

PENSION BOARD AGENDA
THURSDAY, JANUARY 22, 2009
4:00PM
LAW LIBRARY CONFERENCE ROOM, TOWN HALL

1. Approval of Minutes and Actions of the Regular Meeting of December 18, 2008.
2. Acceptance of Pension Fund Status Report for the month of December 2008.
3. **CORRESPONDENCE/REPORTS**
 - A. Class Action Settlement Check from Loomis Sayles as a Result of a Claim Filed on Behalf of Town of Manchester by the Bank of New York Mellon
 - B. Announcement from Fiduciary Investment Advisors (FIA)
4. **ADVISORS REPORTS**
 - A. *Plan Actuary Reports*
 - *NONE*
 - B. *Investment Advisors Reports*
 - *NONE*
 - C. *Plan Attorney Reports*
 - *NONE*
5. **OLD BUSINESS**
 - *NONE*
6. **NEW BUSINESS**
 - A. Adjustments to Asset Re-Allocation/Investment Policy Revision
7. **RETIREMENTS**
 - *Donald Turner*, Police Department, Normal Retirement, \$3,969.35 a month, with no dependent option, effective January 1, 2009.
 - *Richard White*, Police Department, Normal Retirement, \$6,332.44 a month, with no dependent option, effective January 1, 2009.
 - *David Fregin*, Board of Education, Normal Retirement, \$1,825.63 a month, with a 100% dependent option, effective January 1, 2009.
8. **ADJOURNMENT**

**TOWN OF MANCHESTER, CONNECTICUT
PENSION BOARD**

MINUTES OF JANUARY 22, 2009

ATTENDEES: Bette Copeland, Evelyn Livingston, Craig Lappen, Tom Crockett, Jan Johnson, Rob Huestis, Alan Desmarais, Dede Moore, Barbara Wengrzynek, and Mike Goss representing Fiduciary Investment Advisors LLC (FIA).

CALL TO ORDER: The meeting was called to order at 4:04PM by Rob Huestis, Chairman.

1. **APPROVAL OF MINUTES AND ACTIONS:** The minutes and actions of the Regular Meeting of December 18, 2008 were approved (Crockett/Moore) 6-0.
2. **ACCEPTANCE OF THE ACCOUNT REPORT:** The Pension Fund Status Report for the month of December 2008 was approved (Lappen/Moore) 6-0.
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 -***
- *NONE*
 - C. ***Plan Attorney Reports***
- *NONE*
5. **OLD BUSINESS**
- *NONE*
6. **NEW BUSINESS**
 - A. **Adjustments to Asset Re-Allocation/Investment Policy Revision** — Mike Goss presented a report on adjustments to the Asset Re-Allocation/Investment Policy, a copy of which is attached to the minutes of record. During the discussion that followed his presentation, the Board agreed that it would be prudent to make an “intermediate” redistribution of assets, both to move toward a longer term asset allocation plan and to take advantage of the potential for high returns over the next 18-24 months in several asset classes – Investment Grade Fixed Income and Senior Bank Loans – that have been deeply discounted by the recent difficulties in the financial markets. In addition, other near term components it favored were to reduce allocation exposure in Fixed Income and Real Estate and increase exposure in Global Tactical Allocations. At the conclusion of discussion the following was moved, seconded, and unanimously approved:

Moved that the Pension Board adopts the intermediate target percentages for a re-balancing of asset classes during 2009 as recommended by FIA in its Portfolio Analysis and Recommendations dated January 2009, and directs that the following initial actions be taken as soon as reasonably possible:

Minutes of the January 22, 2009 Pension Board Meeting

6. **NEW BUSINESS (continued)**

1. Initiate investment transfer within the PIMCO Fund family of all PIMCO Real Return Fund to PIMCO Commodities Real Return Fund.
2. Notify UBS of intent to reduce Trumbull Property Fund investment by \$2,000,000 and Trumbull Property Income Fund by \$3,000,000.
3. Reduce State Street Bond Market Index Fund investment by \$3,000,000.
4. Reduce Western Asset Core Plus I investment by \$2,000,000.
5. Reduce SSGA Russell 1000 Value investment by \$1,000,000.
6. Reduce SSGA Russell 1000 Growth by \$2,000,000.
7. Invest \$8,000,000 proceeds from actions 3 through 6 above at \$4,000,000 each in:
 - a) Loomis Sayles Investment Grade Fixed Income Fund
 - b) Seix Advisors Bank Loan Fund (Passed 6-0)

7. **RETIREMENTS**

- **Donald Turner**, Police Department, Normal Retirement, \$3,969.35 a month, with no dependent option, effective January 1, 2009.
- **Richard White**, Police Department, Normal Retirement, \$6,332.44 a month, with no dependent option, effective January 1, 2009.
- **David Fregin**, Board of Education, Normal Retirement, \$1,825.63 a month, with a 100% dependent option, effective January 1, 2009.

These retirements were unanimously approved (Crockett/Copeland) 6-0.

8. **ADJOURNMENT:** The meeting was adjourned by consensus at 5:25PM (Moore/Copeland) 6-0.

**TOWN OF MANCHESTER, CONNECTICUT
PENSION BOARD**

Actions of January 22, 2009 Pension Board Meeting

- 09-01** Unanimously approved a Normal Retirement for *Donald Turner*, Police Department, for \$3,969.35 a month, with no dependent option, effective January 1, 2009.
- 09-02** Unanimously approved a Normal Retirement for *Richard White*, Police Department, for \$6,332.44 a month, with no dependent option, effective January 1, 2009.
- 09-03** Unanimously approved a Normal Retirement for *David Fregin*, Board of Education, for \$1,825.63 a month, with a 100% dependent option, effective January 1, 2009.
- 09-04** Unanimously moved that the Pension Board adopts the intermediate target percentages for a re-balancing of asset classes during 2009 as recommended by FIA in its Portfolio Analysis and Recommendations dated January 2009, and directs that the following initial actions be taken as soon as reasonably possible:
1. Initiate investment transfer within the PIMCO Fund family of all PIMCO Real Return Fund to PIMCO Commodities Real Return Fund.
 2. Notify UBS of intent to reduce Trumbull Property Fund investment by \$2,000,000 and Trumbull Property Income Fund by \$3,000,000.
 3. Reduce State Street Bond Market Index Fund investment by \$3,000,000.
 4. Reduce Western Asset Core Plus I investment by \$2,000,000.
 5. Reduce SSGA Russell 1000 Value investment by \$1,000,000.
 6. Reduce SSGA Russell 1000 Growth by \$2,000,000.
 7. Invest \$8,000,000 proceeds from actions 3 through 6 above at \$4,000,000 each in:
 - a) Loomis Sayles Investment Grade Fixed Income Fund
 - b) Seix Advisors Bank Loan Fund