

RIDGEFIELD PENSION COMMISSION

Meeting of Monday, March 20, 2017

MEMBERS PRESENT: Messrs. Art Aaronson, Chris Christiansen, Tom Hayes, Mike Rettger, Ted Seibert, Chris Sierakowski

MEMBER ABSENT: Jim Stoveken

The meeting convened at 8 PM in the lower level small conference room in Town Hall.

The first order of business was to welcome Chris Sierakowski as the newest member of the Pension Commission, bringing the total number of commissioners to seven – the full complement.

1. The Vanguard Fiduciary Form was signed by all members.
2. Following up on last month's meeting, Tom and Chris C had a number of conversations with Vanguard regarding the 14 % position in Market Neutral and Alternative Funds. These sectors are designed to provide some dampening effect during equity market weakness. However the fees, as presently invested, run some 140 basis points. Vanguard is being asked to provide possible alternative options in these sectors at lower costs. Tom will continue to work with Vanguard regarding this issue.
3. Cohen and Wolf's fees for the restatement of the Police Plan, Firefighter Plan, Money Purchase Plan, and Trust Agreement – approved at the last Commission meeting at \$25,000, was negotiated down by Chris C to \$20,000. In addition, a document entitled *Pension Related Duties and Responsibilities* was presented and will be reviewed by Town HR and Cohen and Wolf. At a later date, this document, with subsequent revisions – if any, will be adopted as a formal document.
4. Mike presented an evaluation of the 2017 Fiduciary Liability Policy, continuing the discussion from the previous meeting regarding the present amount of liability coverage limits. That discussion had noted several concerns including that the limits have remained unchanged for many years while the assets in the plan have risen substantially, that the claim-made nature of the liability policy adds an additional year of coverage exposure with each renewal, and that the policy limit currently covers both defense costs and claims settlements/awards in a single combined limit. Following that prior discussion, the members had asked Mike to obtain quotes for higher coverage limits. After discussion, Art made a motion to increase the policy limit from \$2 million per year to \$5 million per year and to add the Additional Defense Coverage option for a limit of \$1 million per year. The motion was seconded by Tom and unanimously passed by the members at the meeting. As a result of this the premium will increase to \$14,435 from the current \$9,226. It was noted that this increase in operating expenses for the Plan is expected to be well more than offset by the cost savings that should result from the adjustments in the investment program that are being discussed under Item #2 above.

The meeting was adjourned at 9:15.

NEXT MEETING: The next meeting is scheduled in the small conference room in Town Hall on Monday, April 24, 2017 at 7:00 PM. This is a change from the posted date of April 17 and starting time is being moved back to 7:00 PM.

Respectfully submitted, Ted Seibert