

**POST RETIREMENT BENEFITS FUND BOARD OF TRUSTEES MEETING
THURSDAY AFTERNOON – NOVEMBER 4, 2021**

PRESENT: Julie Goucher, Michael Lenarcic, Peter Hewett

ALSO PRESENT: John Brosnan, Strategic Retirement Partners ("SRP")

ABSENT: Anthony Rego, Tom Pariseault

A meeting of the Post Retirement Benefit Fund Board of Trustees was held on Thursday afternoon, November 4, 2021 in the Town Hall, Conference Room, beginning 4:30 o'clock PM, Chairman Goucher presiding:

1. Call to order at 4:30pm
2. Approval of Minutes

Hewett/Lenarcic – Voted unanimously to approve the minutes of August 12, 2021 as prepared and presented.

3. Old Business
4. New Business

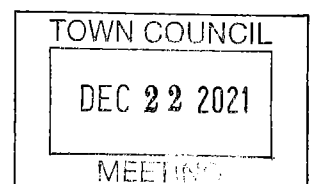
- a. Discussion and Potential Action: Asset Allocation Study (Strategic Retirement Partners)

It is hereby noted that no action was taken on this agenda item during the meeting.

Mr. Brosnan provided an Asset Allocation Analysis considering a variety of equity/fixed income allocations in comparison with the current mix of 79.3% equities, 20.7% fixed income. The plan's target allocation is currently 75%/25%. No individual asset classes are currently outside of the target ranges. Mr. Brosnan provided a comparison of the current allocation, the target allocation and allocations of 70%/30%, 65%/35%, and 60%/40%. The comparison included expected rates of return and risk levels based on forward-looking Capital Market Assumptions. Additionally, Mr. Brosnan discussed potential additional diversification of the current portfolio through modest allocations to REITS (real estate), TIPS (Treasury Inflation-Protected Securities), and high yield bonds as a way to provide higher yield without increasing interest rate risk and without increasing the portfolio's equity exposure. The Trustees agreed in principle to rebalancing the portfolio to the 75% equity/25% fixed income target allocation, and to also including allocations to real estate, high yield bonds, and TIPS, pending a review of the impact that the addition of those asset classes will have on the overall fund expenses. SRP agreed to send the Committee the following two items :

- A summary of the proposed 75%/25% allocation that includes modest (2% to 3%) allocations to the three additional asset classes – real estate, high yield bonds, and TIPS.
- A summary of the impact the new asset classes will have on the portfolio's overall fund expenses.

The Trustees agreed that after reviewing the materials that SRP will provide, they may decide to proceed with the rebalancing the portfolio and adding the three new asset classes.



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b. Investment Performance Review-Strategic Retirement Partners

It is hereby noted that no action was taken on this agenda item.

Mr. Brosnan distributed the Portfolio Allocation report for the period ending September 30, 2021. The portfolio's current market value and recent performance were reviewed. As of September 30, 2021, the assets were valued at \$12.1 million. The performance of the portfolio was reviewed, and it was reported that the portfolio's overall return in Q3 2021 was -.39%. The return for the blended benchmark that SRP uses to gauge the portfolio's performance was -.11% for the same period. The returns of the portfolio and the blended benchmark for the 12 months ending September 30, 2021 were +22.42% and +22.71%, respectively.

SRP's September 30, 2021 Fiduciary Investment Report was reviewed. Mr. Brosnan provided a market overview and a recap of the returns in the US equity, international equity, and the fixed income markets. He also provided an overview of the scores for the funds in the portfolio, most of which have been performing well and scoring well; eight of the nine investments are scoring "10", which is the highest score. Mr. Brosnan pointed out that the Vanguard Short-Term Investment Grade Fund is scoring "6" and is on SRP's watch list. The primary reason for the fund's low score is that its investment style doesn't align closely with its Morningstar category. Also, the fund is still losing one point for a 2018 change in the fund's lead manager. The fund has been performing well relative to the rest of its peer group and SRP has no significant concerns about it at this time. SRP recommended no changes to the portfolio.

There being no further business, upon a motion by Mr. Hewett, (seconded by Mr. Lenarcic and voted unanimously) the Chairman declared this meeting to be adjourned at 5:50 PM.


Secretary