

MINUTES OF PUBLIC HEARING ON AN ORDINANCE AMENDING SECTION  
5-23 OF THE CODE OF ORDINANCES, CONCERNING INVESTMENT POWERS  
OF THE PENSION BOARD

January 28, 1992 Council Chambers 999,521

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President Sandy F. Klebanoff called the hearing to order at 7:48 p.m.

Present were Councilors Owen Eagan, Linda I. French, Tom Johnson, Sandy F. Klebanoff, Charles R. Matties, Madeline S. McKernan, Carole Mulready, Larry Price and Andy Schatz.

President Klebanoff: Mr. Feldman does the administration have a presentation?

Barry M. Feldman, Town Manager: Madam Mayor, we do. It will be given by the Pension Manager Ken Miller and maybe as Ken works his way to the podium I can also just introduce, even though he may not wish to join Ken at the podium but still introduce to you the new Chairman of the Pension Board Jim Robinson. Jim also is in attendance.

President Klebanoff: Thank you, Mr. Feldman. Mr. Miller.

Mr. Miller: Hi. Thank you. I will keep this brief.

President Klebanoff: Your show.

Mr. Miller: Generally this change is just to allow our investors to invest in group trusts which has not been allowed in the past only because it wasn't specifically listed.

(Someone in audience): We can't hear.

Mr. Miller: I'm sorry. This change will just allow the investors for the pension fund to invest in group trusts which had not been the case previous to this because our previous investors just did not invest their funds in that type of market. Under IRS regulations it was mandatory that we change the code to specifically give the authority to the Pension Board, to therefore give the authority to the investors to go ahead and invest in these type of funds and that is what this ordinance does.

President Klebanoff: Thank you. Do any members of the Council have any questions or comments? Very good job. Excuse me, Mrs. Mulready.

Councilor Mulready: Since I'm still catching up here on all of these things that are happening, it is a very basic question. This group type of funding, investment that you

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are talking about has not been done at all before or is it just that the groups that were invested in had to in Hartford County. I mean I read something about limitations of where the investment group could be.

Mr. Miller: No the investment group, our custodian is Hartford County which is Connecticut National. Our primary custodian will still remain Connecticut National. The secondary custodian will be First Chicago which is our new custodian, I'm sorry, our new investor, Prince and Partners, people that they use for transactions. By transferring, by having the transactions go through First Chicago rather than Connecticut National we can save quite a bit of money through them. That is why we are asking for a change in that.

Councilor Mulready: You can save quite a bit of money?

Mr. Miller: Through the transaction fees.

Councilor Mulready: Okay. I have one last question. If, I would assume that there are still the same guidelines for safety investments that go with this.

Mr. Miller: The Pension Board entrusts themselves with very prudent policies when it comes to investing the pension money, absolutely, so this is not speculative by any nature by having this ordinance change.

Councilor Mulready: Thank you.

President Klebanoff: Are there further questions? If not, do we have a sign up sheet for the public hearing? I think there may be some misunderstanding. We have two people who have signed up on the public hearing. This is the public forum. Excuse me, Mr. Eagan, is there another sign up sheet there that has a name on it?

Councilor Eagan: The sign up sheet is blank.

President Klebanoff: Is there any member of the public who would like to address the Council on the pension ordinance? If not, any further comments or questions? We will adjourn the public hearing.

The hearing adjourned at 7:52 p.m.

Nan L. Glass  
Clerk of the Council

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