

**Town of Canton  
Pension Committee  
Minutes of Regular Meeting of Wednesday, September 12, 2007**

The special meeting of the Pension Committee was convened by Vice Chairman Joe Boures at 7:04pm. In attendance were members, Jon Webb, Mark Daley, Joe Vacca (arrived 7:08pm) and Dan Towle (via telephone) as well as Finance Director, Amy O'Toole, Administrative Services Coordinator, Jonathan Luiz and CAO, Paul Fetherston. Chris Kachmar and Ryan Gardner were present from Fiduciary Investment Advisors (FIA).

FIA kicked off the meeting with an update on the 2<sup>nd</sup> Quarter economic review noting that the sub prime lending issues lead to a volatile market in the past two months. They noted that the 2<sup>nd</sup> Quarter balances were presented but many investments hadn't yet been held long enough to see changes in the performance.

FIA then turned to a discussion of the DB plans. Data for 2<sup>nd</sup> Quarter was reviewed briefly with the note that American Funds Euro Pacific GR R5 was put on watch. The watch was subsequently removed by FIA on September 12, 2007. The most noteworthy item is in the fees with the changes implemented by FIA. The fees in the old portfolio structure were approximately \$128,000/year with the new portfolio structure they will be approximately \$57,000/year. Due to the changes mainly occurring in the second quarter the change in fees has not yet been apparent.

The Defined Contribution Plan was then discussed by Chris Kachmar, FIA. It was noted that he was notified on September 12, 2007 by USI that the T. Rowe Price Equity Fund was not added as had been previously reported. Notification has not yet gone out to the participants for either this addition or the addition of the Fidelity Freedom Funds that were added last fall. Chris said that USI is not following through on requests and employee meetings are not yet scheduled and we missed the August BOE staff training for the para's. Chris noted that the American Fund Euro Pacific GF R5 and the First Eagle Overseas Funds had both been put on watch by FIA last quarter. The watch was subsequently removed on the American Fund Euro Pacific GF R5 by FIA on September 12, 2007. No action taken at this time.

There was a lengthy discussion on the servicing of the Defined Contribution Plan. The consensus of the Committee is for FIA to go out to RFP for the administration of the Defined Contribution Plan.

The Committee then discussed the DC and DB Investment Policies (including the Firefighters) as presented. FIA said that all the changes were made

**MOTION:** Dan Towle moved to accept the amended Investment Policies for all three plans.  
Seconded by Jon Webb.

**MOTION:** Mark Daley moved to accept the minutes of May 23, 2007 Special Meeting.  
Seconded by Joe Vacca. Unanimously approved.

Amy told the committee members that the valuations that were in the package are to be reviewed to be discussed with Hooker & Holcombe next meeting. All census data was removed from the copies to be shredded by Amy.

A Fiduciary Liability Insurance policy is in place as of 6/15/07.

There being no further business to come before the committee, the meeting adjourned at 8:35 p.m.

The next meeting will be held Wednesday November 14, 2007 at 7:00pm at the Community Center.

Respectfully submitted,

Amy O'Toole  
Finance Officer/Treasurer