

## **RIDGEFIELD PENSION COMMISSION**

Meeting of Monday, June 22, 2009

MEMBERS PRESENT: Aaronson, Campbell, Seibert, Stoveken, Whelan

MEMBERS ABSENT: Christiansen, Hagan

### OPEB FUND.

The Pension Commission has been approached by the Town to manage the assets of the new OPEB (Other Post-Retirement Employee Benefit) Fund. While all the details and necessary authorization has not yet been received, the Commission has been asked to identify the necessary steps to launch the OPEB Fund by June 30. An estimated contribution of \$85,000 is expected, and this would entail establishing a checking account into which any contributions would flow. In view of the initially small amount and for convenience purposes, the use of the Pension Trust's existing bank (Union Savings) makes sense, as does the use of its investment manager and its mutual funds (Vanguard). An investment policy statement should be developed, but, in view of the Town's intent to make no distributions for the first 3-4 years, while also making similar annual contributions, Commissioners have determined that an initial asset mix of 75% fixed income (Vanguard Investment Grade Intermediate Term Bond Fund) and 25% equity (Vanguard Total Stock Fund) would be appropriate.

### VANGUARD GROUP INVESTMENT ADVISORY CONTRACT.

\*Mr. Seibert made the motion, which was seconded by Mr. Stoveken, and passed unanimously by Commissions present, to sign the investment advisory contract with the Vanguard Group.

### INVESTMENT ACTIONS.

\*Mr. Whelan made the motion, which was seconded by Mr. Aaronson, and passed unanimously by Commissioners present, to execute the following investment transactions in the Pension Trust prior to June 30.

- 1) Liquidate \$1 million from the Vanguard Short Term Investment Grade Fund
- 2) Allocate \$500,000 to the Eaton Vance Limited Duration Income Fund
- 3) Allocate \$500,000 to the Vanguard Investment Grade Intermediate Term Fund

As of May 31, the Pension Fund had a value of \$45.3 million, and had generated a return of 6.3% for the calendar year to date, and negative 16.0% for the fiscal year to date. The asset allocation then was 55% equity, 24% fixed income, 14% alternative investments and 7% cash & equivalents.

The next Commission meeting is scheduled for Monday at 8:00 p.m. on September 28, 2009 in the Small Conference Room in Town Hall.

Respectfully submitted,

Dave Campbell, Chairman