



MINUTES FROM MEETING ON MARCH 9, 2017

Chairman Smith called the meeting to order on Thursday, March 9, 2017 in the Sustainability Conference Room, 2nd floor, City Hall at 9:30 AM. There was a quorum. Chairman Smith called into the conference line at which time Mr. Klausner, Mr. Leonard and Mr. Stronkowsky joined the meeting.

Board Members

Jay L. Smith, Chairman  
Jose Vicente, Vice-Chairman  
Laurie Botts, Secretary  
Mathew Fleury, Trustee  
Christopher McCullion, Trustee

Others Present

Katrina Laudeman, Executive Director  
Michelle McCrimmon, Deputy CFO  
Matt Dickey, Deputy Executive Director  
Katie Zuccarini, Employee Benefits (9:35)  
Robert Klausner, Board Attorney (via phone)  
Kevin Leonard, NEPC (via phone)  
Keith Stronkowsky, NEPC (via phone)  
Michele Keane, Pension Coordinator  
Jada Roberson, college student (9:37)  
Justin Teague, college student (9:37)

1. **PUBLIC COMMENT**

Chairman Smith asked if there was any public comment. There was none.

2. **APPROVAL OF MINUTES OF FEBRUARY 9, 2017**

**A MOTION TO APPROVE THE MINUTES OF FEBRUARY 9, 2017** was made by Mr. Fleury and seconded by Mr. Vicente; **MOTION CARRIED UNANIMOUSLY.**

3. **APPROVAL OF CONSENT AGENDA**

**A MOTION TO APPROVE THE CONSENT AGENDA** was made by Mr. Fleury and seconded by Chairman Smith; **MOTION CARRIED UNANIMOUSLY.**

4. **NEW BUSINESS (Agenda item taken out of order as courtesy to NEPC.)**

a. **Asset Allocation & Investment Policy** – Mr. Leonard explained that today's goal is to review the 2017 outlook while considering the key market themes and current market opportunities. (Ms. Roberson and Mr. Teague entered the meeting at 9:37.) Mr. Stronkowsky spoke briefly about four key market themes and their effect on the US and global economies. Mr. Leonard discussed current opportunities and forecasted expected returns for the year. The Board members looked at the three asset allocation mixes that NEPC had put together for consideration. Chairman Smith and Ms. Laudeman both stated that they feel a more aggressive approach is needed to get closer to the expected return.

Ms. Laudeman asked when NEPC expects to put together a full asset allocation study for the fund. Mr. Leonard will start an asset/liability study as soon as possible but doesn't feel it needs to be completed before actions can be taken.

Mr. Leonard stated he will be meeting with EnTrust next week and will be discussing their new fund, Special Ops IV. Chairman Smith noted the Board's potential interest in participating in Special Ops IV, and asked Mr. Leonard to share the fund information after their meeting.

Additionally, Comvest has a new fund coming up soon. The Board asked NEPC to set up a meeting with Comvest to learn about their new fund. Mr. Leonard and Mr. Stronkowsky signed out of the meeting at 10:28.

There were not any questions or concerns regarding the Investment Policy at this time.

5. **PENDING / OLD BUSINESS**

- a. **Disability Update** – Ms. Keane notified the Board that Dolores Bracero has been given a long term alternative light duty position and has withdrawn her application. Applications have been received from Ghena Luker, Tammi Cliborne and Amy Briscoe for Derek Briscoe. Chairman Smith added that Kenneth Brown is expected to file his application and notebook next week.

Ms. Laudeman informed the Board that Gerry Realin's application and notebook, dated March 3, 2017, have been received. However, the notebook is incomplete and not in the proper format. At the request of the Chairman, all information regarding the notebook requirements and application deadline will be sent to Mr. Realin and his attorney to insure he has everything necessary to submit the package properly.

- b. **Securities Litigation Update** –Chairman Smith noted the report on the agenda.

4. **NEW BUSINESS (cont'd)**

- b. **Review of Policies & Procedures 1 – 5**

Policy 1 – Ms. Botts suggested adding reviewing the investment policy, investment managers and asset allocations to the objectives. These changes will be added to the policy.

Policy 2 – Chairman Smith asked about changing from a two-year term to a four-year term. This would require a special act and will not be acted upon at this time. Mr. McCullion gave a brief background of working with the police legal department on the previous election. Due to the success of the election process, Mr. McCullion suggested having the police department run future elections. Some discussion ensued and it was agreed to add language allowing either the police department or the executive director run future elections, at the direction of the Board. At Ms. Botts' suggestion, an introductory paragraph will be added to explain the background of the selection of the entire board, and that this policy only applies to the election of the two police members and the 5<sup>th</sup> member who is

elected by the four members. The election results will include the total number of votes and how many each person received.

Policy 3 – Has been repealed.

Policy 4 – After some discussion and it was decided to send the “Retiree’s Report of Continuing Disability” letter annually, up to the date when the disability retiree would have attained twenty five (25) years of service. Additional clarification paragraph to the policy and letter will be added to indicate that failure to complete the form within 30 days of the date sent will result in the suspension of disability payments. If someone does fail to return the documentation, it will be brought to the attention of the Board in the form of an agenda item. The forms will be modified to reflect these changes and will use staff job titles, not specific names.

Policy 5- Add sentence, according to the plan for beneficiaries receiving a survivors benefit, unless due to a line-of-duty death, benefits ends at time of remarriage. Again, use staff job titles not specific names. Change forms to reflect changes.

- c. **Review of State Report Update** – Ms. McCrimmon stated that the report is awaiting the audited financial statements and should be complete by the end of May. Once completed, a copy will be provided to the Board members.

## 6. **ADJOURNMENT**

**A MOTION TO ADJOURN** was made by Ms. Botts and seconded by Mr. Fleury. The meeting adjourned at 10:13 AM.

Respectfully submitted,

*Michele Keane*

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Pension Coordinator