



# CARMEL AREA WASTEWATER DISTRICT (CAWD)

## PENSION COMMITTEE MEETING MINUTES

*February 13, 2023, Monday, 1:00 p.m.*

**Via teleconference and in-person**

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### **CALL TO ORDER - ROLL CALL:**

The meeting was called to order at 1:00 p.m.

**Present:** President Pro Tem Robert Siegfried, Committee member  
Kevan Urquhart, Director Committee member  
Chris Foley, Acting General Manager  
Robert Wellington, Legal Counsel  
Bill Hastie, Managing Partner, CPFA, Hastie Financial Group  
Haley Hitchman, Partner, CPFA, Hastie Financial Group  
Ryan Hastie, CPFA, Hastie Financial Group

**Absent:** Barbara Buikema, General Manager

**Appearances/Public Comments:** None

**Agenda Changes:** None

### **AGENDA ITEMS:**

The committee discussed the following agenda items:

1. Review 4th quarter 2022 and discussed 1st quarter 2023 – presentation by Hastie Group
2. Discussion of Correlation Coefficients and implications of positive correlation  
Discussion on bond funds and stocks having positive correlation and gave direction to protect principal. Discussion of investing in direct bonds versus bond funds.
3. Review CalPERS Actuarial report  
No action on this item.
4. Review SAM Actuarial Report  
Recommendation #1: Budget \$100,000 for FY23-24 to minimize rate spikes when future UAL is realized.  
Recommendation #2: Direction to staff to research options on SAM conversion. Find out whether it is possible to convert SAM to CalPERS purchase of time. Goal is to replace our annuity maintenance.
5. Review Section 115 performance and make recommendation to Budget Committee  
Recommendation #1: Budget \$100,000 for FY23-24 to minimize rate spikes when future UAL is realized.

Recommendation #2: Verify if there is option to combine strategies in Section 115 to Strategy 1 which is a more conservative model


6. Review state of committee & communication  
Discussed role of General Manager as trustee.
7. Graph for Quarterly & Annual investment results  
Committee requested Hastie to provide a graph in next report with 4 quadrants and each fund having a description of Fund Name, the percentage return, and a benchmark.
8. Discuss replacement of S & P as a component of the blended benchmark  
Recommendation: Staff to provide recommendation to the committee on benchmark options.

**ADJOURNMENT:** *There being no further business to come before the Committee, the meeting concluded at 3:21 p.m. The next Regular Board Meeting will be held at 9:00 a.m., Thursday, February 23, 2023, or an alternate acceptable date, in-person and via teleconference webinar. The teleconference webinar is hosted through Zoom, and you may receive access by visiting our website homepage, [www.cawd.org](http://www.cawd.org), calling the District office at 831-624-1248 or via email at [downstream@cawd.org](mailto:downstream@cawd.org).*

**As Reported To:**

  
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Chris Foley, Acting General Manager

**APPROVED:**

  
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Ken White, President