TOWN OF ESSEX, CONNECTICUT
RETIREMENT BOARD
29 West Avenue
Essex, CT 06426

Request for Proposals:
Investment Advisory, Custodial Banking and Actuarial Services for the Town's Pension Plans

Sealed proposals will be received at the Finance Office, Town Hall, 29 West Avenue, Essex, CT 06426 until June 9, 2014 at 1:00 p.m.

LEGAL NOTICE

TOWN OF ESSEX, CONNECTICUT REQUEST FOR PROPOSALS

Investment Advisory, Custodial Banking and Actuarial Services for the Town's Pension Plans

The Town of Essex will receive sealed bids for professional services for the Town's Pension Plans until 1:00 p.m. on June 9, 2014. Proposals will be opened in public at 5:00 p.m. on June 9, 2014.

The documents comprising the Request for Proposals may be obtained on the Town's website, **www.essexct.gov**.

The Town of Essex reserves the right to amend or terminate this Request for Proposals, accept all or any part of a proposal, reject all proposals, waive any informalities or non-material deficiencies in a proposal, and award the proposal to the Proposer that, in the Town's judgment, will be in the best interests of the Town.

TOWN OF ESSEX, CONNECTICUT

REQUEST FOR PROPOSALS
FOR:
Investment Advisory, Custodial Banking and Actuarial Services for the Town's Pension Plans

Proposal Submission Date/Time: June 9, 2014 at 1:00 p.m.
Proposal Opening Date/Time: June 9, 2014 at 5:00 p.m.
Proposal Opening Place: Essex Town Hall

The Town of Essex, Connecticut (the "Town") seeks to retain the services of qualified firms to perform the necessary Investment Advisory, Custodial Banking, Recordkeeping and/or Actuarial Services for the Town's three (3) pension plans ("Plan"). The required Plan services are more specifically described in the Specifications that are a part of this Request for Proposals.

One (1) original and five (5) copies of sealed proposals must be received in the Essex Town Hall, Finance Department, 29 West Avenue, Essex, CT 06426 by the date and time noted above. Respondents should also include one (1) CD or Flash Drive containing a PDF of the complete original proposal. The Town will not accept submissions by e-mail or fax. The Town will reject proposals *received after* the date and time noted above.

The documents comprising this Request for Proposals may also be obtained on the Town's website, www.essexct.gov. The Town will make its best efforts to send a Notice of Change by email to Proposers for which we have email contact information on file as of the date of the change. Please take note that: ***Each Proposer is responsible for checking the Town's website to determine if the Town has issued any addenda and, if so, to complete its proposal in accordance with the RFP as modified by the addenda.***

Terms of submitted proposals must be held firm and cannot be withdrawn for sixty (60) calendar days after the opening date.

The Town reserves the right to amend or terminate this Request for Proposals, accept all or any part of a proposal, reject all proposals, waive any informalities or non-material deficiencies in a proposal, and award the proposal to the Proposer that, in the Town's judgment, will be in the Town's best interests.

This Request for Proposals ("RFP") includes:

- Standard Instructions to Proposers;
- Specifications for Services Required;
- Expected Format of Proposals;
- Proposal Fee and Disclosure Forms;
- Proposer's Statement of References Form;
- Addenda, if any.

Table of Contents

LEGAL NOTICE 1

REQUEST FOR PROPOSALS 2

STANDARD INSTRUCTIONS TO PROPOSERS 5

1. INTRODUCTION 5
2. BACKGROUND 5
3. MINIMUM REQUIREMENTS 6
4. RIGHT TO AMEND OR TERMINATE THE RFP OR CONTRACT 6
5. KEY DATES 6
6. OBTAINING THE RFP 6
7. FORMAT OF THE RFP 7
8. PROPOSAL SUBMISSION INSTRUCTIONS 7
9. QUESTIONS AND AMENDMENTS 8
10. ADDITIONAL INFORMATION 8
11. COST FOR PREPARING PROPOSALS 8
12. OWNERSHIP OF PROPOSALS 8
13. FREEDOM OF INFORMATION ACT 9
14. REQUIRED DISCLOSURES 9
15. REFERENCES 10
16. LEGAL STATUS 10
17. PRESUMPTION OF PROPOSER'S FULL KNOWLEDGE 10
18. TAX EXEMPTIONS 10
19. INSURANCE 11
20. AWARD CRITERIA, SELECTION, CONTRACT EXECUTION 11
21. AFFIRMATIVE ACTION, AND EQUAL OPPORTUNITY 12
22. COMPLIANCE WITH IMMIGRATION LAWS 12
23. CONTRACT TERMS 13
24. TERM OF SERVICE 13

SCOPE OF SERVICES 14

SERVICES: ACTUARIAL 15

EXPECTED FORMAT OF PROPOSALS: ACTUARIAL 18

SERVICES: INVESTMENT ADVISORY SERVICES 22

EXPECTED FORMAT OF PROPOSALS: INVESTMENT ADVISORY SERVICES 24

SERVICES: CUSTODIAL BANKING 27

EXPECTED FORMAT OF PROPOSALS: CUSTODIAL BANKING SERVICES....28
ATTACHMENTS 31
Proposer's Legal Status Disclosure Form....32
Proposer's Statement of References....35
References Profile....36
Proposer's Certification Concerning Equal Employment Opportunities and 37
Affirmative Action Policy 37
Proposer's Conflict of Interest Disclosure 38
Investment Advisor Disclosure 40
Custodial Banking Services Disclosure....41
Proposed Fee Schedule for: Actuarial Services....42
Proposed Fee Schedule for Investment and/or Custodial Service(s) 43
Proposal Submission Certification 44

TOWN OF ESSEX, CONNECTICUT

STANDARD INSTRUCTIONS TO PROPOSERS

1. INTRODUCTION

The Town of Essex, Connecticut (the "Town") seeks to retain the services of qualified firms to perform the necessary Investment Advisory, Custodial Banking, Recordkeeping and/or Actuarial Services for the Town's three (3) Pension plans.

The required services are more specifically described in the Scope of Services sections that are a part of this RFP. This RFP is not a contract offer, and no contract will exist unless and until a written contract is signed by the Town and the successful Proposer.

Interested parties should submit a proposal in accordance with the requirements and directions contained in this RFP. **Proposers are prohibited from contacting any Town employee, officer or elected official concerning this RFP, except as set forth in Section 9 (Questions and Amendments), below. A Proposer's failure to comply with this requirement may result in disqualification.**

The Town expects to conduct interviews of some, but not necessarily all, Proposers.

If there are any conflicts between the provisions of these Standard Instructions to Proposers and any other documents comprising this RFP, these Standard Instructions to Proposers shall prevail.

2. BACKGROUND

The Town is a suburban Connecticut community with a population of approximately 6,500 residents. The Town of Essex currently administers and maintains three (3) Defined Benefit pension plans (non-ERISA) to provide benefits to its eligible employees as well as to eligible volunteers of the Essex Volunteer Fire Engine Company #1. One of those plans is not a qualified plan and is identified as a volunteer plan under Section 457(e) of the Internal Revenue Code.

Oversight of the pension plans is done by the Essex Retirement Board ("Board"). The Town's Finance Director and the Assistant to the First Selectman provide staff support to the Board.

Currently, Bank of America Merrill Lynch ("BOA") provides the investment management, custodial banking and recordkeeping services for the plans. The Pension Service Group ("TPS") currently provides the actuarial services for the plans.

The Town has a goal of awarding the contract on or about: July 3, 2014. Full cutover of all services to the selected organization(s) is expected no later than October 1, 2014.

As of March 31, 2014 the total market value of all three (3) pension plans was approximately $4,100,000. The Town's total actuarial recommended contribution for fiscal year 2014/15 is $376,000 calculated as of 2/26/2014.

Membership in the three (3) plans consists of: 79 active members, 33 retired members, and 21 terminated employees entitled to benefits but not yet receiving them. Monthly disbursement activity is approximately

fifty (50) individual payments with a total disbursement value of $30,000.

3. MINIMUM REQUIREMENTS

Proposers must demonstrate that they will meet all of the following minimum requirements to be given consideration during the RFP process:

- Experience and demonstrated competency in providing the individual service (or if bidding on multiple services - for each service) for a minimum of five (5) municipalities or towns similar in size to Essex, and larger, for a minimum of the last five (5) years.
- The primary contact assigned to service the Town account must have a minimum of five (5) years' experience in providing the individual service (or if bidding on multiple services - for each service) to public and/or private retirement plans, the last three (3) years of which must have been with the present organization or team.
- As of December 31, 2013, the organization and/or its primary principals must have been in business for at least ten (10) years providing the proposed services, the last five (5) years of which must have been with the present organization.
- As of December 31, 2013, the organization must have at least three (3) public retirement fund Defined Benefit clients, one of which must have assets in excess of twenty (20) million U.S. dollars.
- The organization must carry Errors and Omissions coverage at a minimum for the amounts which will be specified during Contract development.

4. RIGHT TO AMEND OR TERMINATE THE RFP OR CONTRACT

The Town may, before or after proposal opening and in its sole discretion, clarify, modify, amend or terminate this RFP if the Town determines it is in the Town's best interest. Any such action shall be effected by a posting on the Town's website, www.essexct.gov.

Because this RFP provides for a multi-year agreement, the Town also reserves the right to terminate the Contract at the end of the last fiscal year for which funds have been appropriated, and the Town shall have no obligation or liability to the successful Proposer for any unfunded year or years.

5. KEY DATES

RFP Issued	May 22, 2014
Proposal Submission	June 9, 2014 at 1:00 p.m.
Proposal Opening	June 9, 2014 at 5:00 p.m.
Interviews	June 19-26, 2014
Preliminary Notice of Award	July 3, 2014
Contract Execution	July 9, 2014
Transition Kickoff Week	July 13, 2014

The Interviews, Preliminary Notice of Award, Contract Execution and Transition Kickoff dates are anticipated, not certain, dates.

6. OBTAINING THE RFP

All documents may be obtained on the Town's website, www.essexct.gov.

7. FORMAT OF THE RFP

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the proposal be organized in the following manner:

a) Title Page: Please indicate the RFP Title, the name of your organization, address, telephone number, name of contact person and date.
b) Table of Contents: Clearly identify the material by section and page number.
c) Letter of Transmittal: Limit to two pages, signed by a principal officer or owner of the entity submitting the proposal.
d) Response to RFP Requirements: Please respond in order of sequence in the RFP sections titled: Expected Format of Proposal.
e) RFP Submission Form.
f) Provide complete contact information on at least three (3) Municipal Defined Benefit references, including a summary of the services provided and the dates the services were provided.

8. PROPOSAL SUBMISSION INSTRUCTIONS

Proposals must be received in the Essex Town Hall, Finance Department, 29 West Avenue, Essex, CT 06426 on or prior to June 9, 2014 at 1:00 p.m. Submissions that are received after the submission date but are postmarked prior to the submission date and time do NOT satisfy this condition. The Town will not accept submissions by e-mail or fax. Proposers are solely responsible for ensuring timely delivery. The Town will NOT accept late proposals.

One (1) original, five (5) copies, and a CD or Flash Drive (PDF) of all proposal documents must be submitted in sealed, opaque envelopes clearly labeled with the Proposer's name, the Proposer's address, the words **"PENSION PROPOSAL DOCUMENTS,"** and the **Proposal Title and Proposal Opening Date**.

The Town may decline to accept proposals submitted in unmarked envelopes that the Town opens in its normal course of business. The Town may, but shall not be required, to return such proposal documents and inform the Proposer that the proposal documents may be resubmitted in a sealed envelope properly marked as described above.

Proposal prices must be submitted on the Proposal Fee Forms included in this RFP. All blank spaces for proposal prices must be completed in ink or be typewritten; proposal prices must be stated in both words and figures. The person signing the Proposal Form must initial any errors, alterations or corrections on that form. Ditto marks or words such as "SAME" shall not be used in the Proposal forms or any part of a Proposer's submission.

Proposals may be withdrawn personally or in writing provided that the Town receives the withdrawal prior to the time and date the proposals are scheduled to be opened. Terms of proposals are considered valid, and may not be withdrawn, cancelled or modified, for ninety (90) days after the opening date, to give the Town sufficient time to review the proposals, investigate the Proposers' qualifications, secure any required municipal approvals, and execute a binding contract with the successful Proposer.

An authorized person representing the legal entity of the Proposer must sign the Proposal forms and all other signatures required in this RFP.

9. QUESTIONS AND AMENDMENTS

Questions concerning the procedures and substance of this RFP are to be submitted, **in writing,** (including by e-mail or fax) and directed only to:

Name: Kelly Sterner, Finance Director
Department: Finance Department
E-mail: ksterner@essexct.gov
Fax: (860) 767-8509

Proposers are prohibited from contacting any Board members, Town employees, officers or officials concerning this RFP. A Proposer's failure to comply with this requirement may result in disqualification.

The Town representative listed above must receive any written questions from Proposers no later than seven (7) business days before the proposal opening date. That representative will confirm receipt of a Proposer's questions by e-mail. The Town will answer all written questions by issuing one or more addenda, which shall be a part of this RFP and the resulting Contract, containing all questions received as provided for above and decisions regarding the same.

At least four (4) business days prior to proposal opening, the Town will post any addenda on the Town's website, www.essexct.gov. The Town will make its best efforts to send a Notice of Change by email to Proposers for which we have email contact information on file as of the date of the change. Please take note that: ***Each Proposer is responsible for checking the Town's website to determine if the Town has issued any addenda and, if so, to complete its proposal in accordance with the RFP as modified by the addenda.***

No oral statement of the Town, including oral statements by the Town representative listed above, shall be effective to waive, change or otherwise modify any of the provisions of this RFP, and no Proposer shall rely on any alleged oral statement.

10. ADDITIONAL INFORMATION

The Town reserves the right, either before or after the opening of proposals, to ask any Proposer to clarify its proposal or to submit additional information that the Town in its sole discretion deems desirable.

11. COST FOR PREPARING PROPOSALS

Each Proposer's costs incurred in developing its proposal are its sole responsibility, and the Town shall have no liability for such costs.

12. OWNERSHIP OF PROPOSALS

All proposals submitted become the Town's property and will not be returned to Proposers.

13. FREEDOM OF INFORMATION ACT

All information submitted in a proposal or in response to a request for additional information is subject to disclosure under the Connecticut Freedom of Information Act as amended and judicially interpreted. A Proposer's responses may contain financial, trade secret or other data that it claims should not be public (the "Confidential Information"). A Proposer must identify specifically the pages and portions of its proposal or additional information that contain the claimed Confidential Information by visibly marking all such pages and portions. Provided that the Proposer cooperates with the Town as described in this section, the Town shall, to the extent permitted by law, protect from unauthorized disclosure such Confidential Information.

If the Town receives an FOI request for a Proposer's Confidential Information, it will promptly notify the Proposer, in writing, of such request and provide the Proposer with a copy of any written disclosure request. The Proposer may provide written consent to the disclosure, or may object to the disclosure by notifying the Town, in writing, to withhold disclosure of the information, identifying in the notice the basis for its objection, including the statutory exemption(s) from disclosure. The Proposer shall be responsible for defending any complaint brought in connection with the nondisclosure, including, but not only, appearing before the Connecticut Freedom of Information Commission and providing witnesses and documents as appropriate.

14. REQUIRED DISCLOSURES

A Proposer's acceptability based on these disclosures lies solely in the Town's discretion.
In its Proposal each Proposer must disclose, if applicable:

(a) Its inability or unwillingness to meet any requirement of this RFP;

(b) If it is listed on the State of Connecticut's Debarment List;

(c) All resolved and pending arbitrations and litigation matters in which the Proposer or any of its principals (regardless of place of employment) has been involved within the last ten (10) years;

(d) All criminal proceedings in which the Proposer or any of its principals (regardless of place of employment) has ever been the subject; and

(e) Each instance, in which it or any of its principals (regardless of place of employment) has ever been found to have violated any state or local ethics law, regulation, ordinance, code, policy or standard, or to have committed any other offense arising out of the submission of proposals or bids or the performance of work contemplated in this RFP or any contracts.

15. REFERENCES

Each Proposer must complete and submit the Proposer's Statement of References form included in this RFP. Provide a list of three (3) Connecticut municipalities and/or state agencies for which your firm has served as Investment Advisor and/or Custodian and/or Actuary within the last three (3) years and for which services similar to those outlined herein have been provided or are currently being provided and whose Defined Benefit (Non-ERISA) pension funds are similar in size to the Town. This list shall include the following information:

- Name of the organization and contact name/position;
- Name, address, and telephone number of the responsible official of the organization;
- Approximate value of Defined Benefit pension assets under custody as of 12/31/2013;
- Dates services encompass;
- Services being provided.

The Town reserves the right to contact these organizations regarding the services performed by the firm.

16. LEGAL STATUS

If a Proposer is a corporation, limited liability company, or other business entity that is required to register with the Connecticut Secretary of the State's Office, it must have a current registration on file with that office. Proposers must complete the Proposer's Legal Status Disclosure as part of their submission.

17. PRESUMPTION OF PROPOSER'S FULL KNOWLEDGE

Each Proposer is responsible for having read and understood each document in this RFP and any addenda issued by the Town. A Proposer's failure to have reviewed all information that is part of or applicable to this RFP, including but not only any addenda posted on the Town's website, shall in no way relieve it from any aspect of its proposal or the obligations related thereto.

Each Proposer is deemed to be familiar with and is required to comply with all federal, state and local laws, regulations, ordinances, codes and orders that in any manner relate to this RFP or the performance of the work described herein.

By submitting a proposal, each Proposer represents that it has thoroughly examined and become familiar with the scope of work outlined in this RFP, and it is capable of performing the work to achieve the Town's objectives.

18. TAX EXEMPTIONS

The Town is exempt from the payment of federal excise taxes and Connecticut sales and use taxes. Federal Tax Exempt #06-6002017. Exemption from State sales tax per Conn. Gen. Stat. Chapter 219, § 12-412(1). No exemption certificates are required, and none will be issued.

19. INSURANCE

The successful Proposer shall, at its own expense and cost, obtain and keep in force at least the minimum insurance agreed to at time of Contract. The Town reserves the right to request from the successful Proposer a complete, certified copy of any required insurance policy.

20. AWARD CRITERIA, SELECTION, CONTRACT EXECUTION

All proposals will be publicly opened and the Proposal Submission Certificate will be duly recorded on the date, at the time, and at the place identified in this RFP. Proposers may be present at the opening.

The Town reserves the right to correct, after Proposer verification, any mistake in a proposal that is a clerical error, such as a price extension or decimal point error. If an error exists in an extension of prices, the unit price shall prevail. In the event of a discrepancy between the price quoted in words and in figures, the words shall control.

The Town expects to conduct interviews of some, but not necessarily all, Proposers.

The Town reserves the rights to accept all or any part of a proposal, reject all proposals, and waive any informalities or non-material deficiencies in a proposal. The Town also reserves the right, if applicable, to award the purchase of individual services under this RFP to any combination of separate proposals or Proposers.

The Town will accept the proposal that, all things considered, the Town determines is in its best interests. Although price will be an important factor, it will not be the only basis for award. The Town will use the following criteria, among others, in evaluating proposals:

a. The experience and capacity of each Proposer, including recent, related municipal (non-ERISA) Defined Benefit plan experience;
b. The qualifications and municipal public sector experience of the firm and the designated account executive and other key personnel to be assigned to the account;
c. The Proposer's ability to support the deliverables/projects identified in this RFP;
d. The cost effectiveness and reasonableness of the proposed fees;
e. The Proposer's references;
f. The Proposer's demonstrated understanding of the Town's goals and the needs of the solicitation as outlined in this RFP, as well as the perceptiveness to address areas not specifically identified by the Town in this RFP;
g. Demonstrated long-term, consistent successful performance on other municipal and institutional accounts including flexibility, efficiency and timeliness in providing day-to-day service to municipal clients, implementation of initiatives, customer satisfaction and cost-saving measures;
h. With respect to actuarial services, demonstrated long term consistent success in serving as the principal actuary for municipal Defined Benefit plans (non-ERISA);
i. With respect to the investment of plan assets, familiarity and experience with the management of investments for municipal and public pension plans;
j. With respect to custodianship of plan assets, demonstrated long-term consistent success in serving as custodian for municipal Defined Benefit plans (non-ERISA); and
k. Compliance with the procedural requirements stated in this RFP.

The Town will not award the proposal to any business that or person who is in arrears or in default to the Town with regard to any tax, debt, contract, security or any other obligation.

The Town will select the proposal that it deems to be in the Town's best interest and issue a Preliminary Notice of Award to the successful Proposer. The award may be subject to further discussions with the Proposer. **The making of a preliminary award to a Proposer does not provide the Proposer with any rights and does not impose upon the Town any obligations. The Town is free to withdraw a preliminary award at any time and for any reason. A Proposer has rights, and the Town has obligations, only if and when a Contract is executed by the Town and the Proposer.**

If the Proposer does not execute the Contract within seven (7) business days of the date of the Preliminary Notice of Award, unless extended by the Town, the Town may enter into discussions with another Proposer.

The Interviews, Preliminary Notice of Award, Contract Execution, Transition Kickoff dates in Section 5: KEY DATES are anticipated, not certain, dates.

21. AFFIRMATIVE ACTION, AND EQUAL OPPORTUNITY

Each Proposer must submit a completed Proposer's Certification Concerning Equal Employment Opportunities and Affirmative Action Policy form included with this RFP. Proposers with fewer than ten (10) employees should indicate that fact on the form and return the form with their proposals.

22. COMPLIANCE WITH IMMIGRATION LAWS

By submitting a proposal, each Proposer confirms that it has complied, and during the term of the Contract will comply, with the Immigration Reform and Control Act ("IRCA") and that each person it provides under the Contract will at all times be authorized for employment in the United States of America. Each Proposer confirms that it has a properly completed Employment Eligibility Verification, Form I-9, for each person who will be assigned under the Contract.

The successful Proposer shall agree to defend, indemnify, and hold harmless the Town, its employees, officers, officials, agents, volunteers and independent contractors, including any of the foregoing sued as individuals (collectively, the "Town Indemnified Parties"), against any and all proceedings, suits, actions, claims, damages, injuries, awards, judgments, losses or expenses, including fines, penalties, punitive damages, attorneys' fees and costs, brought or assessed against, or incurred by, the Town Indemnified Parties related to or arising from the obligations under IRCA imposed upon the successful Proposer. The successful Proposer shall also be required to pay any and all attorneys' fees and costs incurred by the Town Indemnified Parties in enforcing any of the successful Proposer's obligations under this provision, whether or not a lawsuit or other proceeding is commenced, which obligations shall survive the termination or expiration of the Contract.

23. CONTRACT TERMS

Each Proposer will submit a copy of the Contract form it expects to execute with the Town as part of its Proposal submission. The requirements contained in this RFP will become part of the Contract with the Proposer. The Contract will consist of the Agreement(s), insurance documentation, and the awarded firm(s) proposal.

24. TERM OF SERVICE

The selected firm(s) or individual will be expected to commence transition of services on or before **August 1, 2014** subject to contract execution. The Town anticipates a three (3) year renewable term. The Town does, however, reserve the right to terminate this agreement with a thirty (30) day notice.

The selected firm(s) must complete full transitions from prior service provider(s) on or before October 1, 2014.

END OF STANDARD INSTRUCTIONS TO PROPOSERS

SCOPE OF SERVICES

SERVICES: ACTUARIAL

The Town is seeking a qualified firm to provide Actuarial Services to the Town's three (3) Pension Funds. The selected firm will report to the Board and/or their designee. The selected firm will work closely with the Board, the Director of Finance and other designated Town staff. The selected firm will attend Board meetings, typically semi-annually, or with greater frequency as requested, and discuss the required actuarial analysis and reports as provided for the Town. The selected firm will demonstrate extensive successful experience and superior capability for providing those Actuarial Services that are critical to the success of a Defined Benefit municipal pension system. Actuarial Services will include, but are not necessarily limited to:

A. Pension Valuation

1. An annual actuarial valuation for the three (3) Pension Funds shall be performed each year. The actuary will provide all required actuarial information and schedules as well as the actuary letter needed for the Town's audited financial statements. These are to be prepared in accordance with GASB reporting standards. The valuation shall provide such financial and statistical information as may be required to prepare financial statements under generally accepted accounting principles and comply, when effective, with the provisions of new pension accounting and reporting standards issued by the Governmental Accounting Standards Board (GASB), Statement No. 67 (GASB 67).

2. The actuary will also provide financial, statistical and other information as needed by the Town for the preparation of audited financial statements that comply, when effective, with the timing and provisions of the new pension accounting and reporting standards under GASB 68**.**

3. The results of the valuations should be available for review within four (4) months of the end of the Town's June 30th fiscal year end. Presentation of the annual pension valuation is to be made to the Retirement Board at its next regularly scheduled meeting following delivery of the valuation to the Town. The actuary is also expected to be available for additional Board meetings, should the need arise.

4. Submit annually, no later than March 1st of each year, a letter to the Director of Finance recommending the annual contribution (budget estimate) for each Plan for the fiscal year beginning July 1st.

5. The actuary will perform an experience analysis every three (3) years of the appropriateness of the assumptions used in the annual valuation.

6. The actuary is expected to provide annual written advice to the Board with respect to the appropriateness of economic and non-economic assumptions used in the annual valuations and recommend needed changes in those assumptions to the Board prior to continuing work on the final valuation.

7. The actuary is expected to be available for formal educational presentations with the Board for a minimum of two (2) hours annually as part of the contract. This actuarial contract will also include formal annual valuation presentations at Board meetings. The actuary must have the ability to present valuation results and to discuss actuarial concepts or analyses in laymen's terms.

8. The actuary will be expected to keep the Town regularly informed of current trends in the pension industries and in federal regulations and proposed legislation that would affect the Town specifically and public pensions in general.

9. Preparation of Town employee benefit statements for members of the various Town Plans to be done on a bi-annual basis, within four (4) months of the end of the Town's fiscal year.

10. Provide expert advice on all pension-related matters, including plan interpretation, plan design changes, and alternative valuation methods.

11. Assist the Town in maintaining its pension census data in the appropriate computerized form to facilitate transmission of this data to the actuary for the annual valuation.

12. Assist the Town in the preparation of any governmental filings for which Actuarial Services are necessary. Keep the Town informed of any pending or new legislation that may affect the Town's pension plans in regard to cost, funding, and disclosure requirements

13. Perform benefit calculations as requested and submitted by the Director of Finance or designee to the actuary for retirees in the Pension Plan

14. Develop reports of historical Plan(s) financial activity and performance metrics.

B. OPEB Valuation

1. A determination of the Town's retiree medical benefits actuarial liability bi-annually.
2. For actual valuation of benefits, a breakdown of the accrual contribution amount into the following components:
   a) Present Value for Future Benefits;
   b) Actuarial Accrued Liability;
   c) Plan Assets and Unfunded Actuarial Accrued Liability and Normal costs;
   d) Interest earning component on contribution dollars;
   e) Annual Required Contribution ("ARC") as a dollar amount and percentage of payroll, identifying normal and the outstanding balance and amortization amount of the Unfunded Actuarial Accrued Liability.
3. A summary of the actuarial basis and assumptions used in the valuations.

4. An executive summary of the results of this analysis.
5. The contracted firm shall perform the following activities to complete the actuarial funding study for the Town's OPEB programs:
   a) Meet with the Finance Director to help select appropriate actuarial cost assumptions methods;
   b) Prepare a written report summarizing conclusions and recommendations and documenting the analysis.

C. Special Projects

1. The actuarial firm selected may be required to provide the Town with special projects support such as plan design changes.

2. Serve as consulting actuary in connection with pension matters arising through labor negotiations or with respect to a proposal by Town to change its Plans. The actuary would advise the Town regarding a proposed pension change and would compute the impact of proposed change on the Town's annual pension contribution and on the unfunded pension liability.

3. The actuary should be readily accessible to Finance Director and Board to assist with these requests in a timely manner. If the primary actuary contact is unavailable to respond within a business day – the firm should ensure that an alternate contact responds to the Town in the expected timeframe.

D. Participant Web Access

The Town is particularly interested in firms that can provide web-based (self-serve) pension information capability for its employee based plans (capability does not need to encompass the volunteer plan). The provision of web-enabled tools by the Proposer for fast and easy access to employee pension information for Town employees should be discussed. The Town's interest is in the following:

1. Accrued, vested and projected benefit amounts, including a chart showing projected growth of benefits at various retirement ages;
2. Benefit projector, which allows participants to choose a retirement age and assumed pay increases;
3. Optional forms and benefit calculator that allow participants to enter a spouse's date of birth (all forms under plan to illustrate normal retirement date);
4. Ability to show projected Social Security benefit at various retirement ages;
5. Snapshot summary of the key plan provisions;
6. Plan name, Town logo appear on each web page;
7. Ability to add Town custom greeting after the initial access into the system;
8. Ability to review personal data on file;
9. PIN and address change capability;
10. Access to Frequently Asked Questions and Defined Benefit Glossary;
11. Access to an Adobe PDF version of the Summary Plan Description (SPD);
12. Access to Retirement Planning software;
13. Appropriate disclaimers.

EXPECTED FORMAT OF PROPOSALS: ACTUARIAL

To enable the Town to compare the proposals received for Actuarial Services, we ask that your proposal include the information specified below, in the sequence specified, with each section of your proposal numbered corresponding to the sections and numbers below.

Section I: Profile of Proposer

1) Identify the local office that would handle the Town's engagement, including address and phone. Identify the principal or other individual in charge of that office. Indicate the total number of professional staff personnel currently assigned to that office. Describe how your firm's personnel assigned to the Town's engagement would be available throughout the year for consultation or meetings as well as for the annual actuarial valuation. Affirm that Proposer is a firm properly licensed or otherwise permitted to provide independent consulting actuarial services in Connecticut.

2) Indicate whether your firm is local, regional, national, or international in the scope of its practice. Indicate the address of your home office.

3) Indicate the major national and regional organizations of actuaries of which your firm or its principals are members.

4) Indicate whether your firm has been the subject of any professional disciplinary action (by the federal or a state government or by a professional association) and, if it has been, describe that disciplinary action.

5) Identify any municipal governments and public employee Defined Benefit (non-ERISA) pensions plans that are comparable in size to the Town of Essex for which your firm currently provides services of a type similar to that outlined in this request for proposals. Provide at least five (5) current clients as defined here.

6) Describe your firm's professional development programs for, and any continuing professional education requirements imposed by your firm on professional actuarial services personnel. Identify specialized programs offered within your firm in the area of governmental actuarial services.

7) Describe any periodical or occasional publications produced by your firm in the actuarial services area that would be made available to the Town and Plan participants as part of this contract.

8) Identify the larger actuarial services clients handled by the assigned local office, including commercial and industrial companies, non-profit organizations, and governmental units (current or within the past five years). For governmental clients, please also indicate how many years your firm has been their independent consulting actuaries and which are Defined Benefit plans.

9) Identify the principals, specialists, or other professional staff persons from (a) that local office and (b) from any other offices of your firm who would be assigned to the Town's actuarial

services engagement. Describe their roles and provide a brief description of their professional experience, including the experience designations, licenses, and memberships that these individuals hold. Indicate the extent to which their municipal or governmental actuarial experience has been within the State of Connecticut. Indicate their participation in professional development programs in the governmental or non-governmental actuarial services area. If more convenient, resumes may be included in an appendix appropriately cross-referenced here.

10) Describe the various types of insurance and indemnification provided to protect clients of the service(s) proposed, including (be sure to include specific dollar coverage's):
    a. Errors and Omissions Coverage;
    b. Risk Coverage;
    c. Carriers;
    d. Levels / Limits/ Deductibles.

11) Provide any additional information about your firm that you believe will assist the Town in making its selection.

Section II: Proposed Approach

1. Describe in narrative form your proposed approach to providing the Town's services including:

    a. *Initial Work Plan*
        - Plan Reviews
        - Data Transmission
        - Data Reconciliation
        - Conversion Team Approach and Staffing

    b. *Continuing Work Plan*
        - Asset, Liability, and Cost Information
        - Actuarial Reports
        - Timing
        - Quality Control
        - Labor Negotiations
        - Cost Estimates

2. Include a description of your expectations for availability of resources and information from the Town or other Third Parties in executing the Engagement plan. Detail the specific items and timing your firm would require from the Town to begin servicing this account and meet the October 1, 2014 date.

Section III: Fees

1. Provide a fee quote for all required services. Please use the Proposal Fee Form for: Actuarial Services. Proposals which do not include a completed fee schedule will be considered non-responsive. Fees should be quoted on a yearly basis for a three (3) year period.

2. Describe how you would charge for special projects, requests, reports or broadening the scope of services and a general description of the firm's approach to professional fees and expenses.

3. Provide any additional information about your firm's proposed charges the Town must be aware of, including all costs that could be charged to the Town.

4. If a fee listed on the schedule is not applicable, please so note in the appropriate space.

5. Fees not contemplated or omitted in the attached schedule can be provided by attaching a Supplemental Fee Information exhibit that provides the fee information for the required time periods. Please provide a narrative explaining the Supplemental Fee items you are proposing in your Fee quote for the services in this RFP.

Section IV: Other Information

1. Attach a sample of the Contract the firm would propose.

2. Provide a list of recent municipal collective bargaining consulting engagements you have been retained for. Please include dates and the name of the bargaining unit involved.

3. Provide references for three (3) of your current municipal clients with Defined Benefit plans (non-ERISA) that are similar in size to the Town of Essex in the Proposer's Statement of References Form.

4. Respond to the disclosures required in Standard Instructions to Proposers: Section 14 – Required Disclosures (Items a-e).

5. Complete the following and submit with the proposal:
   a. Proposer's Certification concerning Equal Employment Opportunity and Affirmative Action Policy;
   b. Proposer's Conflict of Interest Disclosure.

6. Include examples of sample reports or materials provided to other Defined Benefit municipal clients and that would be representative of what the Town can expect to receive. These materials should demonstrate innovation and leadership in the area of municipal pension actuarial communication and advice, such as:
   a. Annual Valuation Report;
   b. Experience Analysis Report;
   c. Annual Required Contribution Report;
   d. Employee Benefit Statements;
   e. Historical Plan Financial Activity and Performance Metric Report;
   f. Information Advisories of Regulatory/Industry changes affecting municipal pension plans – particularly non-ERISA plans (both Board level and Employee level)-

7. Narrative describing the understanding of Scope of Services Actuarial;

   a. Information that explains your firm's ability to perform, implement and administer these services, emphasizing experience with other similar municipal or public retirement plans;

b. Describe your firm's general approach, philosophy, capabilities and experience in providing actuarial services to establish goals, guidelines and objectives and the establishment and/or review of pension valuation and funding policies.

8. Provide any relevant materials that would adequately illustrate the firm's Participant Web Access tools as described in the Scope of Services: Actuarial – Section D: Participant Web Access.

9. A concluding statement as to why the respondent is best qualified to meet the needs of the Town.

SERVICES: INVESTMENT ADVISORY SERVICES

The Town is seeking a qualified firm to provide comprehensive full-retainer, investment advisory services. The selected investment advisory firm will report to the Board and/or their designee. The selected firm will work closely with the Board, the Director of Finance and staff. The selected firm will attend Board meetings at a minimum quarterly, and report on the status of the Pension Fund Investments. The selected firm will demonstrate extensive successful experience and superior capability for providing those investment advisory services that are critical to the success of a municipal pension system.

In general, the selected firm will assist the Town in the ongoing process of investment policy development and implementation. In all cases, the firm will offer advice to the Town that is solely in the interest of the Plan participants and beneficiaries of the Town Plans.

Scope of Services required will include, but are not limited to, the following:

A. Review of Current Plan

Perform a review of the pension plans' investments, fund managers, performance, asset allocation and investment policy guidelines and make recommendations as needed which may include, but are not limited to:

1. **Investment Manager Oversight, Search, and Selection**

    a. Investment manager search and selection services and make recommendations.
    b. Advice and recommendations on investment manager allocation and structure, manager mandates and performance benchmarks.
    c. Assist with negotiating appropriate investment management fees.

2. **Investment Policy and Asset/Liability Studies**

    a. Conduct a comprehensive review and analysis of each plan's investment policies, objectives, asset allocation and portfolio structure, and recommend changes, if appropriate.

B. Transition

1. **Transition of fund assets, as applicable, to new investment managers**

    a. Coordinate and assist with the transition of funds with the Town, the custodian, and any other third parties to ensure that the Town's pension assets are transitioned in the most efficient and cost effective manner possible.

C. Ongoing Services

1. **Investment Manager Oversight, Search and Selection**

    a. Provide ongoing monitoring and oversight of investment managers to ensure compliance with laws and regulations, investment policies and manager mandates.

b. Monitor, evaluate and provide reporting on manager trading and transaction costs.
c. Have regular interaction with managers on investment performance and organizational issues (such as changes in ownership, staff, new products, etc.).
d. Advise on manager retention/termination, as applicable and assist in developing a formal manager review process and the Town's decision-making process.

2. **Investment Policy and Asset/Liability Studies**

a. Work with the Town and the Town's consulting actuary to conduct an asset/liability study of the Town's Pension funds upon transition and at least every three (3) years, including recommending methodologies, assumptions, asset classes for consideration, and alternative asset allocations.
b. Develop policies, guidelines and procedures for rebalancing the asset mix.
c. Advise the Town of new developments in investment management techniques and portfolio management strategies.
d. Provide advice and recommendations on various other investment policy issues affecting the Town specifically – and municipal pension plans operating in Connecticut and pension plans in general.

3. **Performance Evaluation and Reporting**

a. Regularly compare the investment performance of the total fund(s), asset classes and investment managers to relevant benchmarks and "peer group" samples.
b. Present performance reports on a quarterly basis to the Board.
c. Include historical data comparing benchmarks to plan performance.

4. **Client Service and Education**

a. Attend on a quarterly basis meetings of the Board, as well as other special Town meetings (Finance Committee and/or Board of Selectman meetings) pertaining to pension investments that may be necessary from time to time.
b. Coordinate effectively with the Board, the actuary and the Plans' custodian.
c. Respond to inquiries between meetings in an appropriate and timely manner.
d. Report any significant changes in the firm's ownership, organizational structure and personnel in a timely manner.
e. Assist on special projects as needed from time to time.
f. Provide all other investment advisory-related services as requested.
g. Provide education to the Board and staff on investment issues.

5. **Review, Selection and Search for Other Investment-Related Vendors, Investment Managers/Opportunities and/or Instruments**.

a. Provide advice and recommendations on future custodial arrangements (including custodial search and review services) as needed.
b. Assist with evaluation, search and selection involving investment/money managers, other investment-related Advisors, investment opportunities and vendors as required.

EXPECTED FORMAT OF PROPOSALS: INVESTMENT ADVISORY SERVICES

To enable the Town to compare proposals received for Investment Advisory services, we ask that your proposal include the information specified below, in the sequence specified, with each section of your proposal numbers corresponding to the section and numbers below.

Section I: Profile of Proposer

1. Identify the local office that would handle the Town's engagement, including address and phone. Identify the principal or other individual in charge of that office. Indicate the total number of professional staff personnel currently assigned to that office. Describe how your firm's personnel assigned to the Town's engagement would be available throughout the year for consultation or meetings as well as for the annual actuarial valuation.

2. List of personnel to be assigned to this project, including years of experience in their current position, current account loads, municipalities served and their roles in providing services. Please provide their resumes, and document the chain of command to service the Town for these individuals. Indicate registration with SEC as investment advisor. Affirm that the firm is licensed to do business in the State of Connecticut.

3. Identify your firm's specific expertise, including personnel in the areas listed below:
   - Asset Allocation;
   - Domestic Equity;
   - International Equity;
   - Fixed Income;
   - Derivatives;
   - Real Estate;
   - Other.

   Resumes may be provided to illustrate this information.

4. Identify any municipal governments and public employee Defined Benefit (non-ERISA) pensions plans that are comparable in size to the Town of Essex for which your firm currently provides services of a type similar to that outlined in this request for proposals. Provide at least five (5) current clients as defined here.

5. Describe the various types of insurance and indemnification provided to protect clients of the service(s) proposed, including (be sure to include specific dollar coverage's):
   a. Errors and Omissions Coverage;
   b. Risk Coverage;
   c. Carriers;
   d. Levels / Limits/ Deductibles.

6. Provide any additional information about your firm that you believe will assist the Town in making its selection.

Section II: Transition Management

The Town wishes the conversion to take place as of October 1, 2014. Please:

1. Describe in narrative form the transition process your firm would implement to transfer existing pension fund assets and information from the current service provider, Bank of America (BoA) – Merrill Lynch. Please note if the Town would have a dedicated conversion team and the functional members of that conversion team.

2. Provide an overall Engagement work plan to the Town - with suggested timeline for review of pension investments, recommendations for changes and transition plan of assets. Specific detailed Engagement work plan and completion dates to be determined with Town upon contract execution with selected firm.

3. Include a description of your expectations for availability of resources and information from the Town or other Third Parties in executing the Engagement plan. Detail the specific items and timing that your firm would require from the Town to begin servicing this account and meet the October 1, 2014 date.

Section III: Fees

1. Please provide a fee quote for all required services (Proposal Fee Form for: Investment Advisory Services. Proposals which do not include a completed fee schedule will be considered non-responsive. Fees should be quoted on a yearly basis for a three (3) year period.
2. If a fee listed on the schedule is not applicable, please note so in the appropriate space.
3. Fees not contemplated or omitted in the attached schedule can be provided by attaching a Supplemental Fee Information exhibit that provides the fee information for the required time periods. Please provide a narrative explaining the Supplemental Fee items you are proposing in your Fee quote for the services in this RFP.

Section IV: Other Information

1. Attach a sample of the Contract the firm would propose.
2. Include examples of sample reports or materials provided to other municipal pension clients. These materials should demonstrate innovation and leadership in the area of pension investment performance advice as well as the type of information and format of quarterly reports which will be provided to the Town.
3. Provide references for three (3) of your current municipal clients with Defined Benefit plans (non-ERISA) that are similar in size to the Town of Essex in the Proposer's Statement of References Form.
4. Respond to the Disclosures required in Standard Instructions to Proposers: Section 14 – Required Disclosures (items a-e).
5. Complete the following and submit with the proposal:
   a. Investment Advisor Disclosure form;
   b. Proposer's Certification concerning Equal Employment Opportunity and Affirmative Action Policy;
   c. Proposer's Conflict of Interest Disclosure.

6. Narrative describing the understanding of Scope of Services - Investment Advisory:

    a. Information that explains your firm's ability to perform, implement and administer these services, emphasizing experience with other similar municipal or public pension plans.

    b. Describe your firm's general approach, philosophy, capabilities and experience in providing investment advisory services to establish goals, guidelines and objectives and the establishment and/or review of an asset allocation policy.

    c. Describe the Investment Analysis approach that will be used to service the Town's account including:
        i. Your firm's investment style analysis, including an explanation of methodologies employed in investment performance evaluation and advice.
        ii. How benchmarks are chosen or developed.
        iii. How performance is compared to similar portfolios.
        iv. Is performance audited? If so, is it GIPS Compliant?
        v. How your firm responds to changing markets.
        vi. What is the investment decision making process? Are decisions made by a committee or an individual?

    d. Indicate the number of money managers your firm currently evaluates and the criteria by which your firm decides which managers to evaluate and recommend. Include how your firm performs due diligence of investment managers.

    e. Explain the size, composition and source of your database used for relative comparison purposes.

    f. Do you employ Active, Passive, Blended strategies?

    g. Do you utilize separately managed accounts or model portfolios? If so, when and how would you recommend such vehicles?

7. Please provide any other relevant information and materials about your firm and capabilities that will assist the Town in making a selection.

8. A concluding statement as to why the respondent is best qualified to meet the needs of the Town.

SERVICES: CUSTODIAL BANKING

The Town is seeking a qualified firm to serve as Custodian of the Town's Pension Funds. The selected firm will report to the Board and/or their designee. The selected firm will work closely with the Board, the Director of Finance and other designated Town staff. The selected firm will attend Board meetings at least annually and report on key metrics of their custodial banking services as provided for the Town. The selected firm will demonstrate extensive successful experience and superior capability for providing those Custodial Banking Services that are critical to the success of a Defined Benefit municipal pension system. Custodial services and responsibilities will include, but are not necessarily limited to:

A. Execute trades of Plan assets at the direction of the Board either directly or through the designated investment advisor.
B. Responsible for registration and custody of securities belonging to the Plans.
C. Responsible for all distributions for the Town's three (3) Plans. All pension distributions and benefit payments shall be in accordance with:
    1. Local ordinances, Federal and State laws;
    2. The agreements between the Town and employee labor unions;
    3. Town personnel rules;
    4. Plan requirements.
D. Responsible for completing all required State & Federal form preparation, inclusive of form 1099R in a timely manner.
E. Provide reports (electronically where possible) as follows:
    a. Monthly reports of all asset transactions, including appropriate summary by asset category;
    b. Monthly payment report;
    c. Fiscal year report of all transactions, including appropriate summary by asset category.
F. Effective Cash Management of plans' funds.
G. Effective communication with the Board and its designated representatives in a timely manner.
H. Provision of secure web access to Plan administrators which allows online access to forms, retiree data, history, and payment status.

EXPECTED FORMAT OF PROPOSALS: CUSTODIAL BANKING SERVICES

To enable the Town to compare the proposals received for Custodial Banking services, we ask that your proposal include the information specified below, in the sequence specified, with each section of your proposal numbered corresponding to the section and numbers below.

Section I: Profile of Proposer

1. Identify the local office that would handle the Town's engagement, including address and phone. Identify the individual in charge of that office. Indicate the total number of professional staff personnel currently assigned to that office. Describe how your personnel assigned to the Town's engagement would be available throughout the year for consultation or meetings as well as for an annual review meeting.

2. List of personnel to be assigned to this project, including years of experience in their current position, current account loads, municipalities served and their roles in providing services. Please provide their resumes, and document the chain of command to service the Town for these individuals.

3. Identify any municipal governments and public employee Defined Benefit (non-ERISA) pensions plans that are comparable in size to the Town of Essex for which your firm currently provides services of a type similar to that outlined in this request for proposals. Provide at least five (5) current clients as defined here.

4. Provide the number of custody pension accounts gained and lost for each of the last three (3) years.

5. Describe the various types of insurance and indemnification provided to protect clients of the service(s) proposed, including (be sure to include specific dollar coverages):
   - Errors and Omissions Coverage
   - Risk Coverage
   - Carriers
   - Levels / Limits/ Deductibles

6. Provide any additional information about your firm that you believe will assist the Town in making its selection.

Section II: Transition Management

The Town wishes the conversion to take place as of October 1, 2014. Please:

1. Describe in narrative form the transition process your firm would implement to transfer existing plans' investments and information from the current service provider, Bank Of America (BoA). Please note if the Town would have a dedicated conversion team and the functional members of that conversion team.

2. Provide an overall Engagement work plan to the Town - with suggested timeline for review of plans' investments, recommendations for changes and transition plan of information and assets. Specific detailed Engagement work plan and completion dates to be determined with Town upon contract execution with selected vendor.

3. Include a description of your expectations for availability of resources and information from the Town or other Third Parties in executing the Engagement plan. Detail the specific items and timing that you would require from the Town to begin servicing this account and meet the October 1, 2014 date.

Section III: Fees

1. Provide a fee quote for all required services. Please use the Proposal Fee Form for Investment and/or Custodial Service. Proposals which do not include a completed fee schedule will be considered non-responsive. Fees should be quoted on a yearly basis for a three (3) year period.

2. Describe how you would charge for special projects, requests, reports or broadening the scope of services and a general description of the firm's approach to professional fees and expenses.

3. Provide any additional information about your firm's proposed charges the Town must be aware of, including all relevant costs.

4. If a fee listed on the schedule is not applicable, please so note in the appropriate space.

5. Fees not contemplated or omitted in the attached schedule can be provided by attaching a Supplemental Fee Information exhibit that provides the fee information for the required time periods. Please provide a narrative explaining the Supplemental Fee items you are proposing in your Fee quote for the services in this RFP.

Section IV: Other Information

1. Attach a sample of the Contract the firm would propose.

2. Provide copies of client reports, preferably reports generated for municipal pension clients that are representative of the reports customarily supplied, including monthly, quarterly and year-end reports.

3. Provide a listing of reports routinely supplied to clients, or available to clients at their request. Please indicate the timing in which these reports are provided to clients (i.e., how long after the end of a reporting period is a report mailed).

4. Describe any unique features that your reporting package includes as it relates to standard master trustee accounting reports.

5. Provide a list of reports that are available online or can be distributed electronically.

6. Describe ability of Town to access all of its required reporting through web-enabled capability as part of reporting through web-enabled capability as part of this contract.

7. Respond to the Disclosures required in Standard Instructions to Proposers: Section 14 – Required Disclosures (items a-e).

8. Complete the following and submit with the proposal:
    a. Custodial Banking Services Disclosure;
    b. Proposer's Certification concerning Equal Employment Opportunity and Affirmative Action Policy;
    c. Proposer's Conflict of Interest Disclosure.

9. Provide references for three (3) of your current municipal clients with Defined Benefit plans (non-ERISA) that are similar in size to the Town of Essex in the Proposer's Statement of References Form.

10. Narrative describing the understanding of Scope of Services Custodial banking:

    a. Information that explains your firm's ability to perform, implement and administer these services, emphasizing experience with other similar municipal or public pension plans as defined;

    b. Describe your firm's general approach, philosophy, capabilities and experience in providing custodial banking services.

11. A concluding statement as to why the respondent is best qualified to meet the needs of the Town.

ATTACHMENTS

To enable the Town to compare the proposals received for this RFP, we ask that your proposal include the information specified below, in the sequence specified, with each section of your proposal numbered corresponding to the Titles and numbers) below.

1. Proposers Legal Status Disclosure Form
2. Proposer's Statement of References and Reference Profile
3. Proposer's Certification Concerning Equal Employment Opportunities and Affirmative Action Policy
4. Proposers Conflict of Interest Disclosure
5. Investment Advisor Disclosure
6. Custodial Banking Services Disclosure
7. Proposed Fee Schedule for: Actuarial Services
8. Proposed Fee Schedule for: Investment and/or Custodial Service(s)
9. Proposal Submission Certification

TOWN OF ESSEX, CONNECTICUT

Proposer's Legal Status Disclosure Form

Please fully complete the applicable section below, attaching a separate sheet if you need additional space.

For purposes of this disclosure, "permanent place of business" means an office continuously maintained, occupied and used by the proposer's regular employees regularly in attendance to carry on the proposer's business in the proposer's own name. An office maintained, occupied and used by a proposer only for the duration of a contract will not be considered a permanent place of business. An office maintained, occupied and used by a person affiliated with a proposer will not be considered a permanent place of business of the proposer.

IF A SOLELY OWNED BUSINESS:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business under sole proprietor or trade name _____

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "Permanent place of business."

_____

IF A CORPORATION:

Proposer's Full Legal Name _____

Street Address_____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business_____

Names of Current Officers

_____	_____	_____
President	Secretary	Chief Financial Officer

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "Permanent place of business."

_____

IF A LIMITED LIABILITY COMPANY:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business_____

Names of Current Manager(s) and Member(s):

_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "permanent place of business."

_____

IF A PARTNERSHIP:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business_____

Names of Current Partners

_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)
_____	_____
Name & Title (if any)	Residential Address (street only)

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "permanent place of business."

_____

****

_____
Proposer's Full Legal Name

_____
Print

_____
Name and Title of Proposer's Authorized Representative

_____
Proposer's Representative, Duly Authorized

_____
Date

END OF LEGAL STATUS DISCLOSURE FORM

TOWN OF ESSEX, CONNECTICUT

Proposer's Statement of References

Provide at least three (3) Defined Benefit municipal pension plan references as described in Section 15 of the Standard Instructions to Proposers:

1. ENTITY NAME _____

   ADDRESS _____

   CITY, STATE _____

   TELEPHONE _____

   INDIVIDUAL CONTACT NAME & POSITION_____

   _____

2. ENTITY NAME _____

   ADDRESS _____

   CITY, STATE _____

   TELEPHONE _____

   INDIVIDUAL CONTACT NAME & POSITION_____

   _____

3. ENTITY NAME _____

   ADDRESS _____

   CITY, STATE _____

   TELEPHONE _____

   INDIVIDUAL CONTACT NAME & POSITION_____

   _____

References Profile

	Name of Entity	Defined Benefit Asset Value as of 12/31/13	Services Provided	Date of Service
1				
2				
3				

END OF STATEMENT OF REFERENCES

TOWN OF ESSEX, CONNECTICUT

Proposer's Certification Concerning Equal Employment Opportunities and Affirmative Action Policy

I/we, the proposer, certify that:

1) I/we are in compliance with the equal opportunity clause as set forth in Connecticut state law;

2) I/we do not maintain segregated facilities;

3) I/we have filed all required employer's information reports;

4) I/we have developed and maintain written affirmative action programs;

5) I/we list job openings with federal and state employment services;

6) I/we attempt to employ and advance in employment qualified handicapped individuals;

7) I/we are in compliance with the Americans with Disabilities Act;

8) I/we (check one):
   _____ have an Affirmative Action Program, or

   _____ employ 10 people or fewer.

_____
Legal Name of Proposer

_____
(signature)

Proposer's Representative, Duly Authorized

_____
Name of Proposer's Authorized Representative

_____
Title of Proposer's Authorized Representative

_____
Date

END OF EEO CERTIFICATION FORM

Proposer's Conflict of Interest Disclosure

In the space provided below, and on supplemental sheets as necessary, identify all relevant facts pertaining to past, present, or planned interest(s) of the Proposer *(including all consultants and contractors, as well as their respective chief executives directors, and other key personnel that would be associated with providing the scope of services as contained in the RFP)* which may result, or could be viewed as a conflict of interest in connection with the RFP and subsequent award of a contract by the Town.

Proposers should disclose:

1. Any current contractual relationships with the Town or its elected and appointed officials;
2. Any past, present, or planned contractual, employment or Board-level relationships with any officer or employee of the Town or its elected and appointed officials;
3. Any circumstances that might be considered to create a financial interest in the contract awarded by members of the Town's Retirement Board or any Town officer or employee if the Proposer is awarded the Contract.

Additionally, Proposers submitting an RFP shall at the time of proposal and annually disclose all contributions to which <u>all</u> of the following apply:

- The contribution was made in the last five (5) years;
- The contribution was made or caused to be made by an officer, director, executive-level employee or owner of at least 5% of the person or Affiliated Entity;
- The amount of the contribution was at least $500 in the form of:
    - A single contribution;
    - The aggregate of all contributions.
- The contribution was made to:
    - A candidate for any public office in the Town or to an individual who holds an elected office;
    - A political committee of a candidate for public office in the Town or of an individual who holds an elected office.

The foregoing is provided by way of example and shall not constitute a limitation on the disclosure obligations.

_____
_____
_____
_____
_____
_____
_____
_____

Explanation

In the space provided below, and on supplemental sheets as necessary, identify steps the Proposer has taken or will take in order to avoid, neutralize, or mitigate any conflicts of interest described herein.

_____
_____
_____
_____
_____
_____
_____
_____

CERTIFICATION

The undersigned hereby certifies that, to the best of his or her knowledge and belief, no interest exists that is required to be disclosed on this Conflict of Interest Disclosure Form, other than as described above.

The undersigned further certifies that he or she understands that disclosure of an interest on this Conflict of Interest Disclosure Form does not relieve his or her firm of the obligation to comply with the strict intent of the Town to understand any and all interests that might result in a Conflict of Interest.

_____
Proposer's Full Legal Name

_____
(Print)

_____
Name and Title of Proposer's Authorized Representative

_____
(Signature)

_____
Proposer's Representative, Duly Authorized

_____
Date

END OF PROPOSER'S CONFLICT OF INTEREST DISCLOSURE

TOWN OF ESSEX, CONNECTICUT

Investment Advisor Disclosure

Please answer all questions in the order listed on a separate attachment titled:

(Name of Firm) **Response to Investment Advisor Disclosure** <date>.

1. If your firm is retained by the Plan, you agree to acknowledge your firm's role as a fiduciary to the plan. Additionally, you also agree to only recommend investments and strategies that are both suitable and in the best interest of the plan and its participants.
2. Are you registered as an investment adviser with the SEC or a State securities regulator?
   a. Provide a copy of your most recent filings and all disclosures.
   b. When was your most recent State or SEC audit?
   c. Have you received any deficiency letters in the past? If so, have the items sighted in the deficiency letter been successfully resolved and the matter closed by the SEC?
3. Do you have a chief compliance officer? If yes, do you utilize any third party compliance consultants to assist your firm in the review of your policies and procedures? When was the last time they visited your firm?
4. Do you or a related company have relationships with money managers, brokerage firms, consultants, or any other service provider that you recommend, consider or mention in which you receive any compensation? If so, describe the framework of such relationships, and how you manage the relationships to assure clients' best interest are represented.
5. Do you provide Best Execution to your clients?
6. Do you maintain custody of client accounts? If so, are you subject to an annual surprise custody audit or any other types of audits such as an SAS70?
7. Do you have a disaster recovery plan? When was the last time it was tested?
8. Who is your Preferred Custodian?
9. Do you complete an SEC Annual Risk Assessment and when was the last time it was updated?
10. Do you conduct background checks on your employees? If yes, the types of checks. Do you hire outside consultants to complete background checks and how often do you update the checks.
11. Are all employees bonded?
12. If you purchase investment in Mutual Funds or Third Party Managers, do you complete site visits or complete formal due diligence checklists and questionnaires?
13. Do you have an Investment Advisors Policy & Procedure Manual including Code of Ethics?
14. If your firm is privately held, what is your firm's succession plan?

END OF INVESTMENT ADVISOR DISCLOSURE

TOWN OF ESSEX, CONNECTICUT

Custodial Banking Services Disclosure

Please answer all questions in the order listed on a separate attachment titled:

(Name of Firm) **Response to Custodial Banking Services Disclosure** <date>.

1. Can retro payments be easily made? What is your turnaround time?
2. Do you provide direct deposit or electronic funds transfer?
3. Describe your online access capabilities for benefit payment services.
4. Describe your procedures for processing lump-sum and monthly distributions.
5. Describe the outstanding distribution check reports and reconciliation frequency. Do you provide a service to handle stale dated checks?
6. How do you account for lost beneficiaries? How do you account for deceased beneficiaries?
7. Do you have capabilities to include messaging and inserts from the Town?
8. Describe your ability to electronically accept distribution and other instructions from the record keeper.

END OF CUSTODIAL BANKING SERVICES DISCLOSURE FORM

TOWN OF ESSEX, CONNECTICUT

Proposed Fee Schedule for: Actuarial Services

PROPOSER'S FULL LEGAL NAME: _____

PROPOSED FEES:

SCOPE of SERVICE	Year 1	Year 2	Year 3
Pension valuation			
OPEB valuation			
Annual Required Contributions (ARC)			
GASB Statements, as required			
Participant Benefit Calculations			
Participant Web Access			
Meeting Rate *(for meetings in excess of the two annual meetings to be included in the fixed fees above)*			

HOURLY RATES BY POSITION:

POSITION	Year 1	Year 2	Year 3

DATE

TOWN OF ESSEX, CONNECTICUT

Proposed Fee Schedule for Investment and/or Custodial Service(s)

YEAR _____ (Complete a separate page for Years 1 – 3)

Attach a copy of Proposer's ERISA 408(b)(2) Fee Disclosure for Discretionary Investment Services to this schedule

Trustee/Custody Per Annum Fees	Asset Level	Basis Points
Base Portfolio Fee	$0 - $	
	$ $	
	$ $	
	$ $	
	$ and above	
Accounting & Reporting		**Per Account**
Annual Fee (1)(2)		
Transactions		**Per Transaction**
DTC Settlements		
Buys, Sells, Receipts, Deliveries		
Fed Repo Settlements		
Mutual Fund Settlements		
Futures/Options		
Outgoing Wires		
Benefit Payments		
Periodic Distributions		
Non-Periodic Distributions		
EFT/ACH Maintenance		
Deduction Maintenance		
Payee Maintenance		
Payee Setup		
Lump Sum Payment		
Form 1099 Reports		
Stop Payments		
Manual Pension Updates		
Other		

1. Please note if this is a minimum annual fee.
2. Fee quoted must include time and expense for annual 1099-R mailing and participation at quarterly meetings.

TOWN OF ESSEX, CONNECTICUT

Proposal Submission Certification

Proposal of Services are hereby submitted for:

Actuarial _____

Investment Advisory _____

Custodial Banking _____

THIS DOCUMENT, IN ORDER TO BE CONSIDERED A VALID PROPOSAL, MUST BE SIGNED BY A PRINCIPAL OFFICER OR OWNER OF THE BUSINESS ENTITY THAT IS SUBMITTING THE PROPOSAL. SUCH SIGNATURE CONSTITUTES THE PROPOSER'S REPRESENTATIONS THAT IT HAS READ, UNDERSTOOD AND FULLY ACCEPTED EACH AND EVERY PROVISION OF EACH DOCUMENT COMPROMISING THE RFP, UNLESS AN EXCEPTION IS DESCRIBED ABOVE.

By: _____ Title: _____

Print Name

_____ Date: _____

Signature

on behalf of:

_____

Print Legal Entity Name

END OF PROPOSAL SUBMISSION CERTIFICATION SECTION