

PENSION COMMITTEE
REGULAR MEETING
OCTOBER 25, 2018
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; Bud Knorr, First Selectman, Mike Marinaccio, Somers CFO, Tom Forma and Kevin Nichols, Morgan Stanley.

APPROVAL OF MINUTES OF REGULAR MEETING OF JULY 26, 2018:

The minutes were approved as written.

REPORT FROM CFO MIKE MARINACCIO:

Cash balances in Funds: Town \$35,852, Volunteer Fire Fighters \$4,871.

Cash flow will handle benefit payments for the Town Fund. For VFF, \$6,000 must come from their fund to pay benefits.

Somers annual pension deposit is expected to be made in the third or fourth quarter due to state budget uncertainties.

CAFR reports show the Town Plan is 103.9% funded; the VVF is 101.7% funded.

INVESTMENT REVIEW AND DECISIONS FOR THE TOWN FUND:

Morgan Stanley reviewed the quarterly reports for both plans, which are performing in line with expectation. To further insulate the Town Fund from any additional volatility, the following actions were moved, seconded, and passed unanimously:

- 1) Sell our Mainstay Epoch holdings and invest those assets in Capital Group World Dividend Growers Fund.
- 2) Sell our Principal Spectrum Preferred position with the proceeds invested in Eaton Vance 1-3 Year Corporate Bond Ladder.
- 3) Roll over November ninth CD for three months.
- 4) Roll over our two small CD's maturing in December for one month.

INVESTMENT REVIEW AND DECISIONS FOR THE FIREFIGHTER'S FUND

It was moved, seconded and passed unanimously to sell the Mainstay Epoch and reinvest in World Dividend Growers. The overall performance and investment strategy are similar to the Town Fund. No other actions are called for at this time.

MEETING DATES FOR NEXT YEAR

The following meeting dates for 2019 were voted upon; all meetings are to be on Thursday at 9:00 AM at Town Hall: January 24, April 25, July 25, and October 24.

NEW BUSINESS

In late August when Morgan Stanley received the Board of Education monies, our management fees were reduced from 85 basis points to 80 basis points.

ADJOURNMENT:

There being no other business, the meeting was adjourned at 10:12 AM.

Respectfully submitted,

Hamline C. Wilson
Clerk