



# Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

## **Retirement Plan Sub-Committee**

Monday, November 18, 2019 at 5:30 P.M.

Program Room 1, Simsbury Public Library

725 Hopmeadow Street

## **SPECIAL MEETING AGENDA**

- I. Call to Order
- II. Review of Minutes
  - a) November 6, 2019
- III. Housekeeping Items:
  - a) Appointment of Chair for November 2019-November 2020
  - b) Appointment of Vice Chair for November 2019-November 2020
  - c) 2020 Regular Meeting Schedule
- IV. Banking options for the OPEB Trust
- V. FY21 Budget Recommendations
- VI. Adjourn



# Town of Simsbury

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## **Retirement Plan Sub-Committee** **Regular Meeting Minutes - DRAFT**

Wednesday, November 6, 2019 at 7:30am  
Main Meeting Room, Town Hall, 933 Hopmeadow Street

### **I. Call to Order**

The meeting was called to order at 7:30 a.m. Sub-Committee members Phil Schulz, Tom Potter, Derek Peterson, Kevin Prell and Jennifer Batchelar (by phone) were present. Melissa Appleby, Deputy Town Manager, was present from Town staff. Chris Kachmar and Tyler Polk were present for Fiduciary Investment Advisors.

### **II. Review of Minutes**

#### **a) September 4, 2019**

The minutes of September 4, 2019 were approved as presented by consensus.

### **III. Pensions Plans & OPEB Trust Second Quarter 2019 Performance Reviews and Fiduciary Governance Update**

Mr. Kachmar reviewed the pension section of the document entitled "Town of Simsbury Retirement Plans – Executive Summary – Third Quarter 2019." He noted that the economy has been resilient, although the Federal Reserve recently cut rates again. He said that the markets have been strong calendar year-to-date, and that returns have been good. The group discussed the volatility that has been occurring on a daily basis, and agreed that this is a combination of factors, including sensitivity to headlines and the ease of electronic access.

Mr. Kachmar provided a brief overview of the actuarial data provided on pages 14-17, noting that public plans are decreasing their rates of return. The majority of public plans fall into the 7.00-7.50% or 6.50-6.99% range. He reviewed the asset allocation on page 21; two managers, Van Eck and Templeton, are on a "watch" status. All managers are on a status of "maintain."

Mr. Kachmar also reviewed the OPEB section of the document, noting that there has been a 13.4% return year-to-date. He reminded the group that the entire portfolio is indexed. The group reviewed a summary document of pricing proposals from other banking institutions that could serve as an alternative to Liberty Bank. Discussion ensued regarding the benefits and drawbacks of the various options. The group decided to discuss this further at the next meeting.

### **IV. Defined Contribution Plans Second Quarter 2019 Performance Reviews and Fiduciary Governance Update**

Mr. Polk reviewed the defined contribution section of the document entitled "Town of Simsbury Retirement Plans – Executive Summary – Third Quarter 2019." He spoke briefly about the auto enrollment feature for 457 plans, which we do not currently utilize. He also discussed the data

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8:30 – 7:00 Monday  
8:30 – 4:30 Tuesday through Thursday  
8:30 – 1:00 Friday

that was collected regarding the cybersecurity features for Mass Mutual. Mr. Polk noted that the RFP for record keeping services will include a robust section on data collection and protection.

The group discussed the stable value account, and a continued desire to phase out that option regardless of the results of the RFP. The group also discussed the strategy for notifying plan participants about the change.

Mr. Polk said that the MSF Value fund is on “watch”; all other managers are on a status of “maintain.”

**V. Defined Contribution Recordkeeping Request for Qualifications (RFQ) Timeline Update**

Mr. Polk reviewed the RFQ timeline on page 97 of the document. He said that the RFQ should be approved by the Board of Finance at their next meeting, and that submissions will be due in mid-December. Interviews will be held in January, with a selection made by February. We will aim to have the implementation by July 1, 2020.

**VI. Research on banking options for the OPEB Trust**

This item was discussed under agenda item III above.

**VII. Housekeeping Items**

- a) Appointment of Chair for November 2019-November 2020**
- b) Appointment of Vice Chair for November 2019-November 2020**
- c) 2020 Meeting Schedule**

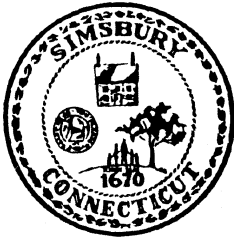
These items were tabled.

**VIII. Adjourn**

Mr. Prell made a motion to adjourn the meeting at 8:40 a.m. Mr. Peterson seconded the motion, and it passed unanimously.

Respectfully submitted,

Melissa A.J. Appleby  
Deputy Town Manager



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Maria E. Capriola - Town Manager

**To:** Ericka Butler, Town Clerk  
**Cc:** Retirement Plan Subcommittee  
**From:** Maria E. Capriola, Town Manager  
**Date:** November 6, 2019  
**Re:** Retirement Plan Subcommittee – 2020 Regular Meeting Schedule

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At their meeting on November 6, 2019 the Retirement Plan Subcommittee agreed by consensus to establish a regular meeting schedule for 2020. A total of four meetings will be held on the first Wednesday of the month at 7:30 am.

Meeting dates are as follows:

February 5, 2020  
May 6, 2020  
September 2, 2020  
December 2, 2020

The meetings will be held in the Main Meeting Room of the Town Hall, located at 933 Hopmeadow Street. Meetings will be properly noticed in accordance with FOIA requirements.

# Simsbury OPEB Plan - Summary Pricing Proposals

Firm Name	Asset Based Charge for Custody and Directed Trustee Services	Per Account Fee	Mutual Fund Trade Fees	Exchange Traded Fund (ETF) Trade Fees	Other Transaction Fees	Minimum Annual Fee
<b>Liberty Bank (Simsbury Bank/ Incumbent)</b>	N/A	\$0	\$0.10 per share \$5.95 Confirmation Processing	Mutual fund trade costs determined by share class	In-kind asset transfers: \$125 Outgoing wires: \$8-20	N/A
<b>Schwab</b>	N/A	\$0	\$15 per mutual fund trade	\$0 per ETF trade	\$0	N/A
<b>Wells Fargo</b>	2.5 bps on all assets	\$1,000	\$15 per mutual fund trade	\$10 per trade	\$10 per outgoing wire & other cash disbursement	N/A
<b>Webster Bank</b>	13 bps on first \$5,000,000 10 bps on next \$5,000,000 8 bps on next \$15,000,000 6 bps on \$25,000,000+ Less 20% fee discount	\$0	\$0	\$10 per trade	\$0	\$10,000

\* Sources: Liberty Bank, Schwab, Wells Fargo, Webster Bank