

Minutes of the Special Retirement Commission Meeting
Town Hall – March 13, 2014 – 7 p.m.

Members present: Matt Falkowski, Christine Davidson, Kathleen Rietberg, Ryan Burrell, and Eric Remington Absent: Ed McAnaney, Chris Childs, and Dan Sheridan

Also present:

Timothy A. Ryor, Hooker and Holcombe,
Michael J. Lepore and Claire F. McDonald, Wells Fargo Advisers

At 7 p.m., Mr. Falkowski stated that until Mr. Remington, who was returning from a business trip, arrived, he and Ms Davidson would chair the meeting.

Citizen Comment: None

Ms. Davidson noted that the Commission would hear the presentation of Mr. Timothy Ryor of the Review of the Actual Valuation Report first on the Agenda. The review of the minutes would be at the end of all presentations.

Mr. Ryor distributed to the members, bound copies of the final July 1, 2013 Actuarial Valuation of the Town of Suffield's Pension Plan. The report includes the calculation of the Actuarially Determined Contribution (ADC) for two fiscal years as permitted by GASB and is common practice for towns completing every other year valuations. Copies of his report will be available for absent commission members and for the Director of Finance Deborah Cerrato.

Mr. Remington arrived at 7:15 p.m.

Mr. Ryor reviewed the Actuarial Valuation in detail and highlighted the Valuation Highlights, p. 6 of the report. Mr. Ryor informed the Commission that due to coming changes in accounting standards decisions will need to be made regarding certain assumptions used in future actuarial valuations. It was agreed that these discussions should occur at the August 2015 meeting of the Commission. To have an informed discussion the Town will need to provide Hooker & Holcombe with payroll and census data for the fiscal year ended June 30, 2015 in early July 2015. After discussion with the Commission, Ms. Davidson moved to accept the July 1, 2013 Actuarial Valuation of the Suffield's Pension plan and recommend the contribution of \$1,292,936 or 14.64% of covered payroll for the 2014 -2015 fiscal year to the Board of Finance. Mr. Falkowski seconded. The motion was approved by unanimous vote.

Mr. Remington thanked Mr. Ryor for his report and presentation.

Discussion with Investment Advisors – Wells Fargo – Michael Lepore and Claire McDonald - Chairman Remington introduced the Advisors to the Commission and welcomed them to the meeting. Mr. Lepore distributed to the Commission, copies of the report, Town of Suffield Defined Benefit Plan & OPEB Trust Summary of Reallocation.

Mr. Lepore reviewed the Timeline beginning October 23, 2013 when the Town of Suffield executed the Client Consulting Services Agreement with Wells Fargo Advisors. The transitions of the assets have been completed. Mr. Lepore then noted the comparison of the current investments with the target allocations for the Pension Plan.

Ms. McDonald noted that T. Rowe Price Associates, Inc. had recently announced a portfolio manager change. This change in management with a new lead portfolio manager is unproven, thus the fund has been placed on a Watch List.

Distributed to the Commission members were copies of Town of Suffield, CT OPEB Plan, Allocation of Assets as of March 13, 2014 (1 page) and copies of Town Suffield, CT Pension Plan Allocation of Assets as of March 13, 2014 (1page). We will provide to you at each quarterly meeting this report which is what we call our re-balancing spread sheet. This is just a data report for the commission. This is truly informational tonight; we do not recommend a rebalancing tonight. Mr. Remington suggested that if an investment is off target; we should develop a policy of a quick response if sought by WF. Perhaps we should discuss a policy at the May meeting. This is just a quick view showing the current and target balance of the Pension Plan (\$26,277,443.96) and the same review for the Town of Suffield CT OPEB Plan (\$6,787,403.74).

Does the WF report to both the Pension Commission and the OPEB Board? Mr. Falkowski stated that it would be fair if we have the OPEB subcommittee of the Board of Finance join us at our Retirement Commission meetings. For the record of from posted minutes, Mr. Donnelly, Chairman of the Board of Finance stated that Chris Childs and Tracy Eccles comprise the Investment subcommittee for both OPEB and CRNE. It is noted that the Treasurer serves both, the Pension Plan and the OPEB. The Chairman will discuss a meeting schedule with Mr. Childs.

Mr. Lepore distributed the drafted investment policy statements; these are draft copies of the Pension investment and also the OPEB investment. The OPEB draft will go to the Board of Finance. WF has emailed the OPEB draft to Mr. Childs. Copies will go to Mr. Childs and Mr. Sheridan. WF will send an invoice to the Town next week (for the quarterly fee).

There is the allocation breakdown on the last page; which will show how the investments have evolved.

The Chairman will include the draft of the investment policy statement on the May Meeting agenda. The Chairman will discuss with Mr. Childs about possible joint meetings of Pension and OPEB.

Approval of Minutes: Ms. Davidson moved to approve the minutes of the Dec. 20, Nov. 20, and Nov. 14, 2013 meetings; Mr. Falkowski seconded. The minutes were approved by unanimous vote.

The meeting was adjourned at approximately 8:35 p.m.

Respectfully submitted, Bobbie C. Kling, Secretary, RETIREMENT.MINUTES.MARCH.13.2014

