

Minutes of the Joint Meeting

Town and Police Pension Boards

July 28, 2015

Room 206 4:00 PM

CALL TO ORDER

The meeting was called to order by Jon Zagrodzky 4:00 pm. Attendance was as follows:

- For the Town Board: Bruce Sargent, Tony Yezzi, Jon Zagrodzky. Absent: Kelly Galvin (chair), Jack Whitehead.
- For the Police Board: Kim Huffard, Paul Johnson, Tom Joyce, Ray Osborne (chair), Jon Zagrodzky. Absent: None.
- Others: Karl Kilduff, Town Administrator; Kate Buch, Director of Finance; Lee Palmer, Director of Human Resources (Mr. Palmer is new to the Town and was introduced to the Boards).

INVESTMENT MANAGEMENT REPORT

John C. Forelli, Managing Director at Boston Partners, joined the meeting to present recent investment performance. Highlights:

- General comments: Boston Partners as a firm continues to do well, with no recent investment professional turnover. They have experienced the most significant asset growth in their domestic long/short and global/international equity strategies.
- The Town and Police Pension funds held \$66.0 million and \$45.9 million respectively as of 6/30/15. If they had they been invested in no-fee index funds since the inception of the relationship with Boston Partners in 2005, total assets in each would have been lower by \$12.2 million and \$9.4 million respectively.
- Boston Partners continues to maintain an investment weighting of 60% equities and 40% fixed income, within the Boards' guidelines. The Funds' equity investments are weighted more to mid-cap and less to small stocks, with no allocations to REITS or Transportation.

- Mr. Forelli expressed concerns over the recent drops in Chinese stocks. Although the Funds have no Chinese stock holdings, he worried about the effect of Chinese market instability on other markets globally.
- Mr. Forelli anticipates that the Fed will increase interest rates in September. He believed that the portfolio is prepared for this.

DISCUSS AND TAKE ACTION ON POSSIBLE REVISIONS TO RETIREMENT APPLICATION AND REFUND FORMS AND PENSION MANUAL

The Town Board considered changes to the Town Pension Manual. It was decided that reference in the manual to current Board members (Page 2), the current trustee of the fund (Page 6), the current investment management company (Page 7), and the current pension fund actuary (Page 8) should be removed (since they may change periodically, necessitating an update to the Manual) and instead reported on the Town web site. In addition, the adoption date of the Investment Guidelines was updated to July 28, 2015.

Bruce Sargent moved adoption of the updated Town Pension Manual with the edits above; Tony Yezzi seconded; passed 3-0.

Kate Buch presented the revised pension forms, which included the Application for Service Retirement, the Application for Refund of Contributions and the Contingent Beneficiary Designation Form. The changes made were largely to make designations on these forms more clear.

Bruce Sargent moved adoption of the revised pension forms; Tony Yezzi seconded; passed 3-0.

DISCUSS AND TAKE ACTION ON RETIREMENT APPLICATIONS

The Boards discussed the Town applications (there were no Police applications), which Tony Yezzi reviewed in advance. Bruce Sargent moved approval of the applications for Sue Swiatek, Frederick Micha and Ann Kuzman; Tony Yezzi seconded; passed 3-0.

Several commented that it would be helpful to have a Board of Education representative on the Town Board to help ensure the accuracy and quality of pension applications for covered Board of Education employees.

APPROVAL OF MINUTES

The April 21, 2015 minutes were reviewed; no edits were made. Bruce Sargent moved approval for the Town; Tony Yezzi seconded; passed 3-0. Ray Osborne moved approval for the Police; Kim Huffard seconded; passed 3-0-2 (Paul Johnson and Tom Joyce abstained due to absence on April 21).

ADJOURNMENT

There being no further business, Jon Zagrodzky moved to adjourn both Boards; passed at 4:43 pm.

Respectfully submitted: Jon Zagrodzky, Clerk

Next meeting: October 20, 2015