

**Newtown Pension Committee**  
**Minutes of Special Meeting – August 31, 2016**

**1. Call Meeting To Order**

Meeting was called to order at 7:34 pm.

**2. Approval**

Meeting Minutes from August 22, 2016

Ellen Whelan moved to approve minutes, Patrick Burke seconded. All in favor.

**3. Correspondence**

**4. Discussion/Approval**

Retirements: None

Expenses: None

**5. Old Business**

**Discussion of Investment Policy revisions**

Ellie stated this is a blend of FIA and the existing policy with some additional language added by the pension committee. TR Paul will remain as administrator for both pension and OPEB. The issue of Wells Fargo and benefit payments will come at a later date.

The Committee reviewed the Investment Policy Statement drafts with Fiduciary Investment Advisors (FIA the pension consultant/advisor) and recommended edits / comments for the Defined Benefit and Money Purchase Plans (pension) & the Other Post-Employment Benefits Plan(OPEB). Draft statements (with comments) attached.

On page 3 of both plans the foreign equities note (under target asset allocation) will be taken out. On the pension plan, page 14, real estate and natural resources language will be added (as recommended by FIA). On the pension plan, page 16, both indices will be added to the real estate category (NCREIF fund index & NAREIT). Same change for page 19 (both indices under real estate). On page 7 in the OPEB plan, under OPEB committee, the bulleted paragraph will be the same as the bulleted paragraph on page 7 in the pension plan (under pension committee). On page 14 of the OPEB plan include the language on real estate as recommended by FIA.

**Motion to approve changes**

Charles Farfaglia made motion, Joe DiCandido seconded. All in favor. Motion carries.

**6. New Business**

**FIA to attend meeting to respond to Pension Committee questions**

**FIA presented new options for Newtown's portfolio by showing the Original Proposed Portfolio and how it compares to an Indexed Portfolio with Proposed Allocations and an Indexed portfolio with Current Allocations. A discussion took place on these options with FIA fielding questions in reference to the expense ratios and the target allocation.**

**Patrick Burke addressed the issue of the individual bonds and requested that FIA look at different strategies for the bond portfolio. FIA stated they would be willing to look at other strategies.**

**Based on this discussion a motion was made by Charles Farfaglia to recommend column 3, Indexed Portfolio with Current Allocations of Newtown Portfolio Options as an immediate term target allocation recommendation with the option to move to column 2 as prudent. It is understood that holdings in individual bonds will transfer to the bond index fund as bonds are liquidated. Patrick Burke seconded the motion. All in favor.**

**7. Voter Comment**

**No voters in attendance**

**8. Confirm Date For Next Meeting**

**Next meeting date scheduled for September 19, 2016**

**9. Adjournment**

**Charles Farfaglia moved to adjourn at 8:58 pm and seconded by Patrick Burke. All in favor.**