

From: Rick Bazzano May 15, 2009 8:03:06 AM
Subject: Pension Sub-Committee Minutes 02/25/2009
To: SimsburyCT_PensionMin
Cc:

TOWN OF SIMSBURY
PENSION COMMITTEE
REGULAR MEETING
February 25, 2009

1. CALL TO ORDER

The meeting of the Pension Committee was called to order at 7:35 a.m. in the Main Meeting Room of the Simsbury Town Offices. The following members were present: Paul McAlenney, Nick Mason, Donna Parker, Phil Schulz and Kevin Schultz. Absent was Susan Royles. Also present were Carl Heidt, Assistant Business Manager, Burke LaClair and Finance Director, Kevin Kane.

2. REVIEW PENSION PLAN PERFORMANCES – CONFERENCE CALL WITH GLEN HARRIS FROM RUSSELL INVESTMENTS

The Committee had a conference call with Glen Harris from Russell Investments. Glen and the Committee had discussions on the following:

- Based on the market downturn and reduction in generating fees, Russell is in the process of reducing its workforce by 15 to 20%.
- Third worst US market including the Great Depression.
- Since the market fall there have been huge market swings daily as an example the Plan's assets as of 2/23/09 was \$26.8 million and on 2/24/09 was \$27.1 million.
- Real Estate: Liquidity is a major problem with Russell's real estate fund.. Russell has redemption requests totaling \$240 million from its clients and estimates that only 5% or \$12 million will be rebalanced at the first rebalancing date. Therefore the Town's request to redeem \$450,000 will generate a estimated rebalancing of 5% or \$22,500 at the first rebalancing date
- Discussions did take place if the Town should rebalance / redemption request on its real estate holdings. Based on the large request that Russell received from its clients on redemptions for real estate

Russell decide to let clients back out of the queue for redemptions if they would like too. The Committee after much discussion decided to stay with their earlier request to rebalance.

3. REPORT FROM NICK MASON ON BOARD OF FINANCE ACTION / RECOMMENDATION ON OTHER POST EMPLOYMENT BENEFIT (OPEB) TRUST

Nick Mason explained to the Committee that some members from the Board of Finance have suggested moving the overview of the investment performance of the OPEB Trust to the Pension Committee. The Committee discussed and reached a consensus that they most likely will not have a problem if recommended by the Board of Finance and approved by the Board of Selectmen.

4. APPROVE MINUTES FROM THE:
DECEMBER 10, 2008, SPECIAL MEETING

A motion was made to approve the minutes. The motion was seconded and the minutes were approved unanimously.

Meeting Adjourned at 8:55 A.M.