



Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

Retirement Plan Sub-Committee Regular Meeting Minutes

Monday, May 2, 2022 at 8:00 a.m.
Via Zoom video conference

I. Call to Order

The meeting was called to order at 8:01 a.m by Derek Peterson. Sub-Committee members Sean Askham, Brian Watson, Todd Burrick, Amber Abbuhl, Bert Helfand, Phil Schulz, and Tom Potter 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 Fiducient Advisors. Others in attendance included Board of Finance member Lisa Heavner.

II. Review of Minutes

a) February 7, 2022

The minutes of February 7, 2022 were approved as presented by consensus.

III. Pensions Plans & OPEB Trust First Quarter 2022 Performance Reviews and Fiduciary Governance Update

Mr. Kachmar reviewed the pension section of the document entitled “Town of Simsbury Retirement Plans – Quarterly Investment Review – First Quarter 2022.” He said that the first quarter was difficult for both equities and fixed income, and that this challenging environment has carried into April as well. He reviewed the market themes on page 5, noting that positive growth is still projected for 2022, due in part to pent up consumer demand. Mr. Kachmar said that the portfolio’s diversification will help us weather this challenging time.

Ms. Heavner asked about housing costs and the impact on investments. Mr. Kachmar said that the high inflation we are experiencing will moderate over time. He also added that some markets, such as used car sales, are starting to soften, which may continue slowly.

Ms. Abbuhl pointed out that international equities make up approximately 25% of the plan’s allocation, and asked how the instability in Europe impacts our risk. Mr. Kachmar said that this would be reviewed later on in the presentation.

Mr. Kachmar reviewed the portfolio expense analysis on page 16, noting that the fees are reasonable. He also reviewed the portfolio dashboard on page 20. The plans were down 5.7% for the quarter as compared with the benchmark of 4.6%. He also discussed the asset allocation on page 21. He said the allocations are appropriate, and further discussion ensued regarding the makeup of global equities. Mr. Kachmar noted that the allocation is

right in line with the benchmark, and he said that even though Europe may be volatile, the overall makeup of the global allocation is adequate. Discussion ensued regarding the specific breakdown within the international weighting, particularly China.

Mr. Kachmar also reviewed the OPEB section of the document. He said the plan was down 5.1% for the quarter, which matched the benchmark.

IV. Defined Contribution Plans First Quarter 2022 Performance Reviews and Fiduciary Governance Update

Mr. Polk reviewed the defined contribution section of the document entitled “Town of Simsbury Retirement Plans – Quarterly Investment Review – First Quarter 2022.” He said that the first quarter is a fee focus on the fiduciary governance calendar. Mr. Polk reviewed a summary of the plan’s administrative fees on page 40. He said that 0.159% goes toward recordkeeping fees, which is competitive as compared with the benchmark. Mr. Polk also reviewed the transaction fees on page 41, and discussed asset-based fees versus per participant fees as presented on page 44. There are no recommended changes at this time.

Mr. Polk reviewed the asset allocations starting on page 46, noting that there are no major concerns at this time. He also reviewed the performance overview, starting on page 50. He said that all managers are on “maintain” at this time. Ms. Heavner requested a breakdown of the percentage of participants who are in the target date funds.

V. Adjourn

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

Respectfully submitted,
Melissa Appleby
Deputy Town Manager