2016. Refund in the amount of \$1,487.48 with interest (thru 07/31/2016).
2. Shirley Cherenfant, Paraeducator-BOE, who terminated on August 17, 2010. Rollover in the amount of \$610.07 with interest (thru 07/31/2016).
3. Corey Corcoran, Paraeducator-BOE, who terminated on February 22, 2013. Refund in the amount of \$4,279.86 with interest (thru 07/31/2016).
4. Robin Faulise, Paraeducator-BOE, who terminated June 22, 2010. Refund in the amount of \$563.05 with interest (thru 07/31/2016).
5. Melissa Garcia, Paraeducator-BOE, who terminated June 13, 2016. Refund in the amount of \$7,726.73 with interest (thru 07/31/2016).

6. Carol Ann Geiler, LPN-BOE, who terminated August 10, 2012. Refund in the amount of \$1,216.60 with interest (thru 07/31/2016).
  7. Lauren Hughes, Paraeducator-BOE, who terminated July 24, 2015. Refund in the amount of \$2,142.48 with interest (thru 07/31/2016).
  8. Mike Hughes, Communications & Community Outreach, who terminated on April 19, 2013. Refund in the amount of \$17,006.40 with interest (thru 07/31/2016)
  9. Rebecca Karis, Paraeducator-BOE, who terminated August 4, 2014. Rollover in the amount of \$505.98 with interest (thru 07/31/2016).
  10. Lauren (Barrett) Pittman, NPU, who terminated May 30, 2003. Rollover in the amount of \$8,476.32 with interest (thru 07/31/2016).
  11. Jeffrey Rice, Police Officer, who terminated November 29, 2009. Refund in the amount of \$1,544.96 with interest (thru 07/31/2016).
  12. Destiny Twomey, Paraeducator-BOE, who terminated February 7, 2013. Refund in the amount of \$8,869.47 with interest (thru (07/31/2016).
  13. Robin Williams (Vilchez), Paraeducator-BOE, who terminated December 8, 2008. Refund in the amount of \$79.48 with interest (thru (07/31/2016).
  14. James West Jr, Custodian-BOE, who terminated March 16, 2007. Refund in the amount of \$6,771.03 with interest (thru 07/31/2016).
  15. Melinda Wilson, Payroll Clerk-BOE, who terminated July 4, 2008. Refund in the amount of \$9,005.55 with interest (thru 07/31/2016).
  16. Jami Zagarenski, Paraeducator-BOE, who terminated December 19, 2008. Refund in the amount of \$79.48 with interest (thru 07/31/2016).
  17. Andrea Funk, Paraeducator-BOE, who terminated January 25, 2008. Refund in the amount of \$7,461.87 with interest (thru (08/31/2016).
  18. Christopher Kimble, Apprentice STCO, who terminated December 8, 2008. Refund in the amount of \$371.78 with interest (thru (08/31/2016)
  19. Llajeire Rodriguez, Paraeducator-BOE, who terminated February 6, 2009. Refund in the amount of \$4,495.33 with interest (thru (08/31/2016).  
Motion to approve the pension contribution refunds made by Peter Barber, seconded by Zato Kadambaya, all in favor.
- E. Notifications of death:
1. Mary Lou Walski (DOD April 26, 2016) who terminated on March 29, 1997 from NPU. Refund due to Carl Smith, beneficiary, in the amount of \$29,264.12.  
Motion to acknowledge the notification of death and approve the pension contribution refund to the beneficiary made by Peter Barber, seconded by Paul Schroder, all in favor.
  2. Victor DeBartolo (DOD September 30, 2016) who retired from NPU on March 10, 1993. Survivor benefit due Theresa DeBartolo in the amount of \$15,145.05 annually.  
Motion to acknowledge the notification of death and approve the survivor benefit made by Peter Barber, seconded by Zato Kadambaya, all in favor.
- F. Presentation of Hooker & Holcombe invoices for the Pension Plan and OPEB.  
Presented two Hooker & Holcombe invoices dated September 28, 2016 for actuarial services for fiscal year ending June 30, 2016. Invoices for the GASB 43/45 accounting report for OPEB in the amount of \$1800 and the GASB 67 & 68 accounting report in the amount of \$2950 were reviewed. Motion to approve the two invoices made Peter Barber, seconded by Zato Kadambaya, all in favor.

G. New Employee:

Motion to acknowledge the new employee made by Paul Schroder, seconded by Peter Barber, all in favor.

NAME	POSITION	DATE OF HIRE	CITY/STATE
Erin Wood	Youth & Family Caseworker	10/11/2016	Norwich, CT

H. Employees to be admitted into the City of Norwich Employees' Retirement Fund:

Motion to admit the following employees into the City of Norwich Employees' Retirement Fund made by Peter Barber, seconded by Paul Schroder, all in favor.

NAME	POSITION	DATE OF HIRE	ACADAMY GRAD DATE	PROBATION PERIOD UP:	REQUEST /EVAL RECEIVED:
Andrew Shetland	Metering & Revenue Asset Manager-NPU	3/21/2016	n/a	10/4/2016	9/21/2016
Thomas Palmer	Apprentice Maintenance Mechanic-NPU	4/11/2016	n/a	10/10/2016	9/22/2016
Dillon Dube	Janitor	10/5/2015	n/a	10/4/2016	09/26/2016

V. **Adjournment**

Motion to adjourn made by Zato Kadambaya, seconded by Peter Barber, all in favor, Meeting was adjourned at 7:12 pm.

Respectfully submitted,



Sandra Pimentel, Secretary