

PENSION COMMITTEE
REGULAR MEETING
October 26, 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, Bud Knorr, First Selectman, Brian Wissinger, Somers Accountant, 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.

REPORT FROM CFO MARINACCIO

Mike handed out The GASB 67 and 68 disclosure statement for both Town and Volunteer Fire pension plans, and the reports were discussed. He also reported that although the state budget is still unresolved, it is likely that state aid to Somers will be cut about \$500,000 from last year's level. Therefore, the recommended contributions of \$118,852 to the town pension and \$5,215 to the Volunteer Fire pension will not be made.

The cash positions are \$6,553 for the VFF and \$21,593 for the Town Plan. The actuarial evaluation for the Town Plan as of June 30, 2017 should be completed in the next few months.

We discussed a 6% vrs a 6.5% return assumption and decided to keep it at 6.5%.

LETTER TO TOWN EMPLOYEES CONCERNING THE PENSION FUND STATUS:

The draft letter was read, discussed, and approved to be distributed.

INVESTMENT REVIEW AND DECISIONS FOR THE TOWN FUND

Morgan Stanley reported that there are no surprises with our investment managers or results. The preferred stock holdings are doing well, but are being closely monitored as interest rates rise. The duration of the preferred holdings has been reduced from 9.1 to 3.3 years, which will dampen volatility.

It was moved, seconded, and passed unanimously to reinvest for three months the CD which matures on November 13.

INVESTMENT REVIEW AND DECISIONS FOR THE FIREFIGHTER'S FUND

The plan's assets are performing as expected. It was moved, seconded and passed unanimously to take \$6,000 from the \$80,000 CD that matures in November to pay benefits, and reinvest the remaining \$74,000 for three months.

SCHEDULE FOR 2018 MEETINGS:

Jan. 25, April 26, July 26, and Oct 25, all Thursdays. All to be held at Town Hall at 9:00 AM.

ADJOURNMENT: There being no other business the meeting was adjourned at 10:16 AM.

Respectfully submitted,

Hamline C. Wilson
Clerk