

**TOWN OF SOUTH WINDSOR
PENSION COMMITTEE
MINUTES
November 16, 2020**

1. Call Meeting to Order

The virtual meeting was called to order at 8:30 a.m.

Members Present: Chris Chemerka, Board of Education; Audrey Delnicki, Town Council; MJ Hockenberry, Town Council; Kristian Lindstrom, Chief of Police; Michael Maniscalco, Town Manager; James O'Brien, Board of Education; Andrew Paterna, Mayor; Patricia Perry, Director of Finance

Members Absent: None

Also Present: Anthony Tranghese, Fiduciary Investment Advisors

2. Approval of Minutes

Mayor Andrew Paterna moved to approve the minutes of April 29, 2020. Councilor MJ Hockenberry seconded, and the motion was approved unanimously.

3. Discussion Items

A. Update – Fiduciary Investment Advisors (FIA)

Mr. Anthony Tranghese gave the third quarter investment review (**Q3 Review, Attachment A**) for the BOE and Town portfolios. The review can be viewed upon request in the Town Clerk's Office.

The Q3 review included a municipal landscape update and the actuarial review. The average funded status for Connecticut municipal pension plans was about 75%. The majority of plans studied (54%) have a funded status between 70-90%. The July 1, 2019 actuarial valuation report for the Town and BOE report a funded ratio of 69.9%, with an actuarial return assumption of 6.75%. For further details and information, please see the Q3 review filed in the Town Clerk's Office.

Mr. Tranghese gave an update on capital markets. There has been elevated market volatility due to the US Election and rising COVID-19 concerns. Growth equities continued to outperform value in this quarter, mostly due to large technology names. The US dollar has weakened amid concerns about containment of the COVID-19 virus, as well as prospects for more fiscal stimulus.

Mr. Tranghese reviewed asset allocations for the Town and BOE portfolio. FIA recommended maintaining most funds/managers, with one exception. Vanguard International Explorer had previously been placed on watch due to underperformance. FIA has now recommended that this fund be terminated due to

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multiple recent changes to the fund's sub-advisors. Mr. Tranghese requested a motion be made by the Committee to approve this change.

Councilor MJ Hockenberry made a motion to terminate Vanguard International Explorer from the portfolio, and to reallocate the funds. Ms. Chris Chemerka seconded the motion, and it was approved unanimously.

For further information on manager evaluations and plan performance, including statistical data, please consult the Q3 review.

4. Miscellaneous

None.

5. Schedule the Next Meeting

The next meeting of the Pension Committee will be scheduled for early 2021 (TBA).

6. Adjournment

The meeting was adjourned at approximately 9:15 am.

Respectfully submitted,

Samara Haddock
Recording Secretary

Minutes were compiled from meeting notes.

Attachments:

- A) Quarterly Investment Review – Third Quarter 2020, prepared by Fiduciary Investment Advisors, a subsidiary of DiMeo Schneider & Associates, LLC. May be reviewed upon request in the Town Clerk's Office.
- B) South Windsor Updated Balances 11/12/20