

I CALL TO ORDER

- Pursuant to notice duly posted, Chairman Michael Julian called the meeting of the Pension Board to order at 6:06 p.m., in Room 217 of the Stratford Town Hall, 2725 Main Street, Stratford, CT.

Members present: Michael Julian, John Miranda, Gavin Forrester, Robert Camillo, Michael Henrick, Raymond Barker, Michael Bonnar, David Hurley, Bonnie Vail, Mathew Morse, Joeann Blando, and Shawn Farmer (Pres. Police Union).

Others present: John G. Norko (Finance Director), Richard Buturla (Town Attorney), Eileen Murphy (Insurance Coordinator), Cecelia Campbell (Wachovia), and David Lee (Dahab Assocs), Attorney Jon August, and John Hay.

II APPROVAL OF MINUTES

1. Meeting of October 23, 2006

- UPON MOTION BY MR. BARKER AND SECONDED BY MR. HURLEY, THE FOREGOING MINUTES WERE UNANIMOUSLY APPROVED AS SUBMITTED.

2. Special Meeting of December 16, 2006

- UPON MOTION BY MS. VAIL AND SECONDED BY MR. HENRICK, THE FOREGOING MINUTES WERE UNANIMOUSLY APPROVED AS SUBMITTED.

III TABLED APPLICATIONS

1. *PHILIP ESPOSITO (Public Works) – Disability in line of duty.*
2. *PABLO CEBALLO (Public Works) - Disability in line of duty effective 09/20/05.*
3. *DENNIS P. TOPO - Disability in line of duty effective 04/28/06.*
4. *THOMAS WEST (Public Works) - Disability in line of duty.*

- UPON MOTION BY MR. HURLEY AND SECONDED BY MR. MORSE, THE APPLICATION OF THOMAS WEST (ITEM III-4) WAS TAKEN OFF THE TABLE.

- Mr. West received a favorable recommendation from the DRB. He tried to come back to work, but can't do the job.

- MR. HURLEY MADE A MOTION, SECONDED BY MR. MORSE, TO APPROVE THE DISABILITY IN LINE OF DUTY APPLICATION OF THOMAS WEST EFFECTIVE JANUARY 22, 2007. MOTION CARRIED UNANIMOUSLY.

IV NEW APPLICATIONS

1. *AUDREY WELLNER (BOE) - Superannuation effective 01/12/07.*
2. *ANTOINETTE KOSC (BOE) - Superannuation effective 01/16/07.*

- ON MOTION BY MS. BLANDO AND SECONDED BY MS. VAIL, THE SUPER-ANNUATION APPLICATION OF *AUDREY WELLNER* (BOE), EFFECTIVE JANUARY 12, 2007, WAS UNANIMOUSLY APPROVED.

- ON MOTION BY MS. BLANDO AND SECONDED BY MS. VAIL, THE SUPER-ANNUATION APPLICATION OF *ANTOINETTE KOSC* (BOE), EFFECTIVE JANUARY 16, 2007, WAS UNANIMOUSLY APPROVED.

V TREASURER'S REPORT

- Ms. Campbell distributed her reports for the periods ending November 30, 2006 and December 31, 2006. Funds have now been transferred to Advisory Research.

- Mr. Lee stated that the economy during the Fourth Quarter was stronger than expected. The value of the Pension Fund as of December 31 was \$119.4 million. Equities had a 6.3% return after fees. The total portfolio earned 3.6% based on a 50/50 allocation of equities and fixed.

VI BOARD BUSINESS

1. *COMMUNICATION, RE: JOHN HAY* - Request for reconsideration of disability not in line of duty Pension (granted by the Board on 12/18/06)

- Chairman Julian read Attorney August's letter of January 4, 2007 into the record.

- MR. CAMILLO MADE A MOTION, SECONDED BY MR. MIRANDA, TO ENTER INTO EXECUTIVE SESSION BASED ON SECTION 1-200(6)(A & E) OF THE CONNECTICUT GENERAL STATUTES IN ORDER TO DISCUSS MR. HAY'S REQUEST FOR RECONSIDERATION, TO INCLUDE THE PENSION BOARD TRUSTEES, ATTORNEY BUTURLA, MS. MURPHY, MR. HAY AND ATTORNEY AUGUST. MOTION CARRIED UNANIMOUSLY.

Executive Session commenced at 6:27 p.m. and ended 6:55 p.m.

- ON MOTION BY MR. HENRICK AND SECONDED BY MR. CAMILLO, THE PENSION BOARD UNANIMOUSLY VOTED TO TABLE JOHN HAY'S REQUEST.

2. TABLED ITEMS

A. FUTURE INVESTMENT STRATEGIES AND POTENTIAL ASSET ALLOCATIONS

- UPON MOTION BY MR. HENRICK AND SECONDED BY MR. FORRESTER, ITEM VI.2.A. WAS REMOVED FROM THE TABLE.

- At the October meeting, Mr. Camillo had questioned the rate of return required to achieve a zero cash flow? Mr. Lee responded that an 8.25% actuarial assumption growth rate would achieve that goal. Per Mr. Lee, if the Fund earned an 8.25% return it would be "*fully funded*" within 20 years, meaning there would be enough money to cover employee benefit costs.

- Chairman Julian questioned whether the goal shouldn't be to reduce the Town's contributions? Mr. Norko agreed with the Chairman, but explained that Mr. Lee is presenting a plan going forward. The Pension Fund would have to be over 100% funded in order for contributions to no longer be required from the Town.

- Mr. Hurley questioned whether an Ordinance could be enacted requiring the Town to make the actuarially recommended contribution to the Pension Fund each year? Attorney Buturla will research this.

- Mr. Camillo was concerned about minimizing risk. He has been doing research on his own and was advised that the Pension Fund could lose \$20 million overnight by following Mr. Lee's strategy.

- MR. CAMILLO MADE A MOTION TO TABLE THE ASSET ALLOCATION FOR ONE MORE MONTH SO THE BOARD COULD REVIEW HIS RESEARCH. MR. STROOMER SECONDED THE MOTION. MOTION TO TABLE CARRIED 11-1 WITH MR. MORSE OPPOSED. [Secretary will pony Mr. Camillo's research to all Pension Trustees.]

- Mr. Hurly suggested that the Board approve a 60% equities and 40% fixed income re-allocation now and decide about investing in timber and real estate at a later date.

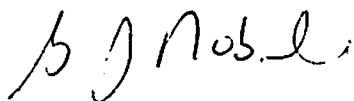
B. OVERSIGHT PROCESS FOR DISABILITY PENSIONS - no business.

VII NEW BUSINESS - none

VIII ADJOURNMENT

- ON MOTION BY MR. CAMILLO AND SECONDED BY MR. MIRANDA, THE MEETING ADJOURNED AT 7:30 P.M.

Respectfully submitted,



Gail J. Nobili
Recording Secretary

*Note: Recorder malfunctioned.

As of January 2007

Michael Julian	Eileen Murphy (Insurance)
John Miranda	Donna Vedock (Payroll)
William Stroomer	Michael Bonnar (Supervisors)
Gavin B. Forrester, III	David Killeen (Supervisors -A)
Michael F. Henrick	Dave Hurley (Public Works)
Robert Camillo	Ron O'Malley (Public Works-A)
Raymond Barker	Tom Murray (Fire Dept)
James R. Miron (Mayor)	Mathew Morse (Fire Dept-A)
Mark Haddad (CAO)	Dave Salik (Police Dept)
Richard J. Buturla (Town Atty)	Alec Voccola (Police Dept-A)
John G. Norko (Finance Director)	Joeann Blando (BOE)
Cecelia Campbell (Wachovia)	Bonnie Vail (Town Hall-A)
David Lee (Dahab Assocs.)	

Engineering, Water Pollution, Highway, Sanitation, Garage Maintenance, Parks,
M. Vidmosko c/o Garage Maintenance, Vincent Carbone (BOE), Benjamin Branyan (BOE)