

**A virtual regular meeting of the Town of West Hartford Pension Board was held on  
Monday, May 11, 2020 at 7:45 a.m.**

**This meeting was made available live on West Hartford Community Interactive: Comcast Channel 5,  
Frontier TV Channel 6098, YouTube, and [www.whctv.org](http://www.whctv.org).**

**The meeting was called to order at 7:47 a.m.**

I. Roll Call/Attendance

**Pension Board Members:** Chair Nancy Dean, Commissioners Eric Halpern, Alan Lebow, Brittany Bermingham, and Lazaro Guzman, and Peter Privitera, Director of Finance

**Participants/Guests:** Mayor Shari Cantor, Matt Hart, Town Manager, Rick Ledwith, Executive Director of Human Resources, Chris Kachmar, CIO and Managing Partner, FIA, Lori Kearney, Clerk of the Board, Paula Knake, Benefits Coordinator, Police Lieutenant Michael Alquist, and Jennifer Evans, Executive Director of WH Community Television

**Absent:** Lee Gold, Town Council

II. Chair's Opening Comments

- A. Review of rules of decorum and procedure for the virtual meeting in accordance with Governor Lamont's Executive Order #7B permitting municipalities to conduct public meetings virtually during the COVID-19 pandemic.
- B. The meeting will adjourn by 8:50 a.m. in order to accommodate participants' other meeting commitments.

III. Peter Privitera, Director of Finance

A. Contract with Fiduciary Investment Advisors

- 1. Current contract expires 6/30/2020. With the challenges of the COVID-19 pandemic and the likelihood of significant work ahead, it is difficult to go out to RFP and adopt a new firm at this time.
- 2. Peter Privitera requests for the Pension Board to extend the contract with FIA one additional year (to 6/30/2021) followed by a formal bidding process.

**Motion by Chair Dean for the Pension Board to maintain its contract with Fiduciary Investment Advisors for an additional year and revisit an RFP for investment services during the first calendar quarter of 2021.**

Discussion followed.

- 3. Brittany Bermingham inquired how often the Town goes out to bid for this service. Peter Privitera responded that it is usually a four year contract period.
- 4. Alan Lebow asked if had been four years. Peter Privitera indicated that it had been longer than that. Last year, a request was made to and approved by Corporation Counsel to extend the contract an additional year.
- 5. Peter Privitera would like to maintain the relationship with FIA one more year given the timing.
- 6. Alan Lebow asked when the last formal RFP occurred. Chair Dean indicated that a formal RFP was done about six years ago. A timeline will be included for the next meeting.

**It was unanimously voted to maintain the contract with Fiduciary Investment Advisors for an additional year and revisit an RFP for investment services during the first calendar quarter of 2021. Motion carried.**

IV. Chris Kachmar, FIA

A. Portfolio balances / May and June cash flow

1. Cash flow for April sourced from fixed income.
2. Need \$2.7 million for May and \$2.7 million for June.
3. Portfolio balances as of 5/4/2020 reflect fixed income allocation at 31.5% versus 30% target allocation.
4. For May, source again from fixed income.
5. Will look at the portfolio balances in three weeks to source for June.
6. Chair Dean inquired about cash needs for July.
7. Peter Privitera said that with the Governor's Executive Order for tax payment deferral and the low interest program, the Town's practice of pooling cash until the end of the year may not work this year.

B. High yield corporate credit discussion

1. The Pension Board may wish to consider a modest allocation target of 3% to high yield corporate credit from fixed income allocation. This would not be a long term strategy, and the funds would ultimately be returned to standard fixed income managers.
2. FIA maintains a list of high yield manager candidates for consideration.
3. High yield credit is below investment grade.
4. Lazaro Guzman recused himself from manager selection to avoid any conflict of interest (Prudential/PGIM).
5. Chair Dean advised Lazaro Guzman to vote on any motion to invest in high yield but recuse himself on any motion of manager selection.
6. Discussion followed. Eric Halpern and Lazaro Guzman expressed their reservations with allocating funds to high yield corporate credit at this time.
7. Peter Privitera asked Chris Kachmar what other FIA clients were doing. Chris said some clients have been receptive. It is FIA's intent is to be consistent and offer information on the opportunity to all clients.

**Motion by Chair Dean for the Pension Board to accept the recommendation from the investment advisor relative to additional diversification into high yield corporate credit, to consider but not act on the recommendation, and circle back when the June 30, 2020 review is done.**

**It was not unanimously voted to accept the recommendation from the investment advisor relative to additional diversification into high yield corporate credit, to consider but not act on the recommendation, and circle back when the June 30, 2020 review is done. Two in favor (Peter Privitera, Nancy Dean) and four opposed (Brittany Bermingham, Alan Lebow, Eric Halpern, and Lazaro Guzman). Motion did not carry.**

**Motion by Chair Dean for the Pension Board not to consider entering into high yield at this time. It was unanimously voted not to consider entering into high yield at this time. Motion carried.**

C. Reaffirmation of Investment Policy Statement

1. Last affirmed in January 2019.

**Motion by Chair Dean for the Pension Board to reaffirm the current Investment Policy Statement, dated January 2019.**

**It was unanimously voted to reaffirm the current Investment Policy Statement, dated January 2019. Motion carried.**

V. Brittany Bermingham, Town Matters

A. No report

- VI. Rick Ledwith, Executive Director of Human Resources
- A. Meeting schedule for 2020
- B. July 13 meeting
1. Members were queried by email to determine availability to reconvene on July 13.  
**Motion by Chair Dean for the Pension Board to add July 13, 2020 as an additional meeting date.**  
**It was unanimously voted to add July 13, 2020 as an additional meeting date. Motion carried.**
  2. During the vote, it was requested for the meeting to be held July 20.  
Chair Dean asked the members to review their availability for July 20.

VII. Formal Actions

- A. Minutes
1. Approval of the minutes for the virtual special meeting on Monday, April 20, 2020.  
**Motion by Chair Dean for the Pension Board to approve the minutes for the virtual special meeting on Monday, April 20, 2020.**  
**It was unanimously voted to approve the minutes for the virtual special meeting on Monday, April 20, 2020. Motion carried.**
- B. Pension Administration
- Motion by Chair Dean for the Pension Board to approve Pension Administration.**
1. Memberships  
**It was unanimously voted to approve membership for Jordan Ferreira, Plant Services; Hadeer Hossain, BOE; Alex Johnson, BOE; Patricia Lewis, Finance; Stephen Maroney, Fire; Todd Matt, Public Works; Eric Peterson, Fire; Angelina Piccirillo, Police; Ryan Privitera, Plant Services; Lynn Rossi, Community Development.**
  2. Terminations and Refunds  
**It was unanimously voted to approve terminations and refunds for: Meghan Begley, Police; Nathan Amos, Community Development; Marianne Zinzarella, BOE; Hunter Humble, Police; Kristina Miner, Police; Jakum Barsaleau, BOE; Anthony Rokosa, Fire; Robert Roy, BOE; Norman Arter, BOE.**
  3. Applications for Approval
    - a. **It was unanimously voted to approve a vested interest application for Michael Nolan, Public Safety Dispatcher.**
    - b. **It was unanimously voted to approve an early retirement application for Susan Hansen, Library; Adelicio Santos, Plant Services.**
    - c. **It was unanimously voted to approve a normal retirement application for Michelle Boseman, 50% CA of Matthew Boseman; Joanne Deming, Nutrition Services; Li Hua Dong, Nutrition Services; Pamela Macca, Pupil Services; Marion Nathan, 50% CA of Joseph Nathan; Rosario Savastra, Police; Thomas Schwindler, Police; Naradai Singh, Plant & Facilities; John Stratton, Plant & Facilities.**
    - d. **It was unanimously voted to approve a survivorship application for Mary Ann Giovino (survivor of Robert Giovino, Police), Ida Namias Houle (survivor of Edward Houle, Police), Eartha Collins (survivor of John Givens, Part A).**

- e. **It was unanimously voted to approve a disability retirement application for Stanbury Thorpe, Plant & Facilities; Robert Roy, Plant Services; Norman Arter, Plant Services.**

C. Invoices for Consideration

1. Pension Administration

- a. Reid & Riege, P.C.

Consideration of invoice for payment for legal services rendered through 1/31/2020 in the amount of \$1,873.80. Invoice date 2/21/2020.

- b. Reid & Riege, P.C.

Consideration of invoice for payment for legal services rendered through 2/29/2020 in the amount of \$3,664.80. Invoice date 3/16/2020.

- c. Reid & Riege, P.C.

Consideration of invoice for payment for legal services rendered through 3/31/2020 in the amount of \$540.00. Invoice date 4/27/2020.

**Motion by Chair Dean for the Pension Board to approve the items under Invoices for Consideration – Pension Administration from Reid & Riege.**

**It was unanimously voted to approve the items under Invoices for Consideration – Pension Administration from Reid & Riege. Motion carried.**

2. Investment Management

- a. Fiduciary Investment Advisors

Consideration of invoice for payment for quarterly consulting fee in the amount of \$12,500.00. Invoice date 12/31/2019.

**Motion by Chair Dean for the Pension Board to approve the item under Invoices for Consideration – Investment Management from Fiduciary Investment Advisors.**

**It was unanimously voted to approve the item under Invoices for Consideration – Investment Management from Fiduciary Investment Advisors. Motion carried.**

VIII. New Business

- A. Alan Lebow – If 6 ½% or 6 ¼% were used as discount rate, what would the amortization growth rate need to be to get a similar ADEC? Any discussions with Milliman as to other ways of looking at this?

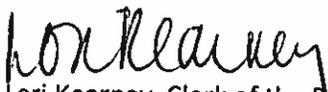
- 1. Peter Privitera – various ways to look at managing the liability. There have been no other discussions with Milliman. Next year, they will be smoothing in the other half of the mortality tables and the Town may be selling pension obligations bonds. There are many variables at play. If a discount rate of 6 ½% or 6 ¼ % were used, the amortization growth rate would need to increase.

IX. Adjournment

**Motion by Chair Dean for the Pension Board to approve adjourning the meeting at 8:50 a.m.**

**It was unanimously voted to approve adjourning the meeting at 8:50 a.m. Motion carried.**

Attest:

  
Lori Kearney, Clerk of the Board