

CITY OF WOONSOCKET

INVESTMENT BOARD

MINUTES OF THE MEETING OF April 6, 2011

The City of Woonsocket Investment Board met on Wednesday, April 6, 2011.

The following members were in attendance: Richard Lepine, Roland Michaud, and William Tsonos.

Also attending was: Thomas M. Bruce III, Diane M. Ciullo, Philip M. Gorgone, P-Solve Asset Solutions, and Michael Lynch, P-Solve Asset Solutions.

The meeting was called to order at 2:07 pm.

Election of Officers

A motion was made by Roland Michaud to nominate Roger Begin as Chairman, seconded by Richard Lepine. Motion was carried by unanimous voice vote.

A motion was made by Roland Michaud to nominate William Tsonos Vice Chairman, seconded by Richard Lepine. Motion was carried by unanimous voice vote.

A motion was made by Roland Michaud to nominate Tom Bruce, Finance Director, City of Woonsocket, as an ad hoc member, seconded by William Tsonos. Motion was carried by unanimous voice vote.

A motion was made by Roland Michaud that any future agendas would include a good and welfare section in order to receive questions and comments from the public who are in attendance, seconded by William Tsonos.

Investment Performance Report by P-Solve Asset Solutions

The annual actuarial investment earnings rate of the pension plan is a rate of 8.25%.

The P-solve report for quarter ending 12/31/10 is attached to these minutes. The total portfolio market balance on page1, is listed at \$62,179,695, the starting value on 10/1/10, \$59,875,672. This increase represents a return of 6.9%. It is comparable to the policy benchmark of 7.0%.

P-Solve also distributed a packet entitled “New Board Introduction Packet”, which is attached to these minutes.

Scheduling of Meetings

This meeting was the first meeting of this particular Investment Board. The Board indicated that it desired to meet at the direction of the Board Chairperson. However, both the Board and the Finance Director believe that upcoming work in 2011 and beyond needed at least monthly meetings.

Discussion of Legal Counsel

The Board has identified the need to engage the services of specialized legal counsel from time to time. Finance Director Bruce, was asked to ensure that the prior legal firm of Rodio & Ursilla be formally dismissed in writing coupled with a written request for all Board files.

William Tsonos and Thomas Bruce indicated that they would contact firms which have experience in assisting pension and investment Boards in order to seek specialized legal assistance.

Other Items

Roland Michaud suggested that a letter be sent to the Congressional Legislatures, representing Woonsocket, in an attempt to acquire a tax exempt status for the outstanding Pension Obligation Bond (POB). Concurrently, the Board asked for a copy of the enabling Rhode Island General Assembly Legislation related to the POB. Such language would further clarify the latitude which the Board can apply to the development of future changes of existing investment policies.

The Board also requested that a joint meeting(s) of the City Council, Mayor, State Legislatures representing the City, and the Board be scheduled. The Board desires to discuss and clarify its responsibilities and expectations in terms of the fact that the pension plan is currently underfunded by \$30 million at a 58% funding level. The Board also wishes to discuss an appropriate level of employer contribution.

Finance Director Bruce, indicated that when the July 1, 2010 Plan Valuation Report is received from our Actuarial firm, USI, the report will be forwarded to Board members.

The Board also directed Mr. Bruce to seek competitive bids for pension plan actuarial services.

The motion to adjourn was made by Richard Lepine, seconded by Roland Michaud. Motion carried by unanimous voice vote.

Meeting adjourned at 4:10 pm.