

## **RIDGEFIELD PENSION COMMISSION**

Meeting of Monday, March 23, 2009

### **MEMBERS PRESENT:**

Aaronson, Campbell, Christiansen, Seibert, Whelan

MEMBER ABSENT: Stoveken, Hagan

The meeting commenced at 8:00 p.m.

### **Govt. Finance Officers Assoc. Recommended Practices.**

Mr. Mannuzza had forwarded to the Commission a copy of the GFOA Recommended Practices for Public Employee Retirement Systems. It would appear that the Pension Commission and Town/BOE are operating in a manner generally consistent with the recommendations –annual actuarial valuations, consistent funding recommendations, use of modest investment return assumptions, use of current mortality tables, five-year smoothing to reduce volatility, investment diversification, long-term perspective, etc. Even though the pension fund is included within the Town’s audit program, the only recommended area, which might be considered in the future, is a separate, unique audit of the pension program –the reasonableness of actuarial methods and assumptions and resulting calculations, review of calculation of benefits, etc.

### **Vanguard Investment Asset Allocation Recommendation.**

Consistent with motion passed last month, Mr. Campbell indicated the process was well underway. The account at SSGA is being closed and the remaining cash should be wired during this coming week. ETFs at SSGA will be transferred to Vanguard via DTC and this process could take several weeks. The various domestic equity funds at Vanguard have been consolidated into the Total Stock Index Fund (MSCI US Broad Market Index e.g. like Russell 3000). Two of the international equity funds at Vanguard carry redemption penalties and will be consolidated into the Total Int’l Fund at a later time. Partial purchases have been made in the Vanguard Total Bond Market Index Signal Index Fund (i.e. like Lehman Total Aggregate) and Vanguard Intermed-Term Investment Grade Admiral Fund; Eaton Vance Limited Duration Fund (EVV-high-yield); in dollar unhedged PIMCO foreign bond funds (PLMDX, PFUIX); and TIPs (Treasury Inflation-Protection Securities). When the SSGA cash wire is received, the recommended position sizes will be completed in a dollar-cost averaging manner.

When completed the Fund should be allocated as follows:

- 40% Domestic Equity
- 15% Int’l Equity
- 15% Domestic Fixed Income
- 10% Int’l Fixed Income
- 15% Alternate Investments
- 5% Cash & Equivalents

The next meeting with the Vanguard consultant group will be scheduled during May.

The next Commission meeting is scheduled for Monday at 8:00 p.m. on April 27, 2009 in the Small Conference Room in Town Hall.

Respectfully submitted,

Dave Campbell, Chairman