

PENSION COMMITTEE
REGULAR MEETING
JANUARY 28, 2016
TOWN HALL 9:00 A.M.

CALL TO ORDER: The meeting was called to order at 9:00 AM.

ATTENDEES: Bill Kirkpatrick, chair and Ham Wilson, member; Mike Marinaccio, Somers CFO; Tom Forma and Kevin Nichols, Morgan Stanley; Bill Woolacott and Rob Lessard, Hooker and Holcombe.

APPROVAL OF MINUTES OF REGULAR MEETING OF 10/29/15

The minutes were approved as written.

PRESENTATION ON ACTUARIAL REPORT: BILL WOOLACOTT AND ROB LESSARD

As of July 1, 2015, the date of this report, the town Pension Plan was 103% funded. The actuarially determined Employer Cost, which has been decreasing over the last few years, is \$114,281 for fiscal year ending June 2017 and \$118,852 for the fiscal year ending June 2018.

The plan is in very good shape and better than most plans that H & H has for clients. After a discussion on asset smoothing, it was moved, seconded, and unanimously approved to have Mike Marinaccio consider and recommend to the Town Selectmen to adopt this strategy, which will over time reduce the volatility of funding requirements.

INVESTMENT REVIEW AND DECISIONS TOWN FUND: TOM FORMA AND KEVIN NICHOLS

Tom Forma and Kevin Nichols reviewed the Town Fund and its investment performance, which is negative for this fiscal year-to-date, but is generally in line with markets. Five managers are outperforming their benchmarks. AEW (real estate) and Spectrum (preferred stocks) are up 6.11% and 5.37% respectively for the fiscal year. AMI (large cap growth) is below its benchmark for the fiscal year.

No manager changes are contemplated at this time. Considering our large amount of cash and CDs and low short-term interest rates, it was moved, seconded, and unanimously passed to invest \$100,000, and to spread those funds proportionately among all of our managers. As the CDs in the account mature, they are to be rolled forward for three-month periods.

INVESTMENT REVIEW AND DECISIONS FOR THE FIREFIGHTERS FUND

There is no available cash to invest; therefore, no decisions are called for at this time.

NEW BUSINESS

There was none.

ADJOURNMENT: The meeting was adjourned at 10:40 AM.

Respectfully submitted,

Hamline C. Wilson
Clerk