

**CITY OF MIDDLETOWN**  
**MINUTES OF THE RETIREMENT BOARD**  
**Monday, September 23, 2019 at 9:00 am**

The Special Meeting of the Retirement Board of the City of Middletown  
was held in room 208 of the Municipal Building

**Board Members Present:** Sandra Pasculano, John Milardo, Steven Gomes, Linda Salafia, Mary Bartolotta, Joe Serra, Carl Erlacher

**Board Members Absent:** Mayor Drew

**City Employees/Public/Others Present:** Diana Doyle, Gerry Goldberg (GYL), Kevin Starbird (Local 1073), Michael Carta (Local 1073)

- Meeting Called to Order at 9:05 am
- No Public Comments on the Agenda
- Approval of May 13, 2019 Minutes
  - John motioned to approve and was seconded by Sandy
  - All in favor
- Election of Pension Board Chair and Secretary
  - Carol motioned to re-elect Steve as Board Chair and was seconded by Joe
  - All in favor
  
  - John motioned to re-elect Carl as Board Secretary and was seconded by Sandy
  - All in favor
- Discussion of November meeting date
  - Date to remain Monday, November 18 @ 9am
- GYL Review
  - The Pension Fund value at the end of the 2<sup>nd</sup> quarter was \$430,686,497; the return on assets was 4.05%
  - Discussion regarding potential recession; Steve asked for confirmation that the Plan would withstand volatility and that downside risk mitigation is sufficient; Gerry affirmed that the Plan is appropriately diversified and positioned; noted the processes taken to minimize risk and balance out volatility, specifically: rebalancing, not being enticed by markets moving in positive direction, maintaining portion of liabilities with match-duration (utilized to immunize liabilities), and active managers with more conservative implementation approach
  - Gerry reviewed the performance of the portfolio for the quarter; noted the replacement of New Amsterdam with Fidelity for SMID, a passive strategy; stated that Ryan Labs re-branded and is now SLC Management; asserted that the Fixed Income 1 year rate of return (11%) should not be expected on a regular basis as Fixed Income had a great return during this period - the return is interest rate

sensitive, the reduction of rates increased the principle value of bonds because of the (longer) duration-match strategy

- The OPEB Trust value at the end of the 2<sup>nd</sup> quarter was \$ 14,246,600; the return on assets was 3.11%
- Gerry reviewed the performance of the OPEB Trust; suggested that GYL may recommend adjusting from Mutual Funds as the balance grows
- Reports: (informational)
  - Treasurer's Report
  - Pension Investment Report

<u>Applications for Membership</u>	<u>Start Date</u>	<u>Department/Union</u>
Michelle Barillaro	5/13/19	Human Resources/Non-Barg
Timothy Patrick Cooney, Jr.	6/17/19	Public Works/466
Shelby Diaz	6/8/19	Central Comm/466
Devin Fitzpatrick	6/24/19	Public Works/466
Christian Kunak	7/22/19	Water & Sewer/466
Luke Leachman	6/16/19	Public Works/466
Seth Lentz	8/12/19	Water & Sewer/UPSEU

<u>Requests to Retire/Collect/Vest</u>	<u>Yrs of Svc</u>	<u>Department/Union</u>
Raymond Davis	32 yrs	Fire/Fire
Patricia Formica	15 yrs	Police/466
Eddie Guevarez	21 yrs	Fire/Fire
Sheila Jones	32 yrs	Mayor/Non-Barg
Thomas Tetrault	20 yrs	Water & Sewer/UPSEU
William Unikewicz	27 yrs	Fire/Fire

- Refund of Contribution  
 Mark DeVoe  
 Heather Scussell  
 Jairo Solis

- Deceased Pensioners  
 Carol Driscoll  
 Bianca Genovese  
 Raymond Osora (benefits to spouse)  
 Jane Reif  
 May Rutledge

- Adjournment of Meeting
  - Joe motioned to adjourn and was seconded by Linda
  - All in favor

Respectfully submitted: Carl Erlacher