

PENSION BOARD AGENDA
THURSDAY, FEBRUARY 26, 2009
4:00PM
LAW LIBRARY CONFERENCE ROOM, TOWN HALL

1. Approval of Minutes and Actions of the Regular Meeting of January 22, 2009.
2. Acceptance of Pension Fund Status Report for the month of January 2009.
3. **CORRESPONDENCE/REPORTS**
 - A. Meridian – 2008 Fourth Quarter Statement
 - B. Pine Grove – 2008 Fourth Quarter Statement
 - C. Pine Grove – As of December 31, 2008
4. **ADVISORS REPORTS**
 - A. *Plan Actuary Reports*
 - *NONE*
 - B. *Investment Advisors Reports*
 - Defined Benefit Quarterly Report
 - C. *Plan Attorney Reports*
 - *NONE*
5. **OLD BUSINESS**
 - *NONE*
6. **NEW BUSINESS**
 - A. Qualification of Christopher Passera DRO.
 - B. Confirmation of Acceptance of OPEB Trustee Appointment by the Board of Directors
7. **RETIREMENTS**
 - *No Retirements*
8. **ADJOURNMENT**

**TOWN OF MANCHESTER, CONNECTICUT
PENSION BOARD**

MINUTES OF FEBRUARY 26, 2009

ATTENDEES: Evelyn Livingston, Craig Lappen, Jan Johnson, Rob Huestis, Alan Desmarais, Dede Moore, Barbara Wengrzynek, and Chris Kachmar representing Fiduciary Investment Advisors LLC (FIA).

CALL TO ORDER: The meeting was called to order at 4:03PM by Rob Huestis, Chairman.

1. **APPROVAL OF MINUTES AND ACTIONS:** The minutes and actions of the Regular Meeting of January 22, 2009 were approved (Lappen/Livingston) 4-0.

2. **ACCEPTANCE OF THE ACCOUNT REPORT:** The Pension Fund Status Report for the month of January 2009 was unanimously tabled to next month's meeting so that the extent to which transfers between PIMCO fixed asset funds that had been accomplished as of 1/31/09 consistent with the asset re-allocation actions approved at the January 2009 meeting could be completely represented (Lappen/ Livingston) 5-0.

3. **CORRESPONDENCE/REPORTS**

— Items of correspondence that were included on the agenda were reported as for information only by Alan.

4. **ADVISORS REPORTS**

A. ***Plan Actuary Reports***

- *NONE*

B. ***Investment Advisors Reports -***

- **Defined Benefit Quarterly Report** — Chris Kachmar presented the Defined Benefit Quarterly Report, a copy of which is attached to the minutes of record. During the discussion that followed Chris' presentation, Craig Lappen, supported by other members' comments, expressed concern that the State Street Global Advisors' large cap index funds were unable to honor the redemptions requested as a part of the January 2009 asset re-allocation. His concern was not only that it potentially disadvantages the fund performance, but that the reason given was "due to securities lending restrictions." In addition, he was confused by the fact that the separate redemption requests were honored at varying levels. As a result, the Board asked FIA to contact State Street Global Advisors for additional detail and to report back at the March meeting. The Board held out the possibility, depending on that report and discussion, to ask SSGA representatives to attend the April 2009 meeting and/or discuss with FIA the alternative of transferring large cap domestic growth and value index investments from SSGA to mutual fund offered Exchange Traded Fund (ETF) to accomplish the same end without the problems currently being experienced.

At the conclusion of the FIA presentation, the Board confirmed its intent, consistent with the asset re-allocation plan approved in January, to interview two (2) fund-of-fund replacements for Meridian as selected by FIA at the March meeting, and to request that FIA begin the search process for a second Global Balanced Fund to complement GMO holdings for interview at the June 2009 meeting.

Minutes of the February 26, 2009 Pension Board Meeting

C. ***Plan Attorney Reports***

- *NONE*

5. **OLD BUSINESS**

- *NONE*

6. **NEW BUSINESS**

A. **Qualification of Christopher Passera DRO** — The Board unanimously qualified the Domestic Relations Order for Christopher Passera. It was also approved by the Plan Attorney and Plan Actuary (Johnson/Livingston) 5-0.

B. **Confirmation of Acceptance of OPEB Trustee Appointment by the Board of Directors** — After a briefing by Alan Desmarais regarding the anticipated operation of an OPEB Trust and the expected duties of the trustee, the Pension Board unanimously accepted the appointment for being the OPEB Trustee. The Board did request that Alan invite Attorney Bruce Barth to the March meeting to explain several of the fine points of the trust document, but also expressed a positive willingness to serve as the trustee (Lappen/Johnson) 5-0.

7. **RETIREMENTS**

- *No Retirements*

8. **ADJOURNMENT:** The meeting was adjourned by consensus at 5:00PM (Lappen/Johnson) 5-0.

**TOWN OF MANCHESTER, CONNECTICUT
PENSION BOARD**

Actions of February 26, 2009 Pension Board Meeting

- 09-05** Unanimously qualified a Domestic Relations Order (DRO) for *Christopher Passera*.
- 09-06** Unanimously accepted the appointment as OPEB Trustee.
- 09-07** Unanimously approved motion to table the Pension Fund Status Report to the March meeting.