

PENSION AND RETIREMENT BOARD
TOWN OF EAST WINDSOR
11 RYE STREET
BROAD BROOK, CT 06016

MINUTES OF REGULAR MEETING
Tuesday, July 19, 2022 at 7:00 p.m.

Draft document – minutes are not official until approved at a subsequent meeting.

Members Present: Alan Baker, Darren Long, Ed Bowsza, Karen Christensen,
Thomas Talamini (joined at 7:11 p.m.)
Members Absent: Frances Neill, Bill Syme
Advisory: Dr. Patrick Tudryn, Superintendent
Advisory Absent: Jason Bowsza First Selectman
Amy O'Toole, Finance Director/Treasurer

1. Call to Order:

Alan Baker called the meeting to order at 7:01 pm.

2. Minutes Approval/Regular and Special Meetings:
Special Meeting, June 9, 2022 Minutes

MOTION was made by (Edward Bowsza) and **SECONDED** by (Karen Christensen) to approve the Special Meeting Minutes for June 9, 2022.

In Favor: All Opposed: NONE Abstained: Darren Long Motion: **PASSED**

3. Public Comment:

None.

4. Communications:

None.

5. New Business:

a. Pension Fund Update - Webster Bank

Robert Lebreux updated the Board with current Market status. He informed that the S&P was down -16.10 percent for the quarter ending June 30, 2022. The International developed markets were also down -14.51 percent. The emerging markets were down -11.34 percent. The BB Intermediate Government/Credit Bond Index was also down -2.37 percent. He asserted that there was a continued concern regarding the level of inflation and how aggressive the Federal Government would be with respect to monetary policy. The Markets would focus on Q2 earnings and forward for the guidance to provide some insight with respect to consumer impact caused by these

inflationary pressures. The employment remains strong. The latest reading on jobs were better than expected. The modest gains in wages and hours worked even though the ISM Manufacturing and Non-Manufacturing indexes had eased back; however, both continue to show expansion. The continued market volatility in the near-term.

Robert Maglio presented the Board with the Portfolio Summary starting with the Asset Allocation. He asserted that it was important to stay balanced. While challenges might continue in the short term, the US Economy remains strong and long-term valuations look more reasonable. The US Large Cap are in the best position to weather a more difficult environment due to strong balance sheets and pricing power. Non-US Economies and earnings are not as strong as the US at the moment. Due to “Zero COVID,” policies certain countries faced with additional lockdowns undermining their economies. The Fixed Income is below the target due to very challenging environment. The rates have been rising very quickly and the Fixed Income prices have decreased. The Investment Grade, Longer Duration, Government and Corporate Bonds are mostly hurt by rising interest rates. Having cash in this difficult environment is important and patience is the key for long-term investors.

Robert Lebreux elaborated on Inception-To-Date Performance (since March 04, 2012) for the Town of East Windsor DB Pension with the total earnings of \$17,354,755.64. The market has been good for the past 10 years. They could remain focused for the long-term market investment. Stay invested and neutral.

b. 401s & 457b Investment Analysis – Webster Bank

Robert Entwistle presented the Board with the Investment Review. He stated that he and the Board had to notify the Mission Square (formerly ICMA) about the changes. They have unique ways set up for these changes. It would be happening in August. He went through the notification with Amy O’Toole to get it all done. Everything was submitted and the communication went out to all the participants at the Mission Square. It was important to consider that when they make these changes, they make well-informed decisions. So, there would be no liability on how the funds were selected and making sure that the process was followed.

Edward Bowsza: Will the investor be informed about the investment changes before they are moved?

Robert Entwistle: Yes. 30 days in advance. There is a process at the Mission Square set up to make the process easy and user-friendly. The key is to be consistent. I will provide the notes to Amy O’Toole about the details of the fund changes.

c. Pension Investment Advisor RFP

Alan Baker informed the Board of the policies that require periodical revision of the Town’s contracts. The Board discussed the Pension Investment Advisor fee and RFP. The Board has decided to postpone it for the next meeting.

6. **Old Business:**

None

7. **Executive Session:**

Cancelled

8. **Adjournment:**

MOTION was made by (Edward Bowsza) and **SECONDED** by (Tom Talamini) to adjourn at 8:23 p.m.

In Favor: All

Opposed: None

Motion: **PASSED**

Respectfully submitted,

Sabo Maniscalco, Recording Secretary, Pension and Retirement Board