



Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

Retirement Plan Sub-Committee **Regular Meeting Minutes - Approved**

Monday, February 1, 2021 at 8:00 a.m.
Via Zoom video conference

I. Call to Order

The meeting was called to order at 8:02 a.m. Sub-Committee members Kevin Prell, Chris Peterson, Sean Askham, Thomas Potter, Todd Burrick, Brian Watson were present. Maria Capriola, Town Manager, Amy Meriwether, Finance Director, and Melissa Appleby, Deputy Town Manager, were present from Town staff. Chris Kachmar and Tyler Polk were present for DiMeo Schneider. Others in attendance included Board of Finance members Lisa Heavner and Art House.

II. Review of Minutes **a) December 2, 2020**

Mr. Potter a motion to approve the minutes of December 2, 2020. The motion was seconded by Mr. Burrick. All were in favor and the motion passed unanimously.

III. Pensions Plans & OPEB Trust Fourth Quarter 2020 Performance Reviews and Fiduciary Governance Update

Mr. Kachmar reviewed the pension section of the document entitled "Town of Simsbury Retirement Plans – Quarterly Investment Review – Fourth Quarter 2020." He gave a firm update regarding FIA's merger with DiMeo Schneider. He then gave a market update, indicating that the markets are beholden to vaccine availability and that the stimulus is still encouraging investors. He noted strong market performance in the fourth quarter of 2020.

Mr. Kachmar said that the rate of return assumption is down, year-over-year. The best forecast for the portfolio right now is 6.4%. Discussion ensued regarding inflation, and what the federal government will allow. Mr. Kachmar said that an inflation rate of 1.8% was used for the forecast period. He said that they will be conducting a deeper underwriting of Templeton next quarter, but there is no recommended change in managers at this time.

Mr. Kachmar also reviewed the OPEB section of the document, noting that plan performed at benchmark for the quarter.

IV. Defined Contribution Plans Fourth Quarter 2020 Performance Reviews and Fiduciary Governance Update

a) Performance Review

Mr. Polk reviewed the defined contribution section of the document entitled “Town of Simsbury Retirement Plans – Executive Summary – Fourth Quarter 2020.” He said that they are tracking Department of Labor regulations being evaluated by the new administration as well as the SECURE Act 2.0. He said that there has been an uptick in litigation, in regards to topics such as target date fund underperformance and failure to enforce cyber security measures. Mr. Polk noted that we are following best practices; staff confirmed that the Town carries fiduciary liability insurance.

Mr. Polk reviewed the updated balances starting on page 72, as well as the performance overview starting on page 76.

b) DC Plan Investment Policy

Mr. Polk said that there were no recommended changes to the policy, but that it was last signed in 2014. This will be on the next agenda for review by the committee.

V. Communications

a) Research Team Overview

Mr. Kachmar said that this information is being provided in response to the committee’s interest in obtaining information regarding the research team at DiMeo Schneider. He said that the document provides an overview of the team, and the process for approval.

VI. Adjourn

Mr. Potter made a motion to adjourn the meeting at 9:01 a.m. Mr. Burrick seconded the motion, and it passed unanimously.

Respectfully submitted,

Melissa Appleby
Deputy Town Manager