

**CITY OF MIDDLETOWN**  
**MINUTES OF THE RETIREMENT BOARD**  
**Monday, November 19, 2018 at 9:00 am**

The Regular Meeting of the Retirement Board of the City of Middletown  
was held in room 208 of the Municipal Building

**Board Members Present:** Mary Bartolotta, Carl Erlacher, Steve Gomes, John Milardo, Linda Salafia, Joe Serra (9:20)

**Board Members Absent:** Mayor Drew

**City Employees/Public/Others Present:** Diana Doyle, NeCole Carr (Payroll & Pension Supervisor), Kori Wisneski (OGC), Michelle Clayman (New Amsterdam Partners)

- Meeting Called to Order at 9:11 am
- No Public Comments on the Agenda
- Steve called for motion to move New Amsterdam Manager to top of agenda
  - Carl motioned to move the presentation and was seconded by Linda
  - All in favor
- New Amsterdam Manager
  - New Amsterdam Founder and Manager Michelle Clayman reviewed the company structure; investment process and strategy for choosing Small - Mid Cap companies
  - Reviewed Pension Fund investments; characteristics of portfolio; noted that performance since inception is above the benchmark despite recent underperformance
- Approval of Minutes
  - September 10, 2018 special meeting
    - Amendment to “board members present” to include Steve
      - John motioned to approve, with the amendment, and was seconded by Linda
      - All in favor
- Approval of 2019 proposed meetings
  - Board selected Tuesday, February 19, 2019, for February meeting date
    - John motioned to approve the proposed meeting schedule and was seconded by Carl
    - All in favor
- Discussion of new pensioner’s benefit calculation
  - NeCole reviewed details regarding an employee’s request to retire; discussion included employee’s time to be used and identification of employee’s last day to work to meet the minimum requirement of 21 years, 9 months (contractual equivalent of 22 yrs)
  - NeCole explained that after their meeting the employee changed the last day to work to an earlier date with Human Resources; the date change made by the pensioner, resulted in a 3-day shortfall of meeting the minimum required 21 years, 9 months of employment resulting in a lower monthly pension payment (based on 21 yrs)

- Discussion of Pension Ordinance and 466 contract requirements; Board determined there is no action to take regarding the calculation
- Review of Investments
  - Gerry iterated the rewards New Amsterdam brings to the Pension Plan with the value it holds onto during periods of underperformance
  - The Pension Fund value at the end of the 3<sup>rd</sup> quarter was \$420,575,520
  - Gerry reviewed the performance of the portfolio; noted that GYL does not yet have a recommendation for the Vanguard S&P holdings; Large Cap Active strategy will be recommended when a manager that will add value is identified
  - The OPEB Trust value at the end of the 3<sup>rd</sup> quarter was \$13,750,291
  - Gerry discussed the Asset Allocation study for the OPEB Trust; reminded Board that allocation was changed in February 2018 from 60/40 to 65/35
  - GYL recommended staying with the current allocation of 65/35
- 457 Plan review
  - Gerry discussed the results of GYL's review of the 457 Plan; noted the investment perspective of the current 457 Plan is fine; recommended that the City search for a record-keeper to replace Mass Mutual due to high personnel turnover, change in service model and faltering customer service
  - Discussion on how Board should proceed; GYL will conduct an RFP on behalf of the City
    - Linda motioned for GYL to perform an RFP for 457 Plan record-keeper and was seconded by Joe
    - All in favor
  - GYL will discuss RFP findings with Board at February 2019 meeting
- Reports: (informational)
  - Treasurer's Report
  - Pension Investment Report

<u>Applications for Membership</u>	<u>Start Date</u>	<u>Department/Union</u>
Ronald Baia, Jr.	10/15/18	PCD/UPSEU
Mary Dattilo	11/13/18	Library/Non-Barg
Mark Kominske	10/29/18	Police/Police
Kisha Michael	9/24/18	Arts/UPSEU
Jeremy Tavares	10/29/18	Police/Police

<u>Requests to Retire/Collect/Vest</u>	<u>Yrs of Svc</u>	<u>Department/Union</u>
Tina Gomes	33 yrs	Finance/Non-Barg
Sean Moriarty	32 yrs	Police/Police
James Prokop	21 yrs	Police/Police
Joseph Snyder (vest)	12 yrs	Police/466

<u>Refund Requests/Adjustments/Other</u>	<u>Department/Union</u>
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Jeffrey Chamis  
Michelle Ford

W&S/466  
PCD/UPSEU

- Deceased Pensioners  
Marie Stewart
- Adjournment of Meeting
  - John motioned to adjourn and was seconded by Linda
  - All in favor

Respectfully submitted: Carl Erlacher

DRAFT