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**ESSEX RETIREMENT BOARD
REGULAR MEETING
June 12, 2012
Meeting Room A**

Present: Retirement Board Members: Carl W. Ellison, Ethan Goller, Stacia R. Libby, James Francis, Ellen Whaley-Wexler.

Ms. Whaley-Wexler called the meeting to order at 5:02 p.m.

Held jointly with the Board of Selectmen regarding Retirement.

Others Present: First Selectman Norman M. Needleman, Selectman Joel B. Marzi.
Board of Finance Members: Chairman, James Francis, Keith Crehan.
Finance Director Kelly Sterner
ING Representatives Eric J. Spooner, Edward Jolly

Ms. Whaley-Wexler welcomed Ms. Libby as a new Retirement Board member.

Approval of Agenda:

Motion was made by Ms. Whaley-Wexler to approve the Agenda with the following additions. Add Investment Policy Statement, the first distribution of the Summary Plan Description, Application for Disability Form, Fireman's Request for Approval, and Request for Employee Information. Mr. Goller seconded the motion, it was unanimously approved. Motion carried.

Approval of Minutes:

Motion was made by Ms. Whaley-Wexler to approve the May 8, 2012 Regular Meeting Minutes. James Francis seconded the motion, it was unanimously approved. Motion carried.

Defined Contribution Plan: Process Presentation by ING Inc Representatives

Ms. Whaley-Wexler invited Mr. Eric Spooner and Mr. Edward Jolly, the Town of Essex deferred compensation plan financial advisors from ING to the Retirement Board meeting tonight to start the process of discussing the general understanding of a Defined Contribution Plan as a Town option.

Mr. Jolly discussed the various options of converting from the current Town of Essex Defined Benefit (DB) plan to a Defined Contribution (DC) plan. One option would be to leave the DB plan the way it is for current employees and offer a DC plan to all new hires. Another option would be to state to all employees that the DB plan would terminate and everyone would move to the DC plan. You could also give employees the option of staying in the DB plan or convert over to the DC plan. Mr. Jolly reported that Manchester just did this and their actuary did a comparison for employees of the DB vs. DC. However, Manchester does not have benefits for spouses as the Essex plan currently has, so the conversion was simplified.

Mr. Needleman stated that he was looking for the most straight-forward way to convert and he would like to have all new hires in a DC plan. There was discussion on how this change would affect the unions. Mr. Needleman stated that labor attorneys would look into this. Mr. Needleman stated he wanted a plan for all full time, elected, and non-union employees.

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Mr. Jolly stated that a typical DC plan has a 5% or 6% employee contribution and employer match with a 5 year vesting period. In order to help move employees to the new DC plan the town could provide an incentive for the employee to convert to new DC plan. Mr. Needleman and Mr. Marzi stated that they would want to see all the options. Mr. Jolly stated that when employees are vested in the DC plan, it is totally portable.

Motion was made by Carl Ellison to approve Ellen Whaley-Wexler as the signatory authority for the Investment Policy Statement prepared for the Town of Essex Retirement Plan. James Francis seconded the motion, it was unanimously approved. Motion carried.

Motion was made by Carl Ellison to approve Ellen Whaley-Wexler as the signatory authority for the Investment Policy Statement on the Town of Essex Merit Service Retirement Plan for Volunteer Firefighters Plan. James Francis seconded the motion, it was unanimously approved. Motion carried.

Motion was made by Carl Ellison to approve Ellen Whaley-Wexler as the signatory authority for the Investment Policy Statement on the Town of Essex Police Retirement Plan. James Francis seconded the motion, it was unanimously approved. Motion carried.

Ms. Whaley-Wexler reported that the first distribution of the Summary Plan Description of the Town of Essex Retirement Plan for Essex Elementary Board of Education Employees, and Summary of the Town of Essex Retirement Plan for Town Employees who became participants on or after May 1, 2012 that was prepared by council for employees. This document would accompany the amended language.

Motion was made by Ms. Whaley-Wexler to recommend to the Board of Selectmen to approve the Amendment to the Town of Essex Retirement Plan. James Francis seconded the motion, it was unanimously approved. Motion carried.

Motion was made by James Francis to accept and approve the attached Agreement Re: Participation in the Town of Essex Retirement Plan form with the recommended changes. Ethan Goller seconded the motion, it was unanimously approved. Motion carried.

Review / Approval of Bills

Motion was made by James Francis to approve the three actuarial invoices dated May 8, 2012 in the amount of \$1,200, \$625, and \$925. Ethan Goller seconded the motion, it was unanimously approved. Motion carried.

Motion was made by James Francis to approve the Robinson & Cole invoice dated May 11, 2012 in the amount of \$600 for legal services. Ethan Goller seconded the motion, it was unanimously approved. Motion carried.

Ms. Whaley-Wexler acknowledged receipt of a Town of Essex Police Retirement Plan Application for Disability Benefits and handed out packets to the Retirement Board members. In the current plan document, the Retirement Board has the sole opinion to rule on a participants disability. Ms. Whaley-Wexler reported it is up to the Retirement Board to come up with an opinion. She also stated that on page 18, Section 11 states the powers and duties of the Retirement Board and the

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procedures. Ms. Whaley-Wexler discussed how disability is defined in the context in this plan, and the board needs to decide on what is needed from the town or the employee to determine their opinions.

James Francis inquired about all Retirement Board members having a Town email account set up. Ms. Wexler-Whaley stated she would have that set up for all members by the end of the week.

EXECUTIVE SESSION

Motion was made by Ellen Whaley-Wexler to go into Executive Session at 6:05 pm for the purpose of discussion on the Town of Essex Police Retirement Plan. Ethan Goller seconded the motion, it was unanimously approved. Motion carried.

Present: Retirement Board Members: Carl W. Ellison, Ethan Goller, Stacia R. Libby, James Francis, F. Ellen Whaley-Wexler. Invited Guests: Kelly Sterner and Maria Lucarelli.

Motion was made by James Francis to exit the Executive Session at 6:25 pm. Ethan Goller seconded the motion, it was unanimously approved. Motion carried.

Re-open the Regular Meeting:

The regular meeting resumed at 6:25 pm.

Motion was made by Ellen Whaley-Wexler to approve having a discussion with the attorney before acting on the applicant's request. James Francis seconded the motion, it was unanimously approved. Motion carried.

General Discussion

Kelly Sterner presented a letter of request from a fire fighter to include two years of accredited service that was missing from his valuation paper. Ms. Whaley-Wexler stated for the record the receipt of the request from the Essex Fire Department and recommended the request be forwarded and approved by the Board of Selectmen before being sent to the actuaries.

Kelly Sterner inquired about existing employees and how the change in hours would affect them and whether a memo or letter be sent to employees who are grandfathered into the plan. Ms. Wexler-Whaley suggested that Ms. Sterner have employees who are concerned refer to the plan which specifies that participants on or after May 1, 2012 must meet the 1,500 hours of service.

Motion was made by James Francis to adjourn the meeting at 6:35 p.m. Carl Ellison seconded the motion, it was unanimously approved. Motion carried.

Respectfully submitted,
Maria P. Lucarelli