

**South Central Connecticut Regional Water Authority
Pension & Benefit Committee
Minutes of the April 15, 2021 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA”) Pension & Benefit Committee took place on Thursday, April 15, 2021, via remote access. Chairman Sack presided.

Present: Committee – Ms. Sack and Messrs. Borowy, Cermola, Curseaden, and DiSalvo
Management – Mss. Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman, Norris and Singh
RPB – Mr. Havrda
Angell Pension Group, Inc. – Messrs. Bauer and Krayter
Morgan Stanley – Messrs. Kelliher, McLaughlin and Kantapin
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:31 p.m.

On motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Committee approved the minutes of its January 21, 2021 meeting.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Messrs. Bauer and Krayter, of Angell Pension Group, Inc., the RWA’s Pension actuary, provided summaries of the January 2021 valuation reports, assumptions, and contributions that will be used for FY 2022.

Mr. Krayter reported that the plans are in good standing and are set to reach the fully funded target taking into consideration volatility, underperformance and rates.

After discussion, the Actuary recommended for approval:

- a contribution of \$1,077,926 to the South Central Connecticut Regional Water Authority’s Union Employees’ Retirement Plan, effective for the actuarial valuation of January 1, 2021; and
- that the South Central Connecticut Regional Water Authority’s Union Employees’ Retirement Plan be changed from the PubG-2010 Total Employee and Annuitant with Scale MP-2019 generational improvements (M/F) to the PubG-2010 Total Employee and Annuitant with Scale MP-2020 generational improvements (M/F), effective for the actuarial valuation of January 1, 2021; and
- a contribution of \$2,142,513 to the South Central Connecticut Regional Water Authority’s Salaried Employees’ Retirement Plan, effective for the actuarial valuation of January 1, 2021; and
- that the South Central Connecticut Regional Water Authority’s Salaried Employees’ Retirement Plan be changed from the PubG-2010 Above Median Employee and Annuitant with Scale MP-2019 generational improvements (M/F) to the PubG-2010 Above Median Employee and Annuitant with Scale MP-2020 generational improvements (M/F), effective for the actuarial valuation of January 1, 2021; and

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- a contribution of \$1,734,198 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2021; and
- the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust be changed from the PubG.H.-2010 Employee and Healthy Annuitant with Scale MP-2019 generational improvements (M/F) to the PubG.H.-2010 Employee and Healthy Annuitant with Scale MP-2020 generational improvements (M/F), effective as of the actuarial valuation of January 1, 2021; and
- an increase of \$1,094,561 as a combined contribution to the South Central Connecticut Retirement Plan and the South Central Connecticut Regional Water Authority Salaried Employees' Retirement Plan during fiscal year 2021.

Mr. Curseaden stated the importance of having a plan, explaining the plan, conducting due diligence, and having valid reasons for changes in the plan. Mr. Curseaden further stated his support for the proposed recommendations and appreciates the guidance and input from management and the consultants.

On motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Authority voted unanimously to recommend the proposed changes to the Authority.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Messrs. Kelliher, of Morgan Stanley, RWA's Pension Investment Advisor, reported on the Authority's Quarterly Pension Investment Performance for its salaried plan, union plan, and RWA's Voluntary Employees Beneficiary Association Plan (VEBA), for the period ended March 31, 2021, which included:

- Degree of dispersion
- Market index
- Executive summary
- Current plan allocations and portfolio
- Investment results

Mr. Kelliher reported that the plans are healthy and trends are favorable with long-term returns in place. He recommended no changes as this time.

He stated that at the committee's next meeting in July he would like to review the Investment Policy Statement. As discussed last year, the statement should be reviewed bi-annually.

At 1:26 p.m., Messrs. Bauer, Kantapin, Kelliher, Krayter, and McLaughlin withdrew from the meeting.

The Committee reviewed and approved its FY 2022 Work Plan, as revised to add a review of the Investment Policy Statement in July.

At 1:28 p.m., on motion made by Mr. Borowy, seconded by Mr. Curseaden, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye

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DiSalvo	Aye
Sack	Aye

Suzanne Sack, Chairperson