

RIDGEFIELD PENSION COMMISSION

Special Meeting of Monday, December 14, 2009

MEMBERS PRESENT:

Aaronson, Campbell, Christiansen, Seibert, Whelan

MEMBER ABSENT: Stoveken

The meeting commenced at 8:00 p.m.

OPEB TRUST FUND.

At the Board of Selectman's meeting held at 11:00 a.m. today, the Board passed a resolution officially creating the OPEB (Other Post Employment Benefits) Trust, and appointed the members of the Ridgefield Pension Commission as Trustees of the OPEB Fund, thus making the Commission responsible for the administration and investment of the Trust.

Commissioners discussed an appropriate investment policy for the assets contributed thus far. Based on initial conversations with Town officials, the Trust will receive contributions from both the Town and Board of Education, based on actuarial studies and cash flow estimates from Millman. No distributions will be required for at least five years, although the Town/Board of Ed operating budgets will pay the premiums of active participants throughout the period, while funding the Trust for future liabilities. In view of the initially small amount of money and for convenience purposes, the use of the Pension Fund's bank (Union Savings) makes sense, as well as the use of its Investment Manager and its mutual funds (Vanguard).

**Mr. Aaronson made the motion, which was seconded by Mr. Whelan, and passed unanimously by Commissioners present, that:

- 1) The Chairman is authorized to open an OPEB checking account at Union Savings.
- 2) The Chairman is authorized to open investment accounts at Vanguard and to invest the funds received: (2008 contribution of \$84,170; 2009 contributions of \$60,340 from the Town and \$107,900 from the Bd of Educ.) in the following manner:

An asset mix of 60% in fixed income in the Vanguard Investment Grade Intermediate Bond Fund (high quality, actively managed) and 40% equity in the Vanguard Total Stock Fund (Russell 3000 index). This mix is appropriate for the initial funds at this time, but the policy should be revisited periodically as additional cash flow information becomes available.

PENSION FUND INVESTMENT ACTIONS.

**Mr. Aaronson made the motion, which was seconded by Mr. Whelan, and passed unanimously by Commissioners present, that the Chairman should execute the following transactions in the Pension Fund:

- 1) Trim the position in the Gold ETF (GLD) by \$800,000
- 2) Purchase \$400,000 in shares of the iShares MSCI Emerging Markets Index ETF (EEM)

PENSION COMMISSION VACANCY.

The vacancy created by the demise of Mike Hagan has been reported to the First Selectmen's Office. Candidates interested in filling the position can write a letter to the Board of Selectmen, indicating interest and qualification.

CALENDAR 2010 MEETING SCHEDULE. Next year's calendar schedule has been filed in the Town Clerk's Office.

The next Commission meeting is scheduled for Monday at 8:00 p.m. on January 25, 2010 in the Small Conference Room in Town Hall. There is a strong possibility that Vanguard's advisory representatives may visit Ridgefield in January and that the scheduled meeting time may be changed.

Respectfully submitted,

Dave Campbell, Chairman