

POLICEMEN AND FIREMEN'S PENSION FUND BOARD

MINUTES

DECEMBER 15, 2011

PLACE: Hall of Records
200 Orange Street
New Haven, Connecticut 06510

PRESENT: James Kottage, Fire Union Representative, and Chairman
Wendy Mongillo, Fire Commissioner
Frank Lombardi, Police Union Representative
Theodore Brooks, Police Commissioner
Richard Epstein, Police Commissioner
George Longyear, Fire Commissioner

ABSENT: Mayor John DeStefano, Jr.

ALSO PRESENT: Michael O'Neil, Acting Controller
Carol Chiappone, Benefits Auditor
Jerome Sagnella, Pension/Payroll Administrator
Bob Hubbard, Gray and Company

Chairman Kottage convened the meeting at 8:05 a.m.

1. APPROVAL OF MINUTES

Rep. Lombardi made a motion to approve the minutes from the November 17, 2011 meeting; Comm. Brooks seconded and the vote was unanimous.

2. SCHEDULE OF MEETINGS

Rep. Lombardi made a motion to approve the schedule of the meetings for calendar year 2012. Comm. Brooks seconded and the vote was unanimous.

3. PAYMENT OF BILLS

Comm. Brooks made a motion for the payment of bills; Rep. Lombardi seconded and the vote was unanimous.

4. ADMINISTRATIVE MATTERS

A) Executive Session – Discussion of Strategy Concerning Pending Litigation

Comm. Brooks made a motion to enter into executive session. Comm. Mongillo seconded and the vote was unanimous. Chairman Kottage requested that Bob Hubbard, Jerome Sagnella, Michael O'Neil and Carol Chiappone remain in the room.

Comm. Brooks made a motion to come out of executive session. Comm. Mongillo seconded and the vote was unanimous.

Rep. Kottage stated that they Board will be following up with the litigation attorney concerning the Board's strategy.

5. INVESTMENT REPORT

Rep. Kottage stated that there was discussion at the last meeting about Mr. Grays's request to add three additional managers to the Grayco investment. Mr. Kottage stated that he met with the three managers that Mr. Gray had done due diligence on. One is an energy manager one is direct lending and the third is real estate. Rep. Kottage stated that they have tremendous numbers and great track records. These three managers are the final piece to the Grayco investment. The \$10 million dollar commitment from the fund would be invested among those six managers.

Mr. Hubbard discussed the Grayco alternative Partners Fund I report which shows which six funds will be included. The board met with Third Point and Millennium and Edgewater. The three additional managers are Parmenter whose focus is on Southeast and Southwest regions real estate opportunities. The second manager is Energy & Minerals Group who supplies the capital to energy and mineral operations groups. The third is Freeport Financial who is a direct lending middle market lending company.

Rep. Lombardi made a motion to accept the following managers into the Grayco Alternative Partners Fund I; Parmenter Realty Fund IV, Energy & Minerals Group and Freeport Financial; Comm. Brooks seconded and the vote was unanimous.

Bob Hubbard reviewed the flash report for pending ending November 30, 2011. He stated that energy opportunities had the best return for the quarter. The flex cap strategy fund is also performing well and the mid cap segment had a bit of a rebound.

Rep. Kottage asked Mr. Hubbard to meet with ICC and see why their performance has not been that good. Mr. Hubbard stated that he will have more information in January with year end report.

The next regular meeting has been re-scheduled for January 18 at 8:00 a.m. in the Controller's Conference Room.

The meeting adjourned at 5:00 p.m. on a motion made by Comm. Brooks and seconded by Comm. Mongillo.

ATTEST:

Michael O'Neil, Acting Clerk