

**Pension Committee
Town of East Windsor
11 Rye Street
East Windsor, CT**

MINUTES OF REGULAR MEETING, October 27, 2010 at 5:30 p.m.

These minutes are not official until approved at a subsequent meeting.

Members Present: Jason Bowsza, Denise Menard, John L. Burnham, Dale Nelson,
Kathleen Pippin, and Edward Bowsza
Members Absent: Thomas Strempher and John Pica-Sneedden
Others: Catherine Cabral
Press: None

I. Call to Order

Chairman Jason Bowsza called the Regular Meeting to Order at 5:36 p.m., in the East Windsor Town Hall.

II. Minutes Approval

It was **MOVED** (Nelson) and **SECONDED** (Menard) and **PASSED** (U) that the Pension Committee approves the minutes of March 29, 2010 Special Meeting.

A brief discussion was held regarding previous minutes of May, 2010, and Ms. Cabral indicated she would look through the folder to see if the minutes were done and if not, she would try to recreate them for the record.

III. Communication

Ms. Menard commented that a member from the Board of Education has not been attending the Pension Committee meetings and would like a letter to go to the Chairman of the Board of Education requesting a member or himself to attend the Pension Committee meetings. Ms. Cabral indicate the Charter, by default, the Chairman of Board becomes responsible for attending or delegating someone to attend the meetings. Ms. Menard indicated her concern is that the Board of Education has a big piece of the pension. Mr. Bowsza indicated he would contact Mr. Pica-Sneedden, the Chairman of the Board of Education, and speak to him about this concern. Mr. Burnham indicated he would also follow up the conversation with a letter.

Mr. Edward Bowsza entered the meeting at 5:42 p.m.

IV. New Pension Draft-Discussion

Ms. Menard indicated the Pension Draft has been reviewed and received back from the attorney. The draft has been sent to all of the unions for their review and acceptance. By way of stalling, some unions have sent their drafts to a pension attorney in Washington D.C. and are apparently still waiting for a response. However, two bargaining units, clerical and supervisors have had questions which have been answered and have accepted the draft. She is still waiting for the police union and Board of Education for a response. She did indicate Public Works has not officially given the okay, however, that union has the same union representative as the clerical union has. She does not anticipate a problem with the Public Works.

A discussion was held among the members regarding how long should the Committee give bargaining units to respond. Ms. Menard indicated she would contact the pension attorney so he could draft a letter to those bargaining units indicating if a response is not forthcoming within so many days, then it will be assumed those bargaining units agree to the new pension draft and have no changes to be made.

It was **MOVED** (Nelson) and **SECONDED** (Burnham) and **PASSED** (U) that the Pension Committee accepts the new pension draft as presented given that two bargaining units have agreed with same and the Committee will send a letter from Attorney Bruce Barth to the two other outstanding bargaining units to respond in a timely fashion.

V. Pension Investment Review

Ms. Catherine Cabral, Treasurer, gave to all Committee Members a copy of a document from Mass Mutual Financial Group dated September 30, 2010 for their review. She discussed the report which included Financial Statement of the Accounts July 1, 2010 to September 30, 2010; Dollar Weighted Selected Period of Performance dated September 30, 2010; Asset Allocation Analysis Graph; and Breakdown of Accounting Transactions dated July 1, 2010 to September 30, 2010. Ms. Cabral indicated it was a strong quarter.

Mr. E. Bowsza indicated he would like to have a comparison against an index similar how an individual account gets compared. He believes Mass Mutual can give the comparison. He would like to know which indexes does the company use and how far back should the comparison go. Ms. Cabral indicated she would contact Mass Mutual to see if she can get that comparison for the next meeting or maybe she could invite the advisor to one of the meetings to discuss this matter in more detail. Chairman Jason Bowsza inquired as to who decides which stocks to invest in. Ms. Menard commented the town does have some say on which investments should be made.

A brief discussion was held among the Committee Members.

VI. Old Business

a. Unbundling Update

Ms. Menard wanted to give the Committee a little history of the pension fund investment management. In 2005-2006, it was decided to breakdown the investment piece. Milliman, Inc., a consulting actuary, was given long term investments which have been excellent. Ms. Linda Splinsky has worked in the Office of Policy Management in the State of Connecticut. She was also a trustee for the City of Waterbury when the city was having financial problems. Ms. Linda Roberts, former First Selectwoman, had consulted with her in the past and she is very knowledgeable about this subject, she could recommend the next step we can take. Ms. Catherine Cabral gave a draft to all of the Committee Members for their review, which is a basic overview and explains RFP and RFQ.

Ms. Menard left the meeting at 6:12 p.m.

Ms. Cabral indicated she would contact Linda and ask her for a simple RFP. A discussion was held regarding RFP and RFQ and what the difference between the two of them. At the end of the discussion, it was agreed that Ms. Cabral would email or contact Linda to get clarification of RFP and RFQ, and if need be, she would invite Linda to the next meeting to discuss it further.

A discussion was held regarding the next scheduled meeting. Chairman Bowsza indicated the meeting had to be held between December 5 and December 12 so the first draft can be reviewed. It was agreed the meeting would be scheduled for December 8, 2010 at 5:30 p.m.

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VII. New Business

Ms. Dale Nelson wanted to discuss an event that she and Mr. John Burnham attended. She gave copies of a document entitled "DB/DC: Look Before You Leap dated October 27, 2010". She indicated the presentation was given by First Selectwoman Denise Menard and Ms. Becky Sielman, consulting actuary of Milliman, Inc. She discussed Private Sector Rules vs. Public Sector Rules. She also discussed a total plan over a thirty year period and indicated the plan constantly changes due to new hires and retiring employees.

Ms. Catherine Cabral gave out copies of a document entitled "GAP". A discussion was held again about having the Board of Education attend the Pension Meetings to discuss their contributions.

VIII. Other

It was decided the next meeting will be on December 8, 2010 at 5:30 p.m.

Another discussion began regarding the Board of Education and the pension line in their budget. Concerns were voiced if the Board of Education does not fund their pension line, the town will have to pay more to compensation the Board of Education.

IX. Adjournment

It was **MOVED** (Burnham) and **SECONDED** (E. Bowsza) and **PASSED** (U) that the Pension Committee adjourns the October 27, 2010 Regular Meeting at 6:47 p.m.

Respectfully Submitted,

Denise M. Piotrowicz
Recording Secretary