



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

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

Monday, December 5, 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 Brian Watson, Amber Abbuhl, Tom Potter, Todd Burrick, and Bert Helfand were present. Amy Meriwether, Finance Director, Maria Capriola, Town Manager, 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. Housekeeping**

#### **a) Appointment of Chair for 2023**

#### **b) Appointment of Vice Chair for 2023**

Mr. Helfand made a motion to appoint Mr. Peterson as chair and Mr. Askham as vice chair for 2023. Mr. Burrick seconded the motion. All were in favor and the motion passed unanimously.

#### **c) 2023 Regular Meeting Schedule**

Ms. Abbuhl made a motion to accept the meeting schedule as presented. Mr. Helfand seconded the motion. All were in favor and the motion passed unanimously.

### **III. Review of Minutes**

#### **a) September 6, 2022**

The meeting minutes of September 6, 2022 were approved as presented by consensus.

### **IV. Pensions Plans & OPEB Trust Third Quarter 2022 Performance Reviews and Fiduciary Governance Update**

Mr. Kachmar provided a capital markets update and reviewed the DB & OPEB portfolio updates as presented in the document entitled "Town of Simsbury Retirement Plans, Performance Summary – Third Quarter 2022." He stated that the quarter was difficult for fixed income as interest rates moved higher, though equities delivered strong returns. He said that commodities and real assets also saw gains. Mr. Kachmar described the current inflationary environment, and the federal government's attempts to combat this by increasing interest rates. He said that uncertainty around economic growth has led to market volatility and may signal a recession in the coming year.

Mr. Kachmar reviewed the performance and updated balances for the Town, Police, and Board of Education plans as presented on pages 7-12 and 34-40; all plans are performing in line with

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the benchmarks. He also reviewed the performance and updated balances for the OPEB trust as presented on pages 13-14 and 44-46; OPEB is also performing in line with the benchmark.

**a) ESG/DEI Summary**

Mr. Kachmar stated that they took the roster mutual funds for the pension plan and developed a framework. The general takeaway is that most of the managers to some degree are integrating some aspect of ESG into their portfolio construction. His suggestion to the committee is over time (maybe every other quarter) they update this analysis and provide it for the record

**V. Defined Contribution Plans Third Quarter 2022 Performance Review and Fiduciary Governance Update**

Mr. Polk noted that the third quarter is the “participant focused” quarter. He shared the Town’s 457 Plan At a Glance, sharing what the typical number of investment options and plan design offerings are for the Town’s plan. They are seeing more and more plans offering Auto Features, which allow for someone to have to opt out of the plan versus opt in. He finds in the municipal space that a shift to an automatic feature requires discussions from a bargaining standpoint; there are no recommendations from a plan design standpoint. Mr. Polk said the Senate is looking at two bills regarding the Secure Act, although how they will impact the 457 plan or 401(a) plan is still yet to be determined. The Department of Labor’s Cybersecurity Guidance was discussed, including best practices for what a record keeper should be doing. Mr. Polk said they provided a cyber security questionnaire to MissionSquare that complies with the DOL’s best practices. They have no concerns about the responses.

On page 54, participant education, advice review and levels of engagement were discussed. Mr. Polk asked if there have been inquiries around further employee engagement with the participant base. Mr. Peterson stated not to his knowledge but he would ask Ms. Meriwether or the Town Manager if they have heard anything about interest in learning more. Mr. Peterson stated that the Town is working on upgraded cyber security systems but it might be worthwhile to have them look at the best practices on what they are either in the process of or have recently implemented. On page 56, the asset allocation was discussed. Mr. Polk pointed to a decrease to the 457 plan, a total of around 13.2 million bulk of the assets still in that plus fund as well as the Fidelity 500 Index and then the target date funds which rounds out the third highest investment. The manager performance on page 60 was discussed, including some activity with respect to some of the gross mutual funds for T. Rowe where prices have struggled over the last year. On page 63 and page 64, all the funds are currently on maintain, they don’t recommend any changes to the defined contribution investment options.

**VI. Adjourn**

Mr. Peterson made a motion to adjourn the meeting. Ms. Abbuhl seconded the motion. The motion passed with all in favor. The meeting adjourned at 9:11 a.m.

Respectfully submitted,  
Heather Taylor  
Commission Clerk