

**DRAFT
POLICEMEN AND FIREMEN'S PENSION FUND BOARD**

MINUTES

APRIL 16, 2009

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

PRESENT: James Kottage, Fire Union Representative, and Chairman

Theodore Brooks, Police Commissioner
Wendy Mongillo, Fire Commissioner
Frank Lombardi, Police Commissioner
Mark Pietrosimone, Clerk

ABSENT: Mayor John DeStefano, Jr.
Richard Epstein, Police Commissioner

ALSO PRESENT: Jerome Sagnella, Payroll/Pension Administrator
Carol Chiappone, Benefits Auditor
Bob Hubbard, Gray and Company
Larry Gray, Gray and Company
Art Assante, Hooker & Holcombe

Chairman Kottage convened the meeting at 8:15 a.m.

1. APPROVAL OF MINUTES

Comm. Brooks made a motion to approve the minutes from the March 24, 2009 meeting; Comm. Mongillo seconded, and the vote was unanimous.

2. DEATH AFTER RETIREMENT – FOR INFORMATION ONLY

This item was for information only.

3. PAYMENT OF BILLS

Rep. Lombardi made a motion to approve the payment of the bills with the addition of James Kottage's conference expenses; Comm. Books seconded and the vote was unanimous

4. ADMINISTRATIVE MATTERS

Mr. Sagnella stated that he was asked questions concerning the IRS regulation that the standard age for retirees could be changing by 2011 for public pension plans. Mr. Ryor responded that currently there are no written regulations. Mr. Ryor stated that the IRS has compiled draft regulations concerning this issue which resulted in much feedback from the government and the municipal plan community opposing it. They realized the consequences were the impact on governmental plans particularly police and fire that typically have a 25 and out service based only normal retirement age. Mr. Ryor stated that the bottom line is they do not know what the final regulation will be but the odds are pretty good that whatever they do they will have some kind of exception for uniformed officers. The issue will be with the service only retirement ages and that is something that they exploring.

A) EXECUTIVE SESSION – DISCUSSION OF STRATEGY CONCERNING PENDING LITIGATIONS

There was no discussion.

5. INVESTMENT REPORT

Mr. Kottage stated that he recently attended a conference in Texas and had a visit with Capital Point Partners. He reviewed their mezzanine product which by the middle of this year will be 100% invested and they are talking about starting another fund. Rep. Kottage would like to invite them for a visit. Mr. Kottage stated that Marc Ciociola has left Smith Barney as of March 27 and is requesting that the funds at Smith Barney be transferred to UBS. Rep. Kottage added that the Board has already done the due diligence with UBS and believes it is a simple move. Mr. Gray stated that the only thing that needs to be completed is an account transfer form because the underlining manager will not change. Marc Ciociola thanked board for the opportunity to work for them.

Comm. Brooks made a motion to transfer the funds being held at Smith Barney to UBS; Rep. Lombardi seconded and the vote was unanimous.

Mr. Gray reviewed the flash report as of March 31, 2009 which showed a total fund value of \$206 million. As of two days ago the current value was \$218 million. There was 4.83% positive return for the period. Their was a mix bag of performance with the domestic equity. March was turnaround month. Ernest Partners and SASCO performed well. Cooke Bieler returned well strong and Columbia Partners is making ground up. Fixed Income had all positive numbers. NorthStar Capital and Capital point both have capital calls due.

Mr. Gray stated that on the fixed income side the portfolio is longer and does not anticipate interest rates rising in the next month. At some point interest rates will rise and therefore does the Fund want to shorten the duration to more intermediate bonds as they see interest rates start to go up to protect them.

Mr. Gray stated that the national association of securities is hosting an event in Atlanta and Gwelda Swilley-Burke is on the trustee recruitment committee. He added that if any of the Board members are interested in attending Gray & Co. is hosting a client appreciate dinner on June 9.

The next regular meeting has been re-scheduled for May 21, 2009 at 8:00 a.m. in the Controller's Conference Room.

The meeting adjourned at 9:05 a.m. on a motion made by Comm. Brooks and seconded by Comm. Mongillo.

ATTEST:

Mark Pietrosimone, Clerk