



Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

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

Monday, December 6, 2021 at 8:00 a.m.
Via Zoom video conference

I. Call to Order

The meeting was called to order at 8:04 a.m by Kevin Prell. Sub-Committee members Thomas Potter, Brian Watson, and Phil Schulz 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 members Art House and Lisa Heavner.

II. Review of Minutes

a) May 3, 2021

This item was tabled.

III. 2022 Regular Meeting Schedule

The 2022 meeting schedule was approved as presented by consensus.

IV. Pensions Plans & OPEB Trust Third Quarter 2021 Performance Reviews and Fiduciary Governance Update

Mr. Kachmar reviewed the pension section of the document entitled "Town of Simsbury Retirement Plans – Executive Summary – Third Quarter 2021." He reviewed firm update, indicating that the merger is up and running well. Mr. Kachmar said that the market has been more challenging, but the financial health of consumers is strong, with higher net worth and lower indebtedness. He said that inflation is moving higher this year due to supply chain constraints, pent up demand, etc. He said there are project interest rate increases in the second half of 2022.

Mr. Kachmar said that the plans are well funded and have a good interest rate assumption. The committee discussed potentially decreasing the interest rate assumption to 6.25%. Mr. Kachmar reviewed the asset allocation on page 24, and noted that there is a "flash memo" in the packet regarding Metro West. Mr. Kachmar noted that the returns for the quarter were essentially flat, as they were down 0.1% as compared with the benchmark which was down 0.4%.

Mr. Kachmar also reviewed the OPEB section of the document, noting that they will be drawing the liquidity down to focus more on fixed income. He said the returns were down 0.5% for the quarter as compared with the benchmark which was down 0.3%.

V. Defined Contribution Plans Third Quarter 2021 Performance Reviews and Fiduciary Governance Update

Mr. Polk reviewed the defined contribution section of the document starting on page 35. He said that the third quarter is a participant focus, and that they would be working with Mission Square to review the educational resources for participants.

Mr. Polk reviewed page 39 which provided an outline of the U.S. Department of Labor guidance for those selecting a plan sponsor, as well the guidance for plan sponsors themselves.

Mr. Polk reviewed the historical balances starting on page 42. He said that there are no recommended changes in managers at this point, although Eaton Vance will continue to be monitored due to underperformance.

There was discussion regarding a potential annuity option; Mr. Polk said that he could review Mission Square's product at the next meeting.

VI. Adjourn

Mr. Prell made a motion to adjourn the meeting at 9:15 a.m. Mr. Potter seconded the motion, and it passed unanimously.

Respectfully submitted,

Melissa Appleby
Deputy Town Manager