

EAST LYME PENSION COMMITTEE
MEETING of January 21, 2021
MINUTES

PRESENT: K. Seery, A. Johnson, D. Connolly, J. Wohler, P. Goulekas, J. LaFond,
B. Hogan, B. Lucovich, M. Stevens and D. Hall

ABSENT: M. Nickerson

ALSO, PRESENT: Mr. J. McArw and Ms. Romaine McComb Representatives
Principle Wealth Partners and Mr. David Woodmansee and Mr. Ryan Wilson
Representatives of USI Consulting Group

Deputy First Selectman Seery called the meeting to order at 3:00 pm. via Zoom

Mr. Wohler mentioned we discussed at the previous Pension Committee appointing
another active employee to the Committee since Mr. Connolly has retired. We should
plan to get this accomplished before the next meeting.

MOTION by: J. Wohler, second by D. Connolly to approve minutes of October 15, 2020
meeting. Passed.

Mr. David Woodmansee of USI Consulting Group provided a review of the January 1,
2020 Actuarial Valuation. He brought provisions of the Secure Act signed into law
December 20, 2019 affecting Defined Benefit Plans to the attention of the Committee.
He reviewed funding highlights of the 2020 valuation and provided a five-year valuation
history. Next, he noted risk assessment factors relative to the plan.

Mr. Woodmansee recommended we have a Decrement Study performed to review the
assumptions used to fund the plan. It is good to have this done every five years.

MOTION by: J. LaFond, second by B. Hogan to engage USI Consulting Group to
perform a Decrement Study of the Defined Benefit Pension Plan subject to a reasonable
quote. It was agreed to set the April 15, 2021 meeting for a presentation of the results.

It was also discussed to look at having the Plan Document updated. In 2012 there was a
draft prepared. It was suggested to review our collective bargaining agreements to ensure
we have the benefits correct. We will look at this and obtain a quote to get this
completed.

R. McComb of Principle Wealth Partners noted the fund balance at 12/31/19 was:
\$25,666,733, 12/31/20 was: \$28,877,074 and just a couple of days ago: \$30,335,000.

FILED

Jan 22 2021 AT 8:20 AM/PM
Karen Muhlman
EAST LYME TOWN CLERK

J. McAraw of Principle Wealth Partners provided a market analysis discussing recovery, market not reacting to the outcome of the election and how at the end of October 2020 parts of the market began to take off. The old normal is back in place – the US and China are back to the way it was. It is anticipated that at the middle to the end of the summer we will begin to see a behavioral change as more of the population are vaccinated and begin to spend money again.

He discussed a new target amount for the money market moving from 10% to 15%. At this time, it is recommended we move approximately \$1M to the account to begin this process.

MOTION by: J. LaFond, second by B. Hogan to move funds from the following accounts: \$400K from MFS Technology, \$300K from MassMutual Select Mid Cap, \$150K from ClearBridge Appreciation and \$150K from American Funds Fundamental Invs to Invesco U.S. Government Money.

And, \$500K from American Century Equity Income to Nuveen Santa Barbara Dividend Growth. Passed.

A question was asked if the allocation we currently have set up supports the assumption earnings rate of 7%. Mr. McAraw noted unsure in the short-term and yes in the long-term.

Ms. Johnson reported there were seven retirements in 2020 compared to nine in 2019. Based upon the age of participants in the plan, we would forecast 12 retirements in 2021. Currently, we have 2 informal notices of retirement.

MOTION by: D. Connolly, second by J. LaFond to pay USI Invoices in the amount of \$13,900. Passed.

MOTION by D. Connolly, second by J. LaFond to adjourn meeting at 4:03 pm.

Respectfully submitted,
For the Committee:

Anna M. Johnson

FILED

JAN 21 2021
EAST LYME TOWN CLERK