



TOWN OF SUFFIELD

**MEETING MINUTES
RETIREMENT COMMISSION
REGULAR MEETING
AUGUST 10, 2023 5:00 p.m.
IN-PERSON AND ZOOM TELECONFERENCE**

**Location: Town Hall Meeting Room - Remote teleconference provided
83 Mountain Road Suffield, CT
Call-In Number: 1 646 931 3860
Meeting ID: 834 3447 2923
Password: 729346**

Meeting Name: Retirement Commission

By: Rebecca Sypek - Recording Secretary

Type of Meeting: Regular Meeting

Present via Zoom Teleconference: Glenn Gazdik

Retirement Commission Members Present

Dan Sheridan
Ryan Burrell
David Mercik
Colin Moll, First Selectman
Kacy Colston
Al Rusilowicz, Incoming Finance Director
Eric Remington, Outgoing Finance Director
Glenn Gazdik

Retirement Commission Members Absent

David Innes
Chris Childs

Also Present

Michael Lepore, GYL Financial Synergies
Claire McDonald, GYL Financial Synergies
Karin Ziemba, Human Resources Director

First Selectman Colin Moll called the Regular Meeting of the Retirement Commission to order for Thursday, August 10, 2023 at 5:04 p.m. He asked for a roll call identifying members present at the meeting.

Approval of the Minutes from the Regular Meeting held on May 11, 2023

Approval of the Minutes from the Regular Meetings held on May 11, 2023. Kacy Colston motioned to approve the minutes, and David Mercik seconded. Motion passed unanimously.

Public input

None

Election of a new Commission Chairman

Kacy Colston volunteered as long as no one objected, considering she is running unopposed as Treasurer this year and will likely be on the Commission for another 4 years. Ryan Burrell motions to nominate Kacy as Chairman, effective August 11, 2023, and David Mercik seconded. Motion passed unanimously.

Colin Moll then introduced Al Rusilowicz as the new Finance Director for the town since Eric is retiring. Commission members wished him well and are happy to work with him in the future.

Review investments with GYL

Michael Lepore and Claire McDonald provided a performance report for the bond portfolio. They have been talking and working with Mesirow and they are overall satisfied with performance this quarter. There may be future equity adjustments, but this will be reviewed going forward. Glenn Gazdik asked if Mesirow should buy some 20-year treasuries to lock in the discount rate it's at now. David Mercik agreed that would make sense. Michael said he would convey that to Mesirow and relay any additional recommendations from Mesirow based on that suggestion.

Michael then went over the inflation numbers, which are trending in a positive direction.

Claire then discussed overall investment performance from inception to now. The investments portfolio has moved a little more conservative since inception. For the risk that was taken, the rate of return has been positive, and the overall value of the account has increased. There have been strong returns across the quarter, which has helped counterbalance previous quarters. Claire went through each investment and their performance, discussing high and lower performance and the reasoning for each.

Michael then discussed regional bank exposure and the prior concerns which never really came to pass. There's only one portfolio in the town's investment report with exposure to that risk; however, thus far, it has continued to be a good investment and is only 3% of the portfolio.

Michael then discussed the asset allocation study. He discussed different ratio options of Equity to Fixed Income and how that would affect asset allocations. He said, based on the study, he recommends keeping the policy the way it is currently.

Eric asked for confirmation that Michael and Claire would not recommend changes to the current asset allocation policy, which they confirmed.

Update to Changes to Town Deferred Compensation Plans (457)

Eric discussed the existing 457 plans. The current Plans are outdated so he talked with Michael and Claire about possibilities to revise investment options and plan policy changes. Michael and Claire worked with Empower and determined it would be best to offer a 401(a) plan option. Ryan Burrell asked if there was any push back from town employees about this thus far? Eric said no, he hasn't heard any complaints about this so far. Claire talked about how they've been working with Empower to get the fees reduced, streamline the investment lineup, and offer target date funds. They believe this will be more beneficial overall and allow clear investing options for the participants. Empower is creating training for participants about this new plan, and Karin Ziemba is working to find a good date to schedule that training. Michael said participants should be receiving notice of this change soon (within the next month or two).

David Mercik asked how many investment options will be offered vs the amount that are currently offered. Al found the paperwork and confirmed the new plan offers 17 investments plus 9 target date funds versus close to a hundred in the prior plan. Michael said, although the new plan still seems like it has a lot of plans, given what participants are coming from it's a significant change and they wanted to ensure they felt they still had a lot of choices. On average, most plans have 15-20 investment options, so this isn't too far away from the standard. Empower also offers an advice tool, if the participant chooses to use it, in case they want suggestions to manage their portfolio.

Ryan asked if employees could contribute to the 401(a). Michael and Eric said they weren't sure, but would investigate it; however, there would be no need to contribute into it unless participants were maxing out the 457 contributions.

This Commission will be monitoring the 401(a) fund lineup through GYL's performance reports in the future.

Connecticut Public Act 23-182 – Request for Plan Information

The state passed a law that requires the state controller to request information from municipal pension plans. Eric discussed why this is and wanted to make the Commission aware of what the State was looking for. One problem is the State is requiring a Summary Plan Document; however, the town has no evidence that anything was ever signed or formally approved or adopted so they're not sure they'll be able to provide anything for that portion of the request. This is something that the Commission should consider working with a lawyer to develop, since this has been an ongoing discussion.

David Mercik asked if this may be something that starts auditing of these plans. Eric said it's possible but he's not sure where it's going to go from here. The town's plan is well funded so he wouldn't be worried about our town having problems.

Dan Sheridan asked when the last ordinance was. Eric wasn't sure but he believes the last approved ordinance was in 1991.

David then confirmed that this plan is not subject to annual audit. Eric said no, this plan is not subject to ERISA. David asked if it would be beneficial to have an independent audit done of the pension. Eric said it could be something to consider. He's not concerned about payments or the plan funding overall, but the participant data may be worth looking into.

Old Business

None

New Business

None

Adjournment

The next Regular Meeting of the Retirement Commission is November 9, 2023 at 5 p.m.

David Mercik motioned to adjourn the meeting, Kacy Colston seconded and was unanimously approved. The meeting adjourned at 6:25 p.m.

Respectfully submitted,
Rebecca Sypek
Recording Secretary