

**Town of Canton
Pension Committee
Minutes of Special Meeting of Thursday, February 28, 2008**

The special meeting of the Pension Committee was convened by Chairman Dan Towle at 7:04pm. In attendance were members Joe Boures and Ken Griffin, as well as Finance Director, Amy O'Toole. Committee members Mark Daley and Joe Vacca were absent. Ryan Gardner and Chris Kachmar were present from Fiduciary Investment Advisors (FIA).

Chris from FIA kicked off the meeting with an update on the 4th Quarter economic review noting that the capital markets were mixed in the 4th Quarter and have been trending downward since in 2008.

The pension committee members expressed concern for the market and the possibility of a recession and asked whether there should be some change to the quarterly meeting schedule in these uncertain times. Chris stated that the plan was well diversified and that we should stay the course as it is intended to be a long term investment. Chris went on to talk about the market as of February 27, 2008 and noted that the market is down YTD with the S & P down approximately 5% and International down approximately 6%.

FIA then turned to a discussion of the DB plans. They noted that the 4th Quarter balances were presented. Data for 4th Quarter was reviewed briefly with the note that FIA believes that Western Asset Core's significant decline in Qtr and YTD were only temporary and noted that the Fund has seen no changes in managers or discipline. FIA felt that there was not a need to put them Watch Status.

The information for the Defined Contribution Plan was in the presentation but it was not discussed as there would be no reason to make changes as it is transitioning to The Hartford. Ryan from FIA then presented their mapping of the fund selections for the plan with The Hartford. Concerns were expressed about not offering the specific types of funds that had been included in the plan under the administration of USI. FIA explained that they tried to pair down the choices and felt that all categories were well represented from within the options available to us from The Hartford based on our plan size. FIA discussed that this was the trend within other like plans and it was designed to simplify the fund selection process for participants. Additionally, FIA stated that they were comfortable with a lower number of total funds offered due to the fact that diversification can be achieved by participants when selecting from the "core" list of fund options. It was then suggested that all employees be migrated to a Target Date Fund based on age bands. This is due to the fact that the majority of participants do not actively manage their investments. An illustration will be provided to the employees at the educational meetings to show "like" fund comparisons.

MOTION: Joe Boures moved to accept the fund line-up as presented by FIA and to redirect all accounts to the appropriate Target Date Funds. Seconded by Ken Griffin.
Unanimously approved.

The information relating to the existing 457 Plans was discussed. Amy explained that these options are presented to employees when they first become employed by the Town of Canton. The current books from both ICMA-RC and The Hartford with all the investment options and enrollment information were provided to the committee members. It was noted that during the Defined Contribution Analysis that, the Deferred Compensation Plans (457 Plans) also need to have some fiduciary oversight per Ryan at FIA. The committee asked that a presentation be made at the May 14, 2008 Meeting by both The Hartford and ICMA. The expressed that they be asked to give a presentation on the analysis of the investment options offered and note how much money is in each plan in total.

The minutes of the November 15th, 2007 meeting were tabled as the members that attended that meeting are not present tonight.

MOTION: Joe Boures moved to accept the minutes of January 9, 2008 Regular Meeting.
Seconded by Ken Griffin. Unanimously approved

There being no further business to come before the committee, the meeting adjourned at 9:05 p.m.

The next meeting will be held Wednesday May 14, 2008 at 7:00pm at the Community Center.

Respectfully submitted,

Amy O'Toole
Finance Officer/Treasurer