

EAST LYME PENSION COMMITTEE
MEETING OF January 21, 2016
MINUTES

FILED IN EAST LYME
CONNECTICUT
Jan 21 2016 AT 9:35 AM PM
Kathleen Galtman
EAST LYME TOWN CLERK

PRESENT: M. Nickerson, A. Johnson, D. Connolly, R. Fecteau, N. Paciotti, B. Hogan,
M. Whalen, J. LaFond by phone

ABSENT: P. McDonough

ALSO PRESENT: J. McAraw, R. Macomb; Representatives Northstar Wealth
Partners

Mr. Nickerson called the meeting to order at 3:10 pm.

Motion by D Connolly, second by B Hogan to approve October 22, 2015 minutes.
Passed. (Abstain by: N. Paciotti, B. Hogan)

Mr. J. McAraw of Northstar Wealth Partners began the discussion noting various definitions due to the current activity in the market place. Volatility occurs when corrections in the market take place, pull back is when activity is in the single digit range up to 10%, a correction is between 10% - 20% and a Bear Market is when changes exceed 20%. The current market activity is in part technical and has not happened since 2011. We have been experiencing very calm markets which drew in weak dollars. The two major news articles impacting the market are (1) China and (2) Oil. The correction mode began in the summer of 2015. The market wants stability. The changes the committee made last quarter was to big dividend paying investments. Investments on the non-US side are an unknown and are currently a drag. The portfolio does not have much in emerging markets, however, what we have is doing well at this time.

A question was asked regarding the note on the Morningstar Report concerning "Internal Fees – Contractual Waivers" investment managers do this to net expense ratios lower than normal.

It was noted on the Morningstar Report that the 3 year portfolio return is 7.19% which is our annual goal.

The committee discussed the current cash position of approximately \$400,000 which is one year of expenses. It was determined we should make a move to have two years of cash liquidity. Northstar Wealth Partners will review the portfolio and make recommendations to accommodate this transaction.

Motion by N Paciotti, second by B Hogan to authorize the transfer of up to \$450,000 from the investment portfolio to the money market account. Passed.

Motion by N Paciotti, second by B Hogan for approval of invoices to USI in the amount of \$9,500. Passed.

Renee Fecteau reported one new pension of a Water Operations employee at this time.

Meeting adjourned at 3:50 PM

Respectfully submitted,
For the Committee:

Anna M. Johnson