

RETIREMENT BOARD/PENSION COMMITTEE
Special Meeting
Tuesday, April 30, 2013

Present: Deb Brasfield, Betsy Connors, Bill Smith, Debbie Kelly (Board of Ed Fiscal Services), Christine Hayward (Administrative Assistant to First Selectman), Carol Whelan (ING Consultant).

The meeting was called to order at 6:30 pm.

ING Plan Presentations:

Carol Whelan, ING representative, provided an overview of both the 403b and 457 plans. She touched upon fund performance, number of participants in each plan and answered questions related to the plans. It was noted by the Committee that in April of 2012, ING rep Michael Linehan had told the Board that the maintenance fee rate would be at 1.25 for BOTH plans and the 457 Annual Maintenance fee would be waived; yet documents show that the 403b has a rate of 1.25 while the 457 plans are being charged 1.50 and the \$20 annual maintenance fee has not been removed from the 457 plan. Carol stated that she would check into that. The Town had also requested a copy of the signed 403b Adoption Agreement and Administrative Service Agreement; Carol was unfamiliar with the Administrative Service agreement and will follow-up on both agreements. The Town is questioning why there are so many investment funds in the platform and would like to understand what flexibility is available to reduce the number of funds offered; Carol will check.

Debbie Kelly was present to provide information to the Board related to participation in current 403b plans offered by the New Hartford Board of Education. It was noted that there are currently several plan provider options available to Board of Ed employees. This is contrary to the 457 plan offered to Town of New Hartford employees, where only one provider is offered. Discussion ensued regarding the need to keep things "simple."

It was noted that there are few participants in the plans currently offered and that they are not diversifying their accounts which suggests that employees/participants may not have adequate investment education. Bill Smith commented that it would be beneficial to try and get additional enrollees onto the plan and to further educate existing participants on investments offered by the plans. He suggested that there be meetings and information presented that could alert staff to the benefits of planning ahead for retirement years. Both Christine and Debbie commented that it is difficult to find a time when employees could attend some type of informational session.

Administration frowns upon having employees attend such meetings during work hours. Bill Smith noted that there is a legal requirement to have annual education meetings regarding the plan and options to all employees - an annual informational meeting would meet the requirement. All staff should be required to participate as all staff needs to be aware of what is offered. They then have the option of participating in the plan or not. It was decided that a suggestion be made to the Superintendent of Schools to hold an in-service session on the topic at the beginning of the next school year. Carol agreed to be present and provide information at the in-service. A meeting of the pension

board/retirement committee will be held prior to the in-service so that a “dry –run “ of the presentation can occur; the committee would like to make sure that the information is presented in an ‘easy to understand manner’ since most of the audience will not have had a lot of prior experience with retirement plans/benefits, etc.

Bill Smith volunteered to try and schedule a meeting with both the Superintendent of School s and the First Selectman in order to advise them of their role as employers with respect to 457 and 403b plans.

A brief discussion ensued regarding hardship withdrawals and it was determined that the committee would gather some information to be provided to the First Selectman and Superintendent in order to assist them in determining whether or not to approve such requests.

Miscellaneous Business:

General discussion ensued regarding the status of the revised Pension Plan document. The town labor attorney has stated that he is not comfortable reviewing the document. It was decided to have Shipman and Goodwin do one final review of the document since they have been acting in an advisory capacity throughout the editing process. The Committee will ask that they make a formal approval of the plan and then the committee will recommend to the Board of Selectmen to have the document approved at a Town Meeting.

Bill Smith questioned if the Town and Board of Education should continue to engage the services of ING for the plans. The group discussed preparing an RFP for services, but no formal action was taken on the matter. This will be discussed again at a future meeting.

Deb Brasfield stated that since the pension plan business (revision of the document, sunseting the defined benefit plan and moving towards the new 457 plan) has been completed and the focus of this group will now be managing the new retirement plan and supporting the 403b plan, it would make sense to have Bill Smith act as chairman since he has the expertise in the 403b and 457 plans area.

MOTION: by Brasfield, second Connors to elect Bill Smith as Chairman of the Retirement Board/Pension Committee.

Unanimous.

MOTION: by Brasfield, second Smith to adjourn the meeting at 9:10 PM.

Unanimous.

Respectfully Submitted,

Christine Hayward, Administrative Assistant

