

# **Rhode Island Public Transit Authority**

## **Joint Pension Board**

### **Minutes of the December 18, 2008 Meeting**

**Joint Pension Board Members Present: Stephen Farrell, Chairperson; John MacDonald; John Rupp; Rochelle Bates Lee; Kevin Millea; and Christine Johnston.**

**Also Present: Alfred J. Moscola, General Manager; Lori Caron Silveira, Esq., Outside General Counsel; Andrew B. Prescott, Outside Labor Counsel; Henry Kinch; Maureen Neira; Deborah Dawson; Ellen Mandly and members of the RIPTA staff and the general public.**

#### **Agenda Item 1: Approval of Minutes of November 17, 2008 Monthly Meeting**

**Mr. Farrell asked if the JPB members had an opportunity to review the minutes of the November 17th meeting, and the members indicated that they had.**

**A motion to approve the minutes as presented was made by Ms. Johnston; seconded by Mr. Rupp and passed unanimously.**

## **Agenda Item 2: Convene as Pension Benefit Sub-Committee**

- **Consideration of Benefits' Requests – Division 618**

- o **JPB Action: Brenda Belleville – Active Employee – Age 62**

**Request for Regular Pension effective 1/2/09 - \$258.78**

- o **JPB Action: Edward DiQuinzio – Former Employee – Age 55**

**Request for Early Pension effective 10/1/08 - \$184.40**

**Mr. Farrell asked Ms. Dawson to explain the benefits' requests. She explained that they were routine in nature, and briefly went through the detail of both requests. The sub-committee comprised of Mr. Rupp and Kevin Millea approved each of the requests.**

## **Agenda Item 3: Recommendation by L. Guzman for Asset Allocation Changes**

**Ms. Neira reminded the JPB members that Lazaro Guzman of Prudential Retirement Services had attended the November meeting and discussed the salaried plan assets currently invested 80% in a stable value fund and 20% in equity, which he deemed conservative and suggested a more aggressive 60/40 split. Ms. Neira noted that the maximum yearly transferable amount is 16% and then discussed two funds recommended by Mr. Guzman, the Prudential Short Term**

**Option and PIMCO, which do not carry such restrictions. The stable value fund has a guaranteed yearly return of 4.6% and the 16% transfer would represent approximately \$1 million dollars. Ms. Neira said that last month this topic was listed on the agenda for discussion only, but this month it is on for discussion and approval. She said the hourly plan is currently at a 50/50 split, which Mr. Guzman deemed too aggressive and suggested adjusting the split to 60/40.**

**Mr. Farrell asked for comments and Ms. Johnston remarked that we can wait on changing the hourly plan until next year and on the salaried plan we will lose the guaranteed 4.6% interest if we move the funds. She noted that the market is very volatile at the present time and she believes that we leave the 16% as is because in her opinion it is prudent to be conservative.**

**Mr. MacDonald asked if David Ward from Angell pension had been consulted and Maureen Neira replied that he had not. Mr. Macdonald expressed concern about the actuarial impact (at this point Director Lee joined the meeting). Ms. Neira suggested having Mr. Guzman and Mr. Ward back for the January or February meeting and Mr. Farrell suggested that it be a special hour long meeting. Ms. Neira said she would check their availability to attend in either January or February.**

**Mr. Farrell stated that no action would be taken on this agenda item at this time.**

**Ms. Johnston noted that this is Deborah Dawson's last JPB meeting as she has tendered her resignation. Ms. Johnston offered her congratulations and best wishes to Ms. Dawson on her new endeavor and thanked her for the good work she has done on behalf of the Authority. She expressed sadness and said she will miss her. Ms. Johnston asked who would replace Ms. Dawson as recording secretary and Mr. Moscola responded that Ellen Mandly would fill that role.**

#### **Agenda Item 4: Adjournment**

**A motion to adjourn the meeting was made by Ms. Johnston and seconded by Mr. Rupp. Such motion passed unanimously and the meeting was adjourned.**

**Respectfully submitted,**

**Ellen M. Mandly**

**Recording Secretary**