

A virtual regular meeting of the Town of West Hartford Pension Board was held on Monday, May 10, 2021 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 7:49 a.m.

I. Roll Call/Attendance

Pension Board Members: Chair Nancy Dean, Commissioners Alan Lebow, Lazaro Guzman, Ethan Goldman, and Brittany Bermingham, and Peter Privitera, Director of Finance.

Participants/Guests: Leon Davidoff, Deputy Mayor, Rick Ledwith, Executive Director of Human Resources, Chris Kachmar, Fiducient Advisors, Lori Kearney, Clerk of the Board, Paula Knake, Benefits Coordinator, and Jennifer Evans, Executive Director of WH Community Television.

Absent: Mayor Shari Cantor, Matt Hart, Town Manager, 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. Corporation Counsel issued an RFQ for legal services for the Town of West Hartford Pension Plan. Reid & Riege is the current counsel for the Plan. Rick Ledwith, Peter Privitera, and Nancy Dean attended the presentations of the four firms invited. Corporation Counsel expects to finalize its selection by the end of May.

III. Peter Privitera, Director of Finance

A. Pension obligation bonds

1. Intend to reduce issuance from approximately \$360 million to \$325 million to reach fully funded status as of July 1, 2021.
2. Wells Fargo agreed to cut fees related to the cash influx in half to .55 basis points.
3. An RFP has been issued for potential underwriters. Two or three will be selected. The tentative POB sale date will be mid-June. The projected closing date is expected the first week of July 2021.

IV. Chris Kachmar, Investment Review, Fiducient Advisors

A. First quarter 2021 review

1. Portfolio expenses
2. Plan reports approximately \$265 million of invested assets at the end of March.
3. Plan is up 42% for the 1-year period ending in March.
4. Entire roster on maintain.

B. Pier Capital LLC fee discussion

1. Pier Capital offers both a flat fee structure and an incentive fee structure. The Town pays Pier Capital on an incentive fee basis. The Board reviewed an analysis that illustrated fees under both constructs and discussed preferences for changing the structure.

Motion by Chair Dean to migrate the fee arrangement with Pier Capital from the current incentive based fee structure to the flat fee structure of 1%.

It was not unanimously voted to migrate the fee arrangement with Pier Capital from the current incentive based fee structure to the flat fee structure of 1%. Motion did not carry (2 in favor [Lebow and Dean], 4 against [Privitera, Bermingham, Goldman, and Lazaro]). Fees with Pier Capital will remain incentive based.

- C. Pension obligation bond proceeds – finalization of dollar cost averaging framework & approach
1. Fiducient Advisors' meeting materials provide information on short, ultra-short, and intermediate fixed income strategies. This material will be updated for the June meeting.
 2. The type of fixed income strategies that will populate the dollar cost averaging will be discussed in June.

V. Rick Ledwith, Executive Director of Human Resources

A. Meeting schedule for 2021

1. The next regular meeting is scheduled for September 13, 2021, followed by meetings on October 18 and November 15.
2. A special meeting will be scheduled for June. Board members will be polled for their availability.

VI. Brittany Bermingham, Town Matters

A. No items to report.

VII. Formal Actions

A. Minutes

1. Approval of the minutes of the virtual special meeting held on Monday, April 5, 2021.

Motion by Chair Dean for approval of the minutes of the virtual special meeting held on Monday, April 5, 2021.

Al Lebow requests an amendment to Section IV A 2 of the minutes. The minutes currently read, "Of the 10,000 scenarios Milliman ran, 97% resulted in reserve funds remaining at the end of the projection period." Alan requested that the following statement be added, "Alan Lebow reiterated that the Milliman scenarios assume a normal distribution of outcomes and that a more realistic distribution would result in a much lower percentage."

Peter noted that the percentage of positive outcomes was based on Milliman's analysis and that if Alan is making a statement that based on his own analysis the percentage of positive outcomes is diminishing, the minutes should reflect that this is Alan's analysis and has nothing to do with Milliman's analysis.

The approval of the amended minutes will be postponed until the next meeting.

B. Pension Administration

Motion by Chair Dean for Pension Board approval of Pension Administration.

1. Memberships
It was unanimously voted to approve membership for Meaghan Conforto, Police; Amy Corey, BOE; Jana Ferraro, BOE; Amanda Goeller, BOE; Mary Mackey, BOE; Joseph Anthony Manzi, Police; Patricia Munroe, Town Clerk's Office; Sahar Omer, BOE; Katherine Stevens, BOE; Valerie Joy Villanueva, BOE. Motion carried.
2. Terminations and Refunds
It was unanimously voted to approve terminations and refunds for Enrique Galarza Jr., Financial Services; Kathy Early, Police; Rachel Pulda-Rifkin, BOE;

Audrey Hughes, Library; Garmon Newsom II, Corporation Counsel; Sean Lemkey, BOE; Theresa Lerner, Social Services; Jason Erban, Fire.

3. Applications for Approval
 - a. **It was unanimously voted to approve a Normal retirement application for Samuel Ferrucci, Police; Brian O'Connor, Streets; Marguerite Sperry, 100% Contingent Annuitant of Pearl Sperry, BOE. Motion carried.**
 - b. **It was unanimously voted to approve a Disability retirement application for David Garewski, Public Works/Streets. Motion carried.**
 - c. **It was unanimously voted to approve a Qualified Domestic Relations Order for Susan Trummel-Cadieux, alternate payee of Joseph Cadieux, Library. Motion carried.**
 - d. **It was unanimously voted to approve a Vested Interest application for Amber Palazzo, BOE. Motion carried.**

C. Invoices for Consideration

1. Pension Administration
 - a. Reid & Riege, P.C.
Invoice for legal services rendered through 3/31/2021 in the amount of \$261.00. Invoice date 4/23/2021.
2. Investment Management
 - a. Wells Fargo Bank, N.A.
Invoice for 1st quarter 2021 fees in the amount of \$9,770.54. Invoice date 4/7/2021.
 - b. Pier Capital LLC
Invoices for 2020 and YTD 2021 management fees as summarized in exhibit.
Motion by Chair Dean to approve all items under Invoices for Consideration.
It was unanimously voted to approve all item under Invoices for Consideration. Motion carried.

VIII. New Business
A. None

IX. Adjournment
Motion by Chair Dean to adjourn the meeting at 8:58 a.m.

Attest:


Lori Kearney, Clerk of the Board