

Town of East Windsor
11 Rye Street, Broad Brook CT 06016
Pension & Retirement Board
Special Meeting Minutes
July 20, 2021 - 7:00 p.m.

These minutes are not official until approved at a subsequent meeting

Regular Members Present

Alan Baker (7:07) Ed Bowsza, Karen Christensen, David King, Daren Long, Bill Syme

Regular Member Absent

Frances Neill

Advisory Present:

Amy O'Toole, Jason Bowsza

Advisory Absent:

Dr. Christine DeBarge

1. Call to Order

David King called the Special meeting to order at 7:04 p.m. at the Town Hall Meeting Room.

2. Approval of Minutes

Regular Meeting, April 20, 2021 Minutes – Tabled - still waiting for them to be posted by recording secretary

3. Public Comment - None

4. Communication

David King informed the Board that he is moving to West Hartford and this will be his last Pension Board Meeting. The Vacancy was discussed. The at large position will need to be filled by the Board of Selectman. It was noted that at the next quarterly meeting a new chairman will need to be appointed.

5. New Business

- a. **Pension Fund Update - Webster Bank** – Bob Lebreux handed out the 2nd Q 2021 Investment Review Report and that the S & P was up 8.55% for the quarter and up 15.25% for calendar YTD, while International Developed Markets-MSCI DAFE was up 5.17% for the quarter and up 8.83% for calendar YTD. The Barclays Intermediate Gov't/Credit Bond Index was up .98% for the quarter and down .90% for calendar YTD. He noted the Labor market continues to improve with both initial claims and continuing claims for unemployment being lower and overall unemployment rate of 5.9%. Manufacturing Indices continue to show growth and consumer sentiment remains elevated. In the near term outlook he noted that economic recovery is expected to continue with a focus on Q2 earnings as they

are released. Elevated levels of inflation will be monitored closely by the market and the Fed. The COVID-19 Delta variant continues to be an unknown.

Bob Maglio discussed the overall plan performance of 9.05% YTD. He noted that we are overweight in Equities and he sold off some large cap domestic and all of the mid cap position and invested in international emerging markets Matthews Pacific Tiger Fund. The overall value of the plan is 36,778,991.54. He noted we beat the blended benchmark in most categories and value outperformed growth in Q 1.

The performance of the OPEB Plan was discussed and the value of the OPEB plan is \$1,816,641.37 and plan performance is 8.96% YTD. Ed Bowsza questioned what we pay out of the OPEB Plan and Amy O'Toole noted that we only pay for Actuary services and investment fees. A discussion of the GASB that requires this fund to be in existence occurred.

It was noted that both portfolios contain the same assets and have same interest rate assumption.

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

Bert Entwistle of Webster handed out reports for the 401a & 457 Plans. He explained his role as a fiduciary and noted that he was not discretionary like the other 2 Webster presenters are. Bert explained how the investment choices are rated and show the scores.

c. Approval of the 401a & 457b Investment Policy Statement (IPS)

Bert noted that his redlined copy of the changes from the Pension Lawyer were not redlined so he scanned and noted all changes to IPS. He noted that he is fine with George's edits and will take to LPL to get approval for presentation again next quarter.

6. Old Business

a. Approval of Defined Benefit Investment Policy Statement (IPS)

Bob Lebreux noted that his recommended changes are included in the final draft from the Pension Lawyer and the Pension Plan Investment Policy Statement is ready for approval.

MOTION made by (E Bowsza) and **SECONDED** by (Baker) to accept the Pension Fund Investment Policy Statement as presented.

In Favor: All

Opposed: None

Motion: PASSED

b. Approval of Other Post Employment Benefit (OPEB) Investment Policy Statement (IPS)

Bob Lebreux noted that this policy is very similar to the Pension Fund IPS and his recommended changes are included in the final draft from the Pension Lawyer and the OPEB (Retiree Health Care) Fund Investment Policy Statement is ready for approval.

MOTION made by (E Bowsza) and **SECONDED** by (Baker) to accept the OPEB Fund Investment Policy Statement as presented.

In Favor: All

Opposed: None

Motion: PASSED

7. Executive Session

a. Executive Session per CGS 1-200(6)(B)-strategy and negotiations with respect to retirement plans. To include First Selectman Jason E. Bowsza and Treasurer/Finance Director Amy O'Toole.

MOTION made by (Baker) and **SECONDED** by (E Bowsza) to enter into executive session at 8:18 p. m.

In Favor: All

Opposed: None

Motion: PASSED

Exited executive session at 8:42 p.m.

8. Adjournment

MOTION made by (E Bowsza) and **SECONDED** by (Baker) to adjourn at 8:42 p.m.

In Favor: All

Opposed: None

Motion: PASSED

Respectfully Submitted,

Amy O'Toole
Finance Director/Treasurer
Town of East Windsor