

PENSION COMMITTEE REGULAR MEETING
OCTOBER 27, 2016
TOWN HALL 9:00 A.M.

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

ATTENDEES: Bill Kirkpatrick, chair; John Mailhot and Ham Wilson, members; Mike Marinaccio, Somers CFO; Tom Forma and Kevin Nichols, Morgan Stanley.

APPROVAL OF MINUTES OF REGULAR MEETING OF 7/28/16

The minutes were approved as written.

PENSION EVALUATIONS AND STATUS OF TOWN CONTRIBUTIONS

Due to state reimbursement uncertainties relating to the Town budget, the Town contribution to the pension plan is expected to be made in the January-March quarter of 2017. The evaluation of the Firefighters plan is not finished but should be ready soon.

CASH AND CD POSITIONS IN TOWN ACCOUNTS PENSION FUND

The Town accounts have \$5,955 for the Volunteer Fire Fund and \$36,871 For the Town Employees Fund. CD's of \$245,000 and \$43,000 for the Town Plan mature in the next few months.

AUTOMATIC PORTFOLIO BALANCING: TIMING, MECHANICS, AND EFFECTS:

Rebalancing, including risks and costs, was discussed. The Committee does not want to automatically sell winning positions and wants to keep rebalancing decisions in our hands. We will review our portfolio balance quarterly. The fall-back position is that Morgan Stanley will monitor the asset allocation of our plan and notify us should we become 5% or more away from target.

INVESTMENT REVIEW AND DECISIONS FOR THE TOWN FUND

Now that the Plan is well funded (97.7%) our conservative strategy is confirmed in the light of the stock market volatility. While our performance for the fiscal year lags the results generated by more risky investments, the Committee feels this is not the time to change our approach. Therefore, no decisions are called for at this time.

INVESTMENT REVIEW AND DECISIONS FOR THE FIREFIGHTER'S FUND

Dividends and interest earned by the Fund are being withdrawn quarterly for payments to retirees. There is no cash available to invest and no need to rebalance. Returns are as expected and there is no need to reallocate at this time

SCHEDULE FOR MEETINGS FOR 2017:

Meetings are scheduled for 9:00AM at the Town Hall on Thursdays, January 26, April 27, July 27, October 26. A motion to adopt this calendar was moved, seconded, and unanimously passed.

ADJOURNMENT: There being no further business, the meeting was adjourned at 10:05AM.

Respectfully submitted,

Hamline C. Wilson
Clerk