

TOWN OF NEWINGTON
EMPLOYEE INSURANCE AND PENSION BENEFITS COMMITTEE
Conference Room L-100
Meeting Minutes – September 16, 2019

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Town Clerk

1. Call to Order
Chairperson Diana Serra called the meeting to order at 7:02 pm
2. Roll Call
Members Present: Sharon Braverman, Diana Serra, John Slusarski , Terrance Sullivan, William Lichota, and Tim Manke

Member Absent: Steven Silvia

Staff Present: Janet Murphy, Jennifer Massaro-Cook, and Lou Jachimowicz
3. Minutes – February 25, 2019 meeting – Tim Manke made a motion to accept the minutes of February 25, 2019, seconded by Sharon Braverman – All in favor the motion passed.
4. Public Participation – none
5. New Business: Since the representative from Lockton was not there yet we started with the review by UBS
 - a) b) UBS

David Sears, Marc Shegoski and Ashley Martella presented their views on the current market along with how our Pension and OPEB funds have performed. Although they believe the current market is a balancing act, they do not believe that we are heading towards a recession yet. With the rates moving down, capital will continue to come to the U.S. Many risk continue in the market with the most immediate one being the trade disputes and tariffs. Their bull market monitoring shows that we are in the late cycle of the market. They are recommending that we continue with a modest risk-on stance.

All of the pension and OBEP funds have the same investments so we started by looking at our largest pension fund, Police. As of 8/31/19 for the calendar year we are up 14.85% and for the fiscal year we are up .28%. David Sears will be sending a fiscal year-end report with returns for 6/30/19 that will be shared with the committee. Overall the fund managers have been performing well and they do not see any reason to make changes. There is one issue with Western Core Plus management under the US Fixed Income. They do not have enough of our business that we can do the due diligence test that is needed UBS is suggesting of the 9.12% allocation to Western we move 2% to JP Morgan, 2% to Blackrock and the remainder to Bradford Marzec. Motion was made by Terrance Sullivan and seconded by Sharon Braverman to follow UBS' recommendation. All in favor the motion passed.

b) Lockton

David McCluskey was unable to attend the meeting due to a death in the family. Seth from Lockton presented our fiscal year end results in his place. As of year-end the fund was ahead a total of \$922,686, with \$701,526 being Town and \$227,614 BOE. This does not include the pharmacy rebates that we receive with our settlement letter. Discussion continued regarding going out to bid for health insurance due to the poor service that we have been receiving. Seth explained some of how the process would work and we hope to get more details from David as the process continues. Consensus is that the groups that will respond to our request will be Aetna, Cigna, Connecticutare and Anthem.

We also discussed the renewal process and results for this fiscal year. There were some questions regarding life counts that were included and that members of the committee would like to see the hard numbers based on lives along with the renewal for the 2019-20 fiscal year.

6. Remarks by Committee Members – None.
7. Next Meeting – TBD – will speak to David McCluskey to see when would be a good time to discuss the bid results.
8. Adjournment- T. Manke made a motion to adjourn; seconded by S. Braverman. The meeting adjourned at 8:55 p.m.

Respectfully submitted:



Janet Murphy, Director of Finance