

PENSION COMMITTEE
REGULAR MEETING
JULY 27, 2017
TOWN HALL 9:00 A.M.

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

ATTENDEES: Bill Kirkpatrick, chair, Ham Wilson, member; Mike Marinaccio, Somers CFO; Brian Wissinger, Somers Accountant, Bud Knorr, First Selectman; Tom Forma, and Kevin Nichols, Morgan Stanley. Absent, John Mailhot, member.

APPROVAL OF MINUTES OF REGULAR MEETING OF 4-27-17

The minutes were approved as written.

STATUS OF TOWN CONTRIBUTIONS AND CASH POSITION IN TOWN ACCOUNTS:

Town Fund cash: \$58,965 The VFF account is running a negative cash flow. For both
VF Fund cash: \$1,944. accounts, fiscal 2017 contributions have been made.

FEE SCHEDULE UPDATE:

Both funds are paying 85 basis points for consulting, fund management, trading, and reporting. This all-inclusive fee is very competitive in the pension management field today.

TIMING OF THE ACTUARIAL EVALUATION:

The biannual Town Fund evaluation by Hooker and Holcombe as of 6/30/17 should be available by December. It will provide the basis for fiscal '19 and '20 contributions. The yearly GASB reports (also done by H & H) for both funds will be available by October and will show funded ratios (without smoothing).

INVESTMENT REVIEW AND DECISIONS FOR THE TOWN FUND

Two recent terminations of town employees will result in \$16,370 coming out of the Town's cash position. Another \$30,000 in cash from the cash position will be combined with the CD maturing on 8/3/17 and used to purchase a new three-month CD. The CDs maturing 9/7/17 and 9/29/17 will be rolled forward for six months. A motion was made seconded and passed unanimously to accomplish these three rollovers.

Net of fees, the Town fund returned 8.66% for fiscal 2017, well above our expected return target of 6.5%. Management and performance numbers were good, and no investment changes are now contemplated.

The committee received material on a possible infrastructure investment—Miller Howard. It will be discussed at the next meeting in October.

INVESTMENT REVIEW AND DECISIONS FOR THE FIREFIGHTER'S FUND

There are fewer volunteer firefighters in Somers, and its pension is shrinking slowly. To address this, a motion was made, seconded, and unanimously passed to take \$36,000 from the pension plan's government bond portfolio, put \$30,000 into a three-month CD and \$6,000 into the bank for monthly payments.

Overall, the investment performance is as expected, and no changes are called for at this time.

ADJOURNMENT: There being no other business, the meeting was adjourned at 10:15 AM.

Respectfully submitted,

Hamline C. Wilson
Clerk