

**South Central Connecticut Regional Water Authority
Pension & Benefit Committee
Minutes of the January 17, 2019 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA”) Pension & Benefit Committee took place on Thursday, January 17, 2019, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut, Chairman Sack presided.

Present: Committee – Ms. Sack and Messrs. Borowy, Cermola, Curseaden, and DiSalvo
Management – Ms. Discepolo, Kowalski, Nesteriak, Reckdenwald and Mr. Bingaman
RPB – Mr. Levine
Morgan Stanley – Messrs. Kelliher and McLaughlin
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:01 p.m. She stated that the Committee will receive a presentation from Morgan Stanley of RWA’s Quarterly Investment Performance Review for its Pension Plans and a Fee discussion; however, she would like to focus on the annual performance, concerns, portfolio, options for changes, and future information.

On motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, the Committee approved the minutes of its November 15, 2018 meeting, as presented.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 12:10 p.m., Mr. Levine entered the meeting.

Messrs. Kelliher and McLaughlin, of Morgan Stanley, RWA’s pension investment advisor (Morgan Stanley), reported on the Authority’s Quarterly Pension Investment Performance Review for its Salaried and Union plans, and RWA’s Voluntary Employees Beneficiary Association Plan (VEBA), for the period ended December 31, 2018, which included:

- Asset Allocations for the plans
- Balance and Trades
- 4th Quarter and Annual Investment Results
- Future moves
- Investment Policy

They also reviewed the fees associated with the plans which included:

- Advisory Fee and Fund Manager Costs Proposed Fee Schedule
- Custom Solutions
- Results of National Association of College and University Business Officers (NACUBO) Study

It was the consensus of the committee that Morgan Stanley draft a proposed revision to RWA’s Investment Policy, to be presented at the next committee meeting, which includes information related to assets vs. risks, rates of return, future options and information related to possible discretionary management services and also include a recommendation of alternative investing strategies to reduce outside manager or investment advisory fees.

South Central Connecticut Regional Water Authority
Pension & Benefit Committee
January 17, 2019

At 1:08 p.m., Messrs. Kelliher and McLaughlin withdrew from the meeting, and on motion made by Mr. Cermola, seconded by Mr. DiSalvo, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Suzanne Sack, Chairperson