A regular meeting of the Town of West Hartford Pension Board was held on Monday, March 16, 2025 at 7:45 a.m. in Room 407 of Town Hall.
The meeting was called to order at 7:45 a.m.

I. Roll Call/Attendance

Pension Board Members: Chair Lazaro Guzman; Commissioners Al Lebow, Perry Salonia, and John Mohring (phone).

Participants/Guests: Mayor Shari Cantor (phone); Rick Ledwith (Town Manager); Lori Kearney (Human Resources Specialist); Lexi Davidoff (Personnel Analyst); Richard Carey (Fiducient Advisors), and Kate Pizzi (Fiducient Advisors).

Absent: Pattie Lewis

II. Lazaro Guzman, Chair

Welcome

III. Kate Pizzi and Richard Carey, Fiducient Advisors

1. **Asset Class Performance**

Page 2 shows market impact on February. The February information is shown in the circles and the year-to-date is shown in the bars. In February, we saw a continuation of what we saw in January, which was a move away from those companies with the greatest exposure to AI and rally within the other areas of the market - including both small cap as well as international

The grey bars represent the equity sector.

- Large Capital Stock - The shortest grey bar represents the large cap stock where the largest companies are dominated with AI exposure. The index went slightly down .5 in February to bring down the first two months return to just slightly positive at .8%.
- Small Capital Stocks - It is up .8% during February to bring those first two months to 6.2%
- International Markets – what was seen in 2025, continues into 2026 – caused by moving out of the US in an effort to diversify and was propped up by a weakening dollar in 2025, continuing to rally in February to 4.6 for developed markets

- Emerging Markets - up 5.5 to 14.8% with particular strength within Taiwan and South Korea

The dark blue bars on the left of the page represent the Fixed Income.

- The fixed income markets show tempered returns consistent with expectations. U.S. Core bonds are up 1.6%, as the interest rates came down during the month of February.
- High Yield generated a modes positive return.

The blue bars on the right of the page represent the Real Assets.

- The Commodity sector is up 1.1% in February. It's up 11.6% year-to-date - driven largely by gold.
- The current trade has affected international markets as well, bringing down about half of the returns that we've seen year to date. The U.S. Equity REITs are down 7.5%.

2. **Portfolio Dashboard**

   Page 7 shows positive returns through February – a 3.3% return

   - 2026 began at $610 million and ended February at $630 million.
   - Net contributions to date are $104,691.
   - Net gains were $20 million
   - Ending Market Value to date is $630.7 million

3. **Actual vs. Target Allocations**

   Bottom right corner of Page 7 shows the recent Fixed Income allocation is in line with the 40% target

   Page 8 shows the 5% increase from 35% to 40% to fixed income.

   - Previously, the Vanguard total stock Market index was in the portfolio. It has been replaced with the Fidelity 500 and Fidelity Midcap index. This gives us more control over what portions are large caps, small cap, mid cap, etc. The result of that is shown on slide 9 where the Current Portfolio breakdown is 60% large and then evenly split approximately between medium and small cap stocks.

4. **Manager Performance**

   Page 10 shows the details on each of the managers in the portfolio.

   U.S. Equity is outpacing Russell 3000 index. Russell 3000 has outperformed large cap through February.

5. **Real Estate Update**
   Page 12 presents the two real estate managers. This information is reviewed quarterly.

IV. **Formal Actions**
Minutes
Approval of the minutes for the Special meeting held on Monday, February 2, 2026.

Motion by Chair Guzman to approve the minutes.
Seconded by Perry Salonia. The motion passed unanimously.

V. Lori Kearney, Human Resources Specialist

A. **Meeting Calendar for 2026**
The remaining meeting dates for 2026 were presented.

B. **Pension Administration**

1. **Memberships – 16 new members**
   BOE – Dahiana Fulgencio, Concha Lawrence, Olivia Oken, Sandra Ortiz, Mirabel Perez, Allen Sulham
   Town – Jonathan Holmes, Fernando Lopez, Joseph Tarasek

2. **Non-Vested Withdrawals and Terminations**
   BOE – Jewel Anderson, Jana Ferraro, Christina Haynes, Kathleen Johndrow
   Town – Christopher Chin, Nicholas Dicioccio, Jason Kehayias

3. **Vested Withdrawals and Terminations**
   Town – Jamesha Redding

4. **Applications for Approval**
   Early Retirement
   BOE – Heidi Eddy, Brian Lavoie, Linda Marsh
   Normal Retirements
   BOE – Carolyn Belliveau, Glenn Spillman, Kathryn Wnuk
   Town – Joseph Dakers, Sr., Douglas Jackson, Scott Segar,

DROP Participants

Town – Benjamin Delmonte, James Mahoney

Survivorship

Town – Lorrie Bergen, Nancy Kelly

Approval of the Pension Administration

Motion by Chair Guzman to approve the Pension Administration. Seconded by Alan Lebow. The motion passed unanimously.

C. **Invoices for Consideration**

- Milliman
  Invoice for MARC monthly license fee for December 2025, in the amount of $2,575.50. Invoice date 1/16/2026.

- Milliman
  Invoice for MARC monthly license fee for January 2026, in the amount of $2,627.00. Invoice date 2/11/2026.

- Principal Custody Solutions
  Invoice for asset administration and transaction for the period of 10/1/2025 to 12/31/2025, in the amount of $10,116.84. Invoice date of 1/7/2026.

- Pier Capital
  Invoice for 4th Quarter 2025 Portfolio Valuation as of 12/31/2025, in the amount of $22,493.94. Invoice date 1/12/2026.

Approval of the Invoices

Motion by Chair Guzman to approve the invoices for consideration. Seconded by Perry Salonia. The motion passed unanimously.

Chair Guzman asked when MARC will start to be used. Lori explained that it was meant to go live in March. A recent meeting was held with Milliman and Finance to discuss final details.

The Pension Board requested the Pension Valuation report from Milliman. Lexi will provide it to the Pension Board members.

D. **Discussion of Buyback Service Rates**

Lori presented the current Buy-Back service rates and the updated rates, as determined by Milliman, using the data from the 7/1/2023 Valuation. These rates have not been reviewed in 20 years. It was discussed that our rates may be too low and that we should charge a fair value of the rates. Milliman's software uses a different methodology to determine the Buy-Back purchase cost. If the Pension Board requests Milliman to perform the calculations, Milliman can provide additional information on their calculation process. Milliman has charged about $400 to $500 for each buy back calculation.

Options discussed (to be followed up on):

- The Town will continue to do the Buy-Back calculations using the existing service rates and applying interest.
- The Town could opt to update the service rates to those used by Milliman to perform Buy-Back calculations.
- Outsource to Milliman to perform the Buy-Back calculations.

Follow Ups:

Lori will research what was paid to Milliman to perform the updates to the service rates. She will review Pension Board minutes to determine if service rates were included for Pension Board review and adoption and discuss with the Town Manager. Lori will follow up with Milliman on frequency of updates and cost.

VI. **New Business**

No new business.

VII. **Meeting Adjournment**

Motion by Chair Guzman to adjourn the meeting at 8:45 a.m.

Seconded by Perry Salonia. The motion passed unanimously.

Minutes submitted by Lexi Davidoff.
Attest,