

**Town of Newtown
Pension Committee Meeting
June 21, 2018 7:30pm
Lower Meeting Room, 3 Main Street**

THE FOLLOWING MINUTES ARE SUBJECT TO APPROVAL BY THE PENSION COMMITTEE.

1. Meeting called to order by Ellen Whalen at 7:35pm.

Committee Members in attendance: Sam Broomer, Guy Howard, Scott Schwartz, Paula Wickman, Ellen Whalen.
Patrick Burke, Charles Farfaglia Absent.

2. Minutes

Motion by Scott Schwartz, seconded by Paula Wickman to approve Minutes of May 24, 2018 Meeting. All in favor.

3. Correspondence

None

4. Retirement/Expense Payment Approval

Retirement/Expenses – Motion made by Sam Broomer, seconded by Guy Howard to pay Retirement Benefits to Beverly Bennett and Frank Vaccarelli and to pay Wells Fargo First Qtr. Fees in the amount of \$3, 596.29 (Pension Trust), \$680.95 (OPEB Trust). All in favor.

5. Old Business

FIA Investment Proposal/Committee Recommendation - Guy Howard, Investment Committee Member, discussed FIA Investment Reallocation Proposal and liquidation of the Bronzo Group Pension/OPEB Bond Portfolios. Pension and OPEB Bonds have been liquidated as recommended at May 24th PC Meeting and investment made in Vanguard Total Bond Index Fund. Discussion followed regarding FIA's reallocation proposal with the decision to meet with Selectman, Dan Rosenthal to update him on IC investment suggestions and get his input. Meeting will be scheduled within the week. Following meeting with Selectman, Committee will look to meet with FIA for further review and consultation.

DROP Update – George Kasper, Attorney, Pullman & Comley, joined PC Meeting via Phone. The purpose of Mr. Kasper joining meeting was to have his guidance re PC's earlier decision to have DROP assets credited to the Pension Trust whereby funds would be comingled with Trust Assets, accounted for separately at the Plan level by Wells Fargo and by TR Paul at the participant level with the DROP participants eligible to participate in Trust gains/losses. This point is being questioned by Union Members wishing to elect Drop. The Collective Bargaining Agreement (CBA) is silent re gains/losses to participant accounts but does state DROP participant will receive their full account balance at the end of the DROP period. Therefore to ensure a DROP participant receives 100% of their DROP funds deposited to the Trust, the Pension Committee makes the following

Motion:

The individual participant DROP funds will be deposited into the Pension Trust. The funds will be accounted for separately for the purpose of returning 100% of individual's DROP account balance at the end of their elected DROP period. The funds will be in an interest bearing account. TR Paul will continue to do DROP participant recordkeeping. Motion made by Scott Schwartz and seconded by Guy Howard. All in favor.

6. New Business

Wells Fargo

Trust Review – May 31, 2018 Market Value: Pension \$42.9; OPEB \$2.5.

Custodian – Based on the PC decision to terminate Wells Fargo as Custodian, FIA provided the Summary of the Custody Services Request for Information (RFI). PC will review and notify FIA of the number of Banks they wish to interview.

7. Voter Comment

None

8. Date of Next Meeting: June 21, 2018

Town Hall South, 3 Main Street, Lower Meeting Room.

9. Adjournment

With no further business, Paula Wickman motioned to adjourn meeting, Sam Broomer seconded, all in favor. Meeting adjourned at 9:47pm.

Respectfully submitted,
Ellen Whalen, Pension Committee Chair