

**South Central Connecticut Regional Water Authority
Pension & Benefit Committee
Minutes of the January 21, 2021 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA”) Pension & Benefit Committee took place on Thursday, January 21, 2021, via remote access. Chairman Sack presided.

Present: Committee – Ms. Sack and Messrs. Borowy, Cermola, Curseaden, and DiSalvo
Management – Mss. Collins, Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman, Norris and Singh
RPB – Mr. Malloy
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 October 8, 2020 and October 15, 2020 meetings.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Mr. Kelliher, of Morgan Stanley, the RWA’s pension investment advisor, 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, 2020, which included:

- Market Commentary
- Investment Policy Statement – Executive Summary
- Asset Allocation & Investment Matrices
- Investment Results
- Investment Holdings Analysis

Ms. Kowalski led a discussion on investment rate of return for consideration by the Authority. She reported that management is recommending that the Authority lower the investment rate of return assumption from 7% to 6.75%. Ms. Kowalski shared the rationale for the proposed change and the estimated impacts the change would have on the contributions to and liabilities of the plans. She commented that the RWA’s auditors are supportive of the reduction.

Mr. Kelliher reported that the long-term projection is based on the current asset allocation targets.

After discussion, it was the consensus of the committee to hold a special meeting to discuss the matter further.

At 1:31 p.m., on motion made by Mr. Borowy, seconded by Ms. Sack, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye

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Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Suzanne Sack, Chairperson