

**A virtual regular meeting of the Town of West Hartford Pension Board was held on
Monday, September 14, 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.**

The meeting was called to order at 7:45 a.m.

I. Roll Call/Attendance

Pension Board Members: Chair Nancy Dean, Commissioners Alan Lebow and Lazaro Guzman, and Peter Privitera, Director of Finance

Participants/Guests: Mayor Shari Cantor, Rick Ledwith, Executive Director of Human Resources, Chris Kachmar, CIO and Managing Partner, FIA, Lori Kearney, Clerk of the Board, and Jennifer Evans, Executive Director of WH Community Television

Absent: Commissioner Brittany Bermingham, Matt Hart, Town Manager, and 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. Welcome to members and guests. All should be in receipt of the materials distributed for today's meeting.
- C. A copy of the actuarial valuation was distributed to members over the summer.

III. Peter Privitera, Director of Finance

- A. Pension obligation bonds
 - 1. Working closely with the financial advisors, investment advisors, and the actuaries. A model has been built and is being finalized. Preliminary numbers will be available to brief the mayor, town manager, and chair this month.
 - 2. A status update will be provided to the Pension Board at the October meeting.

IV. Chris Kachmar, FIA

- A. Portfolio balances
 - 1. The portfolio gained dramatically since end of March. As of 9/8/2020, the pension fund balance was \$227.9 million as compared to \$193.5 million at end of March. There were \$29 million in investment gains during 2nd quarter.
 - 2. Currently overweight in domestic equity and underweight in fixed income. Domestic equity 46% versus 43.5% target. Fixed income 27.5% versus 30% target. Overweight primarily in Vanguard Total Stock Market Index. Chris asked whether the board would be inclined to trim Vanguard Total Stock Market Index fund and invest proportionally in fixed income.
 - 3. Chair Dean stated that it is important to keep aware of the target allocations. Discussion followed regarding modifying the portfolio. Alan and Lazaro supported rebalancing. Chris reiterated his recommendation to rebalance by taking from Vanguard Total Stock Market Index and investing it proportionally into the two fixed income strategies.

4. Chris was asked if there were any guidelines or a framework for rebalancing. Chris said it varies by client and indicated that the Investment Policy Statement provides guidelines. The 250 basis points of fluctuation currently seen in the portfolio warrants a conversation on rebalancing.

Motion by Chair Dean for the Pension Board to approve reallocation to bring the domestic equity and fixed income portfolio percentages closer to target by endorsing 2.5% from Vanguard Total Stock Market Index to a 50-50 split with Vanguard Total Bond Market Index and MetWest Total Return Bond Fund.

Alan requested clarification. The motion indicated a 50-50 split between the two fixed income funds. He suggested letting Chris allocate the proceeds to get closer to their targets. Chris confirmed his recommendation that the allocation to fixed income be proportional not equal.

Chair Dean restated the motion and asked the Pension Board to authorize the investment advisor to reallocate and take the overweight position of Vanguard Total Stock Market Index down closer to its target allocation and use the proceeds to apply to the fixed income funds at his discretion.

It was unanimously voted to authorize the investment advisor to reallocate and take the overweight position of Vanguard Total Stock Market Index down closer to its target allocation and use the proceeds to apply to the fixed income funds at his discretion.

Motion carried.

5. The paperwork will be prepared today and FIA will execute this transaction as rapidly as possible.
- B. July flash report
 1. Portfolio up 3.7% for July and over 8% over last year.
 - C. Quarterly investment review – Q2 2020
 1. Investment Policy Statement – FIA reaffirms the IPS is in good working order from a governance perspective
 2. Portfolio up approximately 15% for second quarter
 3. Entire manager roster on maintain
 4. Merger of FIA and DeMaio Schneider – integration ahead of schedule and going well
- V. Brittany Bermingham, Town Matters
- A. No report (Absent from meeting)
- VI. Rick Ledwith, Executive Director of Human Resources
- A. Meeting schedule for 2020
 - B. Summary of pension administration items.
- VII. Formal Actions
- A. Minutes
 1. Approval of the minutes for the virtual regular meeting on Monday, May 11, 2020.
- Motion by Chair Dean for the Pension Board to approve the minutes for the virtual regular meeting on Monday, May 11, 2020.**

It was unanimously voted to approve the minutes for the virtual regular meeting on Monday, May 11, 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 Kathleen Baker, Police; Keleigh Brown, Police; Brian Constantino, BOE; Karen Daley, BOE; Andrew Eccles, Fire; Ryan Kelleher, Fire; Eric Myrick, Fire; Rodrigo Pinto, Fire; Luis Saez, BOE; Matthew Wiklund, Fire.
 2. Terminations and Refunds
It was unanimously voted to approve terminations and refunds for: Jeffrey Boneham, BOE; Brittany Stephenson, Town Manager's Office; Re'Shantia Mundle, BOE; Catherine Gay, BOE; Carole Weiss, Municipal Parking; David Walker, Fire; John Griffin, Fire; Kevin Larsen, Fire; John Brice, Fire; Paul Valdes Jr., Fire; Charles Guarino, Engineering.
 3. Applications for Approval
 - a. **It was unanimously voted to approve a vested interest application for Kathleen Faroni, Leisure Services and Mark McGovern, Community Services.**
 - b. **It was unanimously voted to approve an early retirement application for Susan Gabunas, Revenue Collection.**
 - c. **It was unanimously voted to approve a normal retirement application for Maria Bold, 50% CA of James Bold; James Deluca, Police; Catherine Dorau, Community Development; Liliam Fruhwald, BOE; Bella Glazer, BOE; Michael Hammond, Fire; Catherine Jordan, BOE; Concetta Lewis, BOE; Joyce Loranger, 50% CA of Ralph Loranger; Maria Madeira, Nutrition Services; Kevin McCarthy, Police; Claire McNamara, BOE; AnnMarie Neptin, BOE; Robert Paulson, 50% CA of Eleanor Paulson; Jeremy Tangarone, Police; Valerie Williams, 50% CA of James Williams; Dorothy Woodsome, BOE.**
- C. Invoices for Consideration
1. Pension Administration
 - a. Reid & Riege, P.C.
Consideration of invoice for payment for legal services rendered through 4/30/2020 in the amount of \$135.00. Invoice date 5/26/2020.
 - b. Reid & Riege, P.C.
Consideration of invoice for payment for legal services rendered through 5/31/2020 in the amount of \$1,687.50. Invoice date 6/24/2020.
 - c. Reid & Riege, P.C.
Consideration of invoice for payment for legal services rendered through 6/30/2020 in the amount of \$4,116.60. Invoice date 7/28/2020.
 - d. Reid & Riege, P.C.
Consideration of invoice for payment for legal services rendered through 7/31/2020 in the amount of \$1,471.50. Invoice date 8/25/2020.
 - e. Pension Benefit Information, LLC (PBI)
Consideration of invoice for payment for death monitoring services in the amount of \$1,750.40 Invoice date 5/31/2020.

Motion by Chair Dean for the Pension Board to approve the items under Invoices for Consideration.
It was unanimously voted to approve the items under Invoices for Consideration. Motion carried.

VIII. Adjournment

Motion by Chair Dean for Pension Board's approval to adjourn the meeting at 8:30 a.m.
It was unanimously voted to approve adjourning at 8:30 a.m. Motion carried.

Attest:


Lori Kearney, Clerk of the Board