



TRUMBULL POLICE PENSION BOARD

PENSION TRUSTEES

JACK TESTANI, CHAIRMAN
ROBERT COPPOLA
LINO COSTANTINI
ANNA HENRY
PHILIP DIGENNARO
THOMAS H. KIELY

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Trumbull Police Pension Board of Trustees Meeting
Long Hill Conference Room – Trumbull Town Hall
September 27, 2012

MINUTES

The Trumbull Police Commission Meeting was called to order at 6:32 p.m.

Members Present: Jack Testani, Chairman
Anna Henry
Lino Costantini
Roger McGovern
Albert Zmary
Detective Robert Coppola
Officer Blake Petty

Also Present: Dan Nelson
Deputy Chief Byrnes
Deputy Chief Harry
Cheryl Morgan – Bank of America
Brian O'Donnell – Bank of America

Absent: Chief Thomas Kiely
Philip DiGennaro

Approval of May 8, 2012 Pension Board Minutes

Motion to approve the Trumbull Police Pension Meeting Minutes of May 8, 2012 as presented. MOTION made (Commissioner Henry), 2nd (Commissioner McGovern). There was no further discussion. MOTION CARRIED WITH ONE ABSTENTION, BLAKE PETTY.

Unfinished Business

Motion made to move unfinished business after new business. MOTION made (Commissioner Coppola), 2nd (Commissioner Costantini). There was no further discussion. ALL IN FAVOR. Motion carried unanimously.

New Business

Cheryl Morgan and Brian O'Donnell – Bank of America

Cheryl Morgan indicated that if anyone was omitted from the mailing distribution she will make a note and has requested an updated mailing list of the board members. Cheryl Morgan provided an analysis of the accounts. The Police Pension has several accounts and they are fixed income, mutual funds and equity investments. Cheryl Morgan indicated that since June 30, 2012 the current balance without accrued income. The balance as of September 27, 2012 was \$40,806,018.00. There have been contributions made since July 1, 2012 of \$517,789.00. There have been paid out benefits of \$451,508.00 since July 1, 2012. The ending balance as of July 2012 is \$37,450,883.00 therefore the plan has increased \$3,421,416.00 since July 1, 2012.

Brian O'Donnell provided the board with a detailed explanation of the Asset Allocation & Investment Strategy pertaining to the Police Pension investments.

New Business

Election of New Actuarial Firm

Chief of Staff Dan Nelson indicated that back in May the Town of Trumbull put out a RFP for the Town and for the Police Department. The Town Pension Board and Police Pension Boards have had Hooker & Holcomb as the actuary since early 80s. At the request of the Police Pension Board it was requested that other actuarial firms be interviewed. There were three (3) companies that responded to the RFP which were Hooker & Holcombe, EFI and BPS & M. The companies were interviewed by Dan Nelson, Commissioners McGovern, Zmary, Maria Pires, Director of Finance and John Ponzio, Town Treasurer. Discussion followed of the positives and negatives each company had to offer the town. Dan Nelson provided a spreadsheet from BPS & M and EFI which provides summary and detailed services that each company would provide. Commissioner Henry indicated she noticed that Hooker & Holcombe was the most expensive actuary company of out the three (3) companies. Dan Nelson confirmed that she was correct. EFI and BPS & M were close in price. Each company offered different services, from the town's standpoint Dan Nelson said that they thought that BPS & M was the best. BPS & M is able to provide any retirement information quicker than the other companies but that is because they hold the Town Pension accounts. Dan Nelson emphasized that the Police Pension would not necessarily receive the same benefit in that aspect only because the Police Pension is with Bank of America. Dan Nelson was impressed with EFI as they had some interesting modeling. Beneficiaries could go on line and try different models of what you can contribute and what their return might be. Hooker & Holcombe has also unveiled an interactive model for employees as well which

the town was not aware of. Commissioner Zamarly mentioned that Hooker & Holcombe did not want to take the responsibility of the errors they had made for the Police Pension and that disturbed Commissioner Zamarly and McGovern. Commissioner Henry also indicated she has not been happy with them. Detective Coppola agreed with the Commissioners that Hooker & Holcombe has made too many mistakes that he and retired Officer Abbate caught their errors. Commissioner Testani asked if each firm presented to the interview committee. Dan Nelson responded that they did, the companies submitted their proposal and made a presentation to the panel. Detective Coppola asked if BPS & M would be willing to come to a Union meeting to discuss the Employee Education. Dan Nelson indicated they would come to a meeting to present an Employee Education. Commissioner Testani also indicated that they would like BPS & M to attend a Police Pension meeting. Commissioner Henry asked who will be doing the November actuarial. Commissioner Henry indicated she would prefer it not to be Hooker & Holcombe. Detective Coppola responded that Hooker & Holcombe would have to do the last actuarial. Dan Nelson indicated that when the Town Pension Board met in the end of August to officially vote BPS & M as their new actuary, Hooker & Holcombe was informed and what happened was the BPS & M was provided with the documents and transferred everything over. Dan Nelson does not see a problem but it might take a little longer than November to receive the information from BPS & M. Commissioner Zamarly asked if there was a deadline in hiring a new actuarial. Chairman Testani also asked if the Police Pension Board has to vote to accept a new actuary. Dan Nelson indicated that the Police Pension Board does need to vote on their actuary. The Police Pension Board has a few options. They can stay with Hooker & Holcomb; go with BPS & M or with EFI. Commissioner Testani asked if a motion is made to accept BPS & M as the actuary, can a request be made to make certain that they are the ones to provide the actuarial numbers for the past 2 years. Dan Nelson responded that the Police Pension would be on track with the Town of Trumbull in terms of turning over the information and calculating. Dan Nelson believes that the Police Pension calculations would be done around the same time as the Towns. Commissioner Testani asked Commissioners McGovern and Zamarly if they thought BPS & M was the best company that was interviewed. Commissioner McGovern indicated their presentation was very good. Commissioners McGovern & Zamarly spoke about the problems that occurred with Hooker & Holcomb and he thinks that BPS & M made a better presentation. Dan Nelson indicated that the Pension Board is not locked in. They have the option of changing actuaries every two years or so. Detective Coppola agreed with the selection of BPS & M, but he would like to meet with them to see what assumptions they use. Commissioner Henry would like to be part of that meeting. The Board agreed in asking BPS & M to come in for a second interview to ask them some questions tailored to the Police Pension Plan. Commissioner Henry asked whether the Board wants to move forward in approving BPS & M as the actuarial and have them come in for a meeting. Commissioner Testani asked if a motion should be made by the Board that they accept BPS & M with any conditions.

Motion was made to approve the selection of PBS & M as the actuary for the Police Pension and that there be a separate meeting with Detective Coppola and

Commissioner Henry to determine the guidelines for the evaluation that will be presented in November or December. MOTION made (Commissioner Henry), 2nd (Commissioner Zamary). There was no further discussion. ALL IN FAVOR. Motion carried unanimously.

Dan Nelson will inform Maria Pires that the Police Pension Board made a motion to use BPS & M as their actuary and discuss transition. A meeting will be scheduled to meet within the next couple of weeks with BPS & M.

Detective Coppola would like the Police Pension to have a separate contract from the Town of Trumbull should they choose to change actuaries in the future.

Detective Coppola asked the status of Elizabeth Collins overpayment and whether Attorney Walsh has provided an update on any developments. Chairman Testani asked that Vivian follow-up with an email to Attorney Walsh to determine where this matter stands.

Commissioner Testani brought up that in the minutes there was also discussion about keeping Bank of America or looking for other Banks. Officer Petty indicated that he knew the Police Pension is locked in with Bank of America for another 3 ½ to 4 years. Commissioner Testani asked who Detective Coppola wanted to come in. Detective Coppola indicated the companies he was going to invite in were for an educational session that Dow Jones was willing to give. The Police Pension Board is very happy with Bank of America.

Adjournment

Motion made by Commissioner Henry, 2nd (Commissioner Coppola) to adjourn the Pension Board of Trustees Meeting at 7:45 p.m. ALL IN FAVOR. Motion carried unanimously.

Respectfully Submitted,

Vivian Munoz
Clerk of the Commission