

Minutes of the Joint Meeting

Town and Police Pension Boards

October 10, 2023

4:00 PM

CALL TO ORDER

The meeting was called to order by Kelly Galvin at 4:02 pm. Attendance was as follows:

- Town: Kelly Galvin, Eric Baurmeister, and Paul Hendrickson.
- Police: Mike DosSantos, Paul Hendrickson and Kim Huffard.
- Absent: Town: Fred Doneit & Tony Yezzi, Police: Brent Hayes & Kevin Cunningham.
- Staff: Susan Barksdale, Director of Human Resources, and Jennifer Charneski, Director of Finance

INVESTMENT MANAGER REPORT (AGENDA ITEM #2)

John Forelli, CFA, Director of Portfolio Research, Liz Sheerin, Relationship Manager and Connor Watson, CFA, Director of Taft-Hartley and Public Funds Relationship Management, joined the meeting to update the Board on recent market performance. Highlights include:

- Combined assets under management as of 9/30/2023 totaled \$158.3 million - \$101.5 million for the Town and \$56.8 million for the Police.
- Third Quarter 2023 equity performance was -1.51% (gross of fees) and -1.61% (net of fees), versus benchmarks of -3.17% (Russell 3000 Value Index) and -3.23% (S&P 500 Index).
- Third Quarter 2023 fixed income performance was -3.21% (net of fees) vs. -3.23% benchmark (Bloomberg/Barclays Capital Aggregate Index).
- For the third quarter, the equity portfolio has a five-year Return on Operating Assets (OROA) of 51.5% vs. the benchmark Russell 3000 Value at 17.0% and the S&P 500 at 36.8%.
- The equity portfolio remains primarily invested in large-cap (46.2%) and mid-cap (47%) value stocks, with small-cap (6.8%) stocks remaining underweighted. The portfolio remains heavily weighted towards financials and healthcare.
- Asset allocation has moved from the maximum equity weighting of 60% to 56.0%. Portfolio turnover was approximately 15% over the trailing year.

Boston Partners representatives departed at 4:45 pm.

REPORT OF QUARTERLY INVOICES / EXPENDITURES (AGENDA ITEM #3)

The Board had no questions on quarterly invoices and expenditures.

NEW BUSINESS – APPROVAL OF 2024 MEETING CALENDAR (AGENDA ITEM #4)

Eric Baurmeister and Kim Huffard moved for approval of amended 2024 meeting calendar; passed unanimously.

APPROVAL OF MINUTES (AGENDA ITEM #5)

Kim Huffard moved for approval of the 07/18/23 minutes for the Police, passed unanimously. The Town was without a quorum and will vote at January 2024 meeting.

ADJOURNMENT (AGENDA ITEM #7)

Eric Baurmeister and Kim Huffard moved adjournment at 4:53pm; passed unanimously.

Prepared by: Karen Dunn

Next meeting: Tuesday, January 9, 2024