

PENSION AND RETIREMENT BOARD
TOWN OF EAST WINDSOR
11 RYE ST,
BROAD BROOK, CONNECTICUT, 06016

MINUTES OF REGULAR MEETING

Thursday, January 31, at 6:00 p.m.

****These minutes are not official until approved at a subsequent meeting****

Regular Members Present:

Jason Bowsza, Edward Bowsza, David King, Bill Syme, Karen Christensen

Regular Members Absent:

Frances Neill, Elizabeth Burns

Advisory:

Amy O'Toole, Robert Maynard

Advisories Absent:

Christine DeBarge

1. CALL TO ORDER:

David King called the Special Meeting to order at 6:00 p.m. at the Town Hall Meeting Room, 11 Rye Street, Broad Brook, CT.

2. APPROVAL OF MINUTES:

MOTION made by (J. Bowsza) and **SECONDED** by (E. Bowsza) to accept the January 16, 2019 Special Meeting Minutes, as amended (Regular Meeting changed to Special Meeting).

In Favor: All

Opposed: None

Motion: **PASSED**

3. PUBLIC COMMENT:

Paul Anderson- Wanted to know when the Board was going to get it right? They are a Board NOT a Committee. Amy stated that it was her fault for putting Committee on the Agenda and not Board. He also wanted to know if the ICMA-RC transition was the most beneficial for the employees. He was told that it was in the best interest of the employees in cost and service. It is 1-1.5% lower than Voya and they are competitive.

Art Enderle- Superintendent of the Water Pollution Control, wanted to know what the administration fee was if any. He was told that it was an open architecture and that there were no additional fees. He was told that it was 19.9 basis points and it was a zero-revenue share class. He also wanted to know if there were Vanguard Funds. He was told that Voya was a cost heavy plan and an annuity plan. He was told that ICMA-RC is not an insurance plan.

4. ICMA-RC TRANSITION DISCUSSION AND POSSIBLE ACTION:

Jeff Koeppen from ICMA-RC came and gave a lengthy discussion about what it was going to be to transition to ICMA-RC from Voya. They were waiting to hear from Voya to have an exact figure to separate from them. The termination letter has been sent and they are just waiting to hear back from Voya. ICMA-RC are estimating about \$70,000 over 60 months. He said that the transition process should take about 120 days from when the letter was sent to Voya. He stated that one option was, with the fees it will go from 19.9 basis points to around 42 basis points depending on the separation fees from Voya. This would be for 60 months and it could be readdressed after that time. Another option would be a stable value fund, which would produce revenue. The last option would be to have a standardized fund line-up vs the open architecture. The Board favored the first option. Jeff went on to answer all the questions asked of him and there was a lengthy discussion.

5. PUBLIC PARTICIPATION:

Paul Anderson- Wanted to know if the 42 basis points, which is an estimate, would stay or change. He was told by Jeff that it could change after the 5 year contract.

Art Enderle- Wanted to know if there was any benefit to staying with Voya and he was told no.

Karen Goodrow- Wanted to know if this would affect all that had Voya and she was told yes.

Paul Anderson- He want the Board to know that he was leaving the meeting happier than when he came in.

Art Enderle- Stated that he had a better understanding of the plan and that the Board did a good job.

6. NEW BUSINESS:

NONE

7. OLD BUSINESS:

NONE

MOTION made by (J. Bowsza) and **SECONDED** by (E. Bowsza) to go with Option 1 plan* as presented by ICMA-RC.

In Favor: All

Opposed: None

Motion: **PASSED**

Option1

Our original proposal was a revenue requirement of 19.9 BPS utilizing a zero revenue fund lineup including the R10 (zero revenue) share class of our Stable Value Fund. The current crediting rate for the R10 PLUS fund is 2.38%. We can keep the same fund lineup and the same R10 stable value fund and just increase the revenue requirement. In this scenario our revenue requirement would go to 42 BPS. Essentially everything stays the same but the revenue requirement.

8. EXECUTIVE SESSION:

MOTION made by (J. Bowsza) and **SECONDED** by (E. Bowsza) to go into Executive Session per CGS 1-200(6)(B)- strategy and negotiations with respect to pending claims or pending litigation...To include Attorney Michael Harrington, First Selectman, Robert Maynard and Treasurer, Amy O'Toole.

In Favor: All

Opposed: None

Motion: **PASSED**

9. ADJOURNMENT:

MOTION made by (J. Bowsza) and **SECONDED** by (E. Bowsza) to adjourn at 7:45 p.m.

In Favor: All

Opposed: None

Motion: **PASSED**

Respectfully Submitted,

Rebecca D'Amicol, Recording Secretary