



Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

Retirement Plan Sub-Committee Regular Meeting Minutes - Approved

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 – 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