

I. Roll Call:

- A. Members Present
 - 1. Paul Schroder
 - 2. Sarah Kannas
 - 3. Joanne Philbrick
- B. Members Absent
 - 1. Frank Davis
 - 2. Jerald Navick
 - 3. John A John, Alternate
 - 4. Richard Benoit, Alternate
 - 5. James Tetreault, Alternate
- C. Others Present
 - 1. Donna DesSureault, Secretary
 - 2. Brian Curtin, City Treasurer
 - 3. Marc Shegoski, Vice-President, Investments (UBS)
 - 4. Ashley Martella, Account Vice-President (UBS)
 - 5. Arthur Meizner, Director, Investment Consulting Services (Hooker & Holcombe)
 - 6. Stuart Herskowitz, Sr. Vice President, Client Relations (Hooker & Holcombe)

II. Minutes – N/A – no minutes to review as this is a special meeting.

III. New Business

- A. Recap of the 5/14/09 OPEB presentation by UBS representatives Marc Shegoski and Ashley Martella. Ashley Martella talked about the asset allocation for the OPEB Fund, noting that the Retirement Fund currently has a 65% equity/35% fixed split, and that the approach for the OPEB Fund would be more conservative at the start, most likely a 50-50 or 40-60 allocation level. He stated that the goal would be to move from an asset-based approach to a liability-based one over time, matching the assets and liabilities so that the liabilities do not outweigh the assets. Marc Shegoski pointed out that the liabilities for an OPEB Fund are not the same as the structured liabilities of the Retirement Fund, noting that once the Fund reaches approximately \$6M they would bring in a third party/specialty firm (at no cost to the City) to adjust the liability stream. Ashley Martella spoke about the fee structure, which corresponded to the handout. Marc Shegoski mentioned that if the Retirement Fund could be bundled with the OPEB Fund, that would drop the starting fee significantly. After a discussion regarding the fees, Board Chairman Paul Schroder thanked Mr. Shegoski and Mr. Martella for their presentation. Short break taken at this time.
- B. Recap of the 5/20/09 OPEB presentation by Hooker & Holcombe representatives Arthur Meizner and Stuart Herskowitz. Stuart Herskowitz talked about the size and qualifications of Hooker & Holcombe, and listed several current clients. Art Meizner talked about the convenience of having the actuaries and investment specialists together in the same office, which he felt enhances the ability to put together portfolios, mentioning that they are a “think tank resource”. He mentioned that the City would have a “diversification of thought” which is separate from the Retirement Fund, which would give different perspectives to allow for the best fund allocation. He talked about using the Charles Schwab Retirement Trust platform, which has an extremely large amount of investment choices. He talked about multi-asset allocation, with multiple managers for diversification, and using passive managers vs. active managers. He talked about revenue sharing, and explained how it offsets the cost of the plan. Stuart Herskowitz explained the fee structure for the portfolio, and how the revenue

sharing saves the City in the cost of administering the plan. After a discussion about the fee structure, Chairman Paul Schroder thanked Mr. Meizner and Mr. Herskowitz.

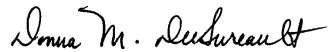
- C. **Vote to select the OPEB Fund Trustee.** Paul Schroder noted that this was an extremely difficult decision, as both firms are well-qualified and have a good working relationship with the City. After a short discussion, motion made by Sarah Kannas to select UBS as the OPEB Fund Trustee; seconded by Joanne Philbrick, vote passed 2-1 (Schroder).

IV. Old Business – N/A – none to review as this is a special meeting.

V. Adjournment

1. Motion by Paul Schroder; seconded by Sarah Kannas to adjourn the meeting, all in favor. Meeting adjourned at 6:40 PM.

Respectfully submitted,



Donna DesSureau, Secretary