

ESSEX RETIREMENT BOARD
Regular Meeting
February 10, 2015
Meeting Room B

Present

Retirement Board Members: Carl Ellison, Ethan Goller, Stacia Libby, Fred Vollono, Ellen Whaley-Wexler.

Others Present

Arthur Meizner, Director, Investment Consulting Services, Hooker & Holcombe
Kelly Sterner, Finance Director

Ellen Whaley-Wexler called the meeting to order at 5:03 p.m.

Review/Approval of Prior Minutes

The prior meeting minutes will be reviewed at the next meeting.

Review/Approval of Bills

Kelly Sterner presented two invoices for payment from Charles Schwab for the custodial banking services contracted quarterly fees; one in the amount of \$20.06 for the merit service plan and the other in the amount of \$12.74 for the Police and Town retirement plans.

A motion was made by Ethan Goller to approve the invoices presented. Stacia Libby seconded the motion, it was unanimously approved. Motion carried.

Retirement Fund Investment Changes - Hooker & Holcombe

Art Meizner walked everyone thru the Fourth Quarter Review 2014 for the Town of Essex Retirement Plan. He explained the format and information he will use for the quarterly review meetings. The information presented at this meeting showed a snapshot of the funds that were invested during the two-week period but only shows two weeks of actual performance history. He would like to reach out to Bank of America with Kelly's assistance for their data to give us a clearer picture of the fourth quarter 2014.

Ellen asked how often funds are changed for this size account. Art stated that changes are not made based on the size of the account; they are changed when the reasons those funds were selected are no longer in place.

Art reviewed the portfolio holdings for the Town with the Board. He is not introducing any major changes at this point, although there may be a minor change in order to make the payments to the participants a little easier in terms of rebalancing.

Art also talked about providing seminars and retirement income analysis for the participants as has previously been discussed and provided some samples of seminars they can provide. The thinking is to roll this out to employees as a single communication package once the operational aspect of the transition is complete and Kelly as the inside administrator is comfortable navigating the system. He will provide a list of seminar topics and descriptions that are available in 2015, and we can then see what level of interest there is in them. A brown-bag lunch format of 40 minutes presentation, 20 minutes Q & A was discussed, and Art stated that they could provide two back-to-

back seminars to accommodate Town employee schedules. This will be discussed further at the March meeting.

Review/Discussion of Town Retirement Fund Contribution Analysis and Recommendation to Board of Selectman and Board of Finance.

The Actuarial Valuation Reports for Cash Contribution Purposes for the Town of Essex Merit Service, Police Retirement, and Essex Retirement plans prepared by Hooker & Holcombe were briefly reviewed and discussed. Everyone was in agreement that the annual contribution recommendation made by Hooker & Holcombe be presented in detail at the budget meeting next week (rather than at this meeting), which is scheduled for Wednesday, February 18, 2015 at 5:00 p.m. Tim Ryor from Hooker & Holcombe will attend the meeting to discuss the recommendation and explain the change in actuarial tables and methodology, which uses a more appropriate mortality table. Everyone was invited to attend.

Fiduciary Liability Coverage Option Approval

Stacia Libby recommended the quote from Travelers thru CIRMA from the two quotes reviewed at the last meeting, which is an annual premium of \$3,183.00 and provides 1 Million dollar coverage.

A motion was made by Ethan Goller to accept the CIRMA bid and request the Town to budget and pay for it as soon as practical. Stacia Libby seconded the motion, it was unanimously approved. Motion carried.

Ellen will write a letter to the Town that the recommendation was voted on.

Old Business

The status of a resolution with regard to the Board's fiduciary responsibility was discussed. This arose in light of the fact that the Town was required by Schwab to sign a fiduciary form recognizing the Town as the fiduciary and that Ellen signed the fiduciary document as Chairman of the Board as fiduciary on behalf of the Board as a whole. Ellen will provide Fred Vollono the detail on this so he can prepare the resolution.

The status of information needed for the retirement benefits inquiries received through the Fire Department in July of last year for two individuals was discussed. Ethan Goller has looked into this but is having a hard time getting any tangible records. Ethan will ask them to give us what they have, and the Board will take it from there.

New Business

Establishing a threshold for the Chairman of the Board and Director of Finance to have authority to approve bills without Board approval was discussed.

A motion was made by Ethan Goller to create a threshold of \$500 for the Chairman of the Board and Director of Finance to have authority to approve bills without Board approval. Stacia Libby seconded the motion, it was unanimously approved. Motion carried

A motion was made by Ethan Goller to adjourn the meeting at 6:08 p.m. Stacia Libby seconded the motion, it was unanimously approved. Motion carried

Respectfully submitted,

Betsy McLaughlin
Retirement Board Clerk