

**South Central Connecticut Regional Water Authority
Pension & Benefit Committee**

Minutes of the October 15, 2020 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA”) Pension & Benefit Committee took place on Thursday, October 15, 2020, via remote access. Chairman Sack presided.

Present: Committee – Ms. Sack and Messrs. Borowy, Cermola, Curseaden, and DiSalvo
Management – Ms. Collins, Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman, Norris, and Singh
RPB – Ms. Mowat Young
Morgan Stanley – Messrs. Kelliher, McLaughlin, and Kantapin
Staff – Mrs. Slubowski

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

Messrs. Kelliher and Kantapin of Morgan Stanley, RWA’s Pension Investment Advisor, reported on the Authority’s third quarter 2020 pension investment performance for salaried plans, union plans, and the Voluntary Employees’ Beneficiary Association (VEBA), for the period ended September 30, 2020, which included:

- S&P Index
- Market dispersion
- S&P 500 current and historical
- Top 5 companies
- Average rates of return
- Value vs. growth
- International vs. US
- Salary, union and VEBA Plans
- Asset allocations

The committee had a preliminary discussion regarding reducing the rate of return from 7% to 6.75% but agreed that the target rate of return for the performance and cost control of managing the portfolio should remain at the current rate of 7%. The rate of return assumption, for purposes of the January valuations, will be discussed at a later date.

At 1:06 p.m., Messrs. Kelliher, McLaughlin and Kantapin withdrew from the meeting.

On motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, the Committee approved the minutes of its meeting held on July 16, 2020.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Absent
Sack	Aye

The committee reviewed a Sixth Amendment to the Authority’s Voluntary Investment Plan (401K), which increases the employer contribution to 401K for union employees from 3.5% to 4% consistent with the collective bargaining agreement ratified on July 16, 2019. After discussion, it was the consensus of the committee to recommend the Sixth Amendment to the Authority for adoption.

At 1:10 p.m., on motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Absent
Sack	Aye

Suzanne Sack, Chairman