

Ridgefield Pension Commission

Final Minutes of the Meeting of April 19, 2021

The meeting convened telephonically and via Zoom at 5:05 p.m.

MEMBERS PRESENT: Messrs. Christofer Christiansen (Chairman), Thomas Hayes, Thomas Leonard, Christopher St. Victor-de Pinho, Christopher Sierakowski, Arthur Aaronson, and James Stoveken.

MEMBERS ABSENT: None

GUESTS PRESENT: Brian Binkley and Brian Scott of Vanguard; Andrew Okrongly.

1. Mr. Binkley and Mr. Scott made a presentation to the Commission on market performance, fund performance, market assumptions, and investment allocations.
2. The Commission was briefed by Vanguard on the current status of Environmental, Social and Governance (ESG) based investment by pension funds. After discussion, and upon motion and vote, the Commission determined that it would continue to monitor ESG market developments but would not adopt a specific ESG policy at this point in time. Vanguard has committed to keep the Commission up to date on any developments in this area.
3. Upon motion and second, the minutes of the Commission's March 15, 2021 meeting were approved.
4. Two invoices from Cohen and Wolf were reviewed and approved by the Commission.
5. Upon motion and vote, the Commission approved minor changes to the fund reinvestment policies relating to rebalancing and real estate exposure.
6. Mr. Christiansen updated the Commission on the status of document updates being made to the Ridgefield Town, Firefighters, and Police pension plans.
7. The Commission discussed various administrative matters, including the status of the engagement of Milliman Inc. to perform reviews of plan actuarial calculations, pension obligation bonds, past year filing procedures

for beneficiary tax reporting, performing a peer review of market performance assumptions, and the renewal of liability insurance coverage.

The Commission's next meeting is scheduled for May 17, 2021 at 5:00pm.

Upon motion and second, the meeting was adjourned at 6:38 pm.

Submitted in final form with the concurrence of the Commission members.

Christopher St. Victor-de Pinho, Secretary

April 19, 2021

Memorandum

February 22, 2021

Investment Working Group of the Ridgefield Pension Commission

The investment working group considered whether it made sense to issue RFPs to other investment advisory firms for investment management and pension administration.

In reviewing investment advisory firms, we took the following into consideration:

- Approximately 80% of the portfolio is invested in index funds, therefore we prefer low cost providers.
- Approximately 58% of our fund is invested in equities.
- Our fund is not large enough to efficiently use more than one firm.
- We will need administrative services such as paying retirees their monthly checks.
- We want direct access to an investment advisor assigned to our account and we want that advisor to be responsive to our needs and concerns. He or she should also attend quarterly meetings, either in person or virtually, to review results and provide updates on investment options and opportunities.

The core choices among larger pension providers are:

- Blackrock,
- State Street,
- Fidelity, and
- Vanguard

Our conclusions are as follows:

- We eliminated Blackrock because it specializes in fixed income more so than equities. In addition their fees would exceed those of Vanguard.
- We eliminated State Street because we have a conflict of interest due to two commissioners being employed there. In addition their fees would exceed those of Vanguard.
- We eliminated Fidelity because its fees were over two times Vanguard's fees and they do not make monthly payments to retirees.
- We decided to stay with Vanguard because:
 - Fund performance is competitive. (We intend to invest primarily in indexed funds for which performance is similar for all providers.)
 - Vanguard is the lowest cost provider.
 - It provides administrative services.
 - We have a responsive investment advisor.