

**A virtual special meeting of the Town of West Hartford Pension Board was held on
Monday, January 24, 2022 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 7:47 a.m.

I. Roll Call/Attendance

Pension Board Members: Chair Lazaro Guzman, Commissioners Alan Lebow, Perry Salonia, Brittany MacGilpin, and Peter Privitera, Director of Financial Services.

Participants/Guests: Mayor Shari Cantor, Rick Ledwith, Executive Director of Human Resources, Chris Kachmar, Fiducient Advisors, Lori Kearney, Clerk of the Board, and Paula Knake, Pension Benefits Coordinator.

Absent: Matt Hart, Town Manager.

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.

III. Chris Kachmar, Investment Review, Fiducient Advisors

A. Asset Allocation and Portfolio Discussion

- 1. Completed exercise for the 20-year forecast in December.**
- 2. Returns up nominally year over year for the full 20-year forecast.**
- 3. This is the basis for building out the return potential of the asset classes in the Pension Trust.**
- 4. Three versions**
 - a. Taking the current target allocations of the 70-30 mix over a 20-year forecast, the expected annualized return using the introduced inputs is 6.6% per annum.**
 - b. Using the current asset classes and reconstituting the portfolio, can de-risk the portfolio and still achieve the 6.25% return with less equity and more fixed income.**
 - c. Permitting the model to run using all asset classes results in greater diversification and a return similar to the de-risked version but with less risk.**
- 5. Framework introduced to the Pension Board today with more discussion of actionable items in terms of portfolio allocation and construction at the February meeting.**
- 6. Chris will model out opportunities to reduce risk without reducing the expected rate of return for review at the next meeting.**

B. 4th Quarter 2021 Pension Trust & POB Pool Performance Updates

- 1. Portfolio balance approximately \$384 million as of 12/31/2021.**
- 2. Portfolio performance up 3.9% for the quarter and 13.2% for the one-year period ending in December.**
- 3. Pension obligation bonds - \$54 million moved from pool to trust in December. March/April – stage 4 of dollar cost averaging effort.**

IV. Chair Guzman

- A. Introduction of Pension Plan Dashboard (as presented by Al Lebow)
 - 1. Three tabs: 1) broad overview taking average deterministic scenario presented by Milliman and comparing actual versus expected, 2) liability attribution, and 3) asset attribution.
 - 2. Dashboard to be reviewed with Milliman to determine their ability to populate the data and the cost.
 - 3. Annual review suggested.

- V. Peter Privitera, Director of Finance
 - 1. When the valuation is released, it will show the pension fund went from a 40.6% funded ratio to a 101.5% funded ratio. There will also be \$2 million less in pension liabilities next year than what there would have been if the pension obligation bonds had not been issued.

- VI. Brittany Bermingham, Town Matters
 - 1. No items to report

- VII. Rick Ledwith, Executive Director of Human Resources
 - 1. Meeting schedule for 2022
 - a. Next meeting scheduled for February 28, 2022

- VIII. Formal Actions
 - A. Minutes
 - 1. Approval of the minutes for the virtual regular meeting held on Monday, November 15, 2021.
Motion by Chair Guzman for approval of the minutes for the virtual regular meeting held on Monday, November 15, 2021. No objections were raised.
It was unanimously voted to approve the minutes for the virtual regular meeting held on Monday, November 15, 2021.
 - B. Pension Administration
 - Motion by Chair Guzman for approval of the items under Pension Administration. No objections were raised.**
 - 1. Memberships
 - It was unanimously voted to approve membership for:**
BOE – Briana Yatzia Alvarez, Juliana Bailly-Simao, Diane Bigelow, Kara Brazel, Nina Centino, Kelly Clark, Daisy Cruz, Mohammad Faisal Farooque, Abigail Flower, Erik Glidden, Manasseh Kirkwood, Burke Martindale, Christopher Richards, Alexandria Rivard, Tiana Rivera, and Lily Veretto.
Town – Patrick Argiro, Andrea Golino, Nadia Khan, Nicholas LeBeau, Jason McCabe, Matthew Nascimento, and Kevin Procaccini.
 - 2. Terminations and Refunds
 - It was unanimously voted to approve terminations and refunds for:**
BOE – Collen Corrigan, Paige Eshou, and Maria Cordeiro (beneficiary).
Town – Patricia Munroe, Keyvin Lewis, and Eric Rocheleau.
 - 3. Applications for Approval
 - a. Normal retirement applications
 - It was unanimously voted to approve a Normal retirement for:**
BOE – Humberto Centeno, Darren Ouellette, Adele Reale (CA of Joseph Reale), Karen Reale, and Franciszka Sadowski (CA of Zbigniew Sadowski).

Town – Jeffrey Dufresne, Scott Fredsbo, Carey Greene (CA of Judith), Lawrence Niland, Joseph Robidoux, Michael Sinsigalli, and Larry Veilleux.

b. Survivorships applications

It was unanimously voted to approve a Survivorship application for:

Town – Irene Rebick (Survivor of John Rebick, Fire).

C. Invoices for Consideration

1. Milliman

Discussion regarding the supporting documentation for the Milliman invoice submitted and approved at the November 15, 2021 meeting for actuarial services in the amount of \$6,107.50 (for additional projection scenarios requested by the Pension Board). Invoice date 6/14/2021.

The documentation was accepted. However, the Pension Board expects a more detailed accounting of charges from Milliman with future invoices.

2. Fiducient Advisors

Consideration of invoice for payment for consultation services for the period from 7/1/2021 – 9/30/2021 in the amount of \$12,500. Invoice date 10/4/2021.

3. Wells Fargo

Consideration of invoice for payment for administrative and reporting services for the period from 7/1/2021 – 9/30/2021 in the amount of \$10,348.24. Invoice date 10/7/2021.

4. Pier Capital LLC

Consideration of invoice for payment for management fees for the 3rd quarter 2021 in the amount of \$13,283.47. Invoice date 10/8/2021.

5. Pier Capital LLC

Consideration of invoice for payment for management fees for the 4th quarter 2021 and the incentive fee for 2021 in the amount of \$173,028.31. Invoice date 1/10/2022.

The Pier Capital LLC invoice will be discussed in more detail at the February meeting including the advantages/disadvantages of a flat fee versus incentive fee structure.

6. GHG Corporation

Consideration of invoice for payment for maintenance, support, and upgrades of purchased CLOCKWISE Software license (eEMS paystub service provided to pensioners) in the amount of \$1,785.00. Invoice date 12/1/2021.

The Pension Board discussed the GHG invoice in greater detail. This invoice represents services for online posting of paystub information for active and retired Town and BOE staff. The proportion of the cost attributed to retirees and subject to Pension Board approval for payment from the Pension Trust is \$1,785.00. The Pension Board requested information regarding all retiree expenses paid from the Pension Trust and subject to Pension Board approval. Peter Privitera indicated he would provide this information to the Board.

Motion by Chair Guzman to approve for payment all items under Invoices for Consideration.

No objections were raised.

It was unanimously voted to approve for payment all invoices listed under Invoices for Consideration.

IX. Adjournment

Motion by Chair Guzman to adjourn the meeting at 9:15 a.m. No objections were raised. It was unanimously voted to adjourn.

Attest:


Lori Kearney, Clerk of the Board