

**PENSION BOARD
REGULAR MEETING MINUTES
WEDNESDAY, FEBRUARY 19, 2020 AT 5:30 P.M.
SHELTON CITY HALL
54 HILL STREET, ROOM #104
SHELTON, CT 06484**

BOARD MEMBERS

Mark Laretti, Mayor (via phone starting at 5:38 p.m.)
Christopher A. Gallo, Chairman
Paul Hiller, Finance Director
Jeff Lutheran, Board Member Nominee (via phone ending at 6:10 p.m.)

ALSO PRESENT

John Esposito, Financial Assistant
Chris Passante, Prudential, Key Account Manager, Reg. Rep.
Tony Vournazos, Acting Recording Secretary

EXCUSED

John DiMatteo, Financial Consultant

Tapes, correspondences, and attachments are on file in the City/Town Clerk's office.
Minutes are on the City of Shelton website: www.cityofshelton.org.

CALL TO ORDER/ PLEDGE OF ALLEGIANCE

Chairman Gallo called the Regular Meeting of the Pension Board to order at approximately 5:30 p.m. All those present stood and pledged allegiance to the flag.

MINUTES FOR APPROVAL

Motion made by Paul Hiller, seconded by Jeff Lutheran, to approve the Pension Board regular minutes of November 20, 2019. On a voice vote, the Pension Board voted unanimously to approve the motion.

PUBLIC COMMENT

No one was present for public comment.

OLD BUSINESS

Education Plan

Mr. Passante indicated that he introduced "virtual education" in November 2019 and December 2019 for their participants. He emailed the recipients asking them to click on a button for a one-to-one live session but he noted there was "limited success" of only 10 people. He then mentioned they held education sessions on February 11, 2020 and February 18, 2020 and a total of 36 employees attended plus six or seven Board of Education members.

Mr. Passante briefly reviewed a report that showed the historical view of the percentage of assets that are in Stable Value. He mentioned he is pleased that they are talking as a Board, having great discussions about the demographics of the plan but noted that the participants in Stable Value could be facing inflation risk.

Mr. Passante reported that the previously discussed fund change was completed on February 10, 2020 and available on February 11, 2020. He then indicated that it is time to begin funding the ERISA account and decided that 10 basis points as an asset-based participant rate on the funds is acceptable and will implement the signed form, effective March 1, 2020.

Chairman Gallo inquired about the percentage of employees' emails that Prudential has and does not have and Mr. Passante replied that he will look into that information. After the meeting, Mr. Passante mentioned that Prudential has 192 emails out of 263 active employees for plan 010089 and 42 emails out of 58 active employees for plan 010090.

Side Note

Mr. Hiller indicated that the contracts for both Prudential and DiMatteo Group are expiring in September 2020 and he would like to finalize their two, three, or five-year extensions at their meeting on May 20, 2020. He also mentioned that a gentleman from the LOSAP plan might speak at their May meeting as well.

NEW BUSINESS

Investment Review

Mr. Esposito reviewed their 401a – Executive Summary and he noted they are going to “watch” the Foreign Large Value. He stated that he might make a recommendation at their August meeting if necessary. He then mentioned that the Target Date Funds are doing well but two of them are not passing, 2060 & In Retirement. He also said they like the American Century Fund since it does a “great job in a down market.”

Mr. Esposito reported that they made a lot of changes recently in the 457 group with replacing the Small Cap, International, Large Cap Value, Mid Value and Core Bond Plus. Chairman Gallo inquired about a Large Blend Fund and Mr. Esposito explained that a blend is a mix of growth (technology stocks) and value (dividend paying stocks). He stated that there are no changes recommended now for the 457.

ADJOURNMENT

Motion made by Chairman Gallo, seconded by Mayor Lauretti, to adjourn at 6:15 p.m. On a voice vote, the Pension Board unanimously voted to approve the motion.

Respectfully submitted,

Sarah Vournazos
Recording Secretary