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**TOWN OF ESSEX
ESSEX RETIREMENT BOARD MINUTES**

Regular Meeting

Tuesday, February 13, 2024 – Conference Room B/ZOOM – 5:00 p.m.

Present:

Board Members: Peter Decker (Chair, via Zoom), Kelly Sterner (via Zoom), Mary-Louise Polo (via Zoom), Robert Parkerson (via Zoom), Stacia Libby (via Zoom)

Absent:

None

Others Present:

Tracey Celentano (via Zoom), Finance Director

Rodger Metzger (via zoom), USI Consulting Group, Partner/Director

Peter Decker called the meeting to order on Tuesday, February 13, 2024, at 5:04 p.m.

Approval of the Agenda:

Peter Decker asked for a motion to approve the agenda. Motion to approve made by Kelly Sterner seconded by Robert Parkerson. Motion passed.

Approval of Minutes from January 9th, 2024:

Peter Decker asked for a motion to approve the minutes of January 9th, 2024. An amendment was noted that Robert Parkerson did not make a motion to recommend a change in the Merit Service Plan for the Volunteer Fire Department. He abstained from the motion and vote. The correction as noted, Mary-Louise Polo made the motion along with a second by Kelly Sterner. A motion to change the minutes was made by Robert Parkerson seconded by Kelly Sterner. Motion passed.

Old Business:

a. Merit Service Plan Proposed Modification #2 & Notification

Peter states that the Merit Service Plan was approved on February 7th by a town meeting. The modification was heard at a public hearing and moved to a town meeting subsequently after the hearing. The plan modification passed by unanimous vote by the residents of the town. Tracey commented that the Retirement Board is waiting for Bruce Barth to return to Connecticut to present the final amendment to the Selectman execution. Peter recommended after execution to forwarding the plan to Steve Lemanski, the town actuary and Town Clerk for recording when it gets signed.

The Board also agreed to table communications for the changes in the Merit Service Plan for next meeting as new business.

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New Business:

a. 4th Quarter 2023 Portfolio Review - Rodger Metzger, USI Consulting Group

4th Quarter 2023 Portfolio Review - Rodger Metzger, USI Consulting Group. Rodger Metzger reviewed the Retirement Board's Merit Service Plan (Note: the Town of Essex and Police Plans have identical profiles. Thus those reports were not covered but we're included in the presentation) the Town of Essex OPEB Trust at length. He then went through the economic review and capital markets analysis, and overviewed plan assets before discussing the Town of Essex Investment Policy Statement. In Rodgers slides a discussion ensued about the differences between 3(38) Plan Fiduciary aka Discretionary versus 3(21) aka Non Discretionary management and the Fiduciary duty that the Board members and Town of Essex have in administering the plan assets. All plans of the Town are presently governed as Non-discretionary funds under 3(21)

After Rodger's presentation the Retirement Board discussed the challenges of Fiduciary duty as it has been vested in the members of the board. The Retirement Board also discussed the possibility of recruiting future members with more fiduciary experience. Peter stressed that while a general understanding of investment management is important, having members who are committed to asking good questions and examining the facts is just as important. The Board concurred that Peter, Tracy and First Selectman Needleman should meet to discuss further the aspects of these duties and the future board composition.

b. Investment Policy Statements

Peter and the Board agreed to review the Investment Policy Statements for the next meeting to be voted on.

c. Document Review Guidelines & Grid of Important Tasks

Peter and Tracey worked to create guidelines that will help keep the Board on track in terms of objectives in the case of current Board members leaving and new ones joining.

d. Conflict of Interest Policy

Tracey said that she could not find a policy that the Board had signed for the Board of Finance, so it was agreed that it would be tabled until the next meeting.

e. Invoice Review (Hooker & Holcombe Actuarial Services, Charles Schwab)

Peter approved invoices from Hooker & Holcombe Actuarial Services and Charles Swab. Peter then asked for a motion to approve the Hooker & Holcombe Actuarial Services and the Charles Schwab invoices. Motion to approve made by Robert Parkerson seconded by Mary-Louise Polo. Motion passed.

f. Proxies

Proxy log reviewed. The Retirement Board acknowledged receipt and that there is no action required.

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The next meeting will be Tuesday, **March 12**, 2024.

Adjournment:

Peter Decker asked for a motion to adjourn at 6:21 p.m. Motion to adjourn made by Kelly Sterner seconded by Mary-Louise Polo. Motion passed.

Respectfully submitted,
Elson Guo