

**TOWN OF STONINGTON
RETIREMENT BOARD
September 11, 2012**

The Stonington Retirement Board held a special meeting on this date at 9:00 a.m., at the Stonington Police Station. Board members present were: Maryanna Stevens, Chairman; John O'Brien, Judy Samokar, and Frank Todisco. Absent was June Strunk.

The meeting was called to order at 9:00 a.m.

Discussion of Due Diligence Report:

Ms. Stevens stated that the Board needs to make the decision on whether or not to unbundle the pension services from one vendor, which is Bank of America. She contacted other municipal Finance Directors and the trend is going to unbundled services. The Board needs an independent party with expertise in investments to oversee the portfolio. Ms. Stevens stated that Fiduciary Investment Advisors (FIA) is the advisor for most, if not all, of the municipalities that have unbundled pension services. FIA submitted two proposals. One proposal states that they would meet with the Board four times per year. The second proposal states that they would meet with the Board twice per year. Ms. Stevens indicated that Bank of America could remain as the custodian of the pension fund so that there would be no disruption in service to the pensioners. Ms. Stevens indicated that FIA could help with the transition and the timing of the transition. After a brief discussion, Ms. Samokar made a motion to unbundle pension services, using FIA as the consultant. Mr. Todisco seconded and it was so voted.

Discussion of Alternative Plans:

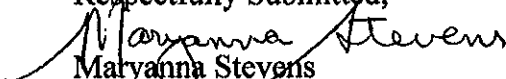
Ms. Stevens indicated that several months ago, Bill Woollacott, Hooker and Holcombe Inc., gave the Board an analysis of Income Replacement Ratios under a proposed defined contribution (DC) plan and the Town's current defined benefit (DB) plan. Mr. Woollacott indicated that the new DC plan could be wrapped into the current DB plan to help offset expenses until the new plan was large enough to sustain the expenses. The DB plan would be closed to employees hired after a certain date. Ms. Stevens stated that the Town's pension attorney indicated that the DC plan would need to be adopted at Town Meeting. The Board needs to make a decision on employee and employer contributions for the DC plan. A brief discussion ensued regarding how and when the plan would be rolled out. It was the consensus of the Board to find out which CT Towns have a DC plan, and the employee and employer contributions for those plans. Ms. Stevens will contact Bill Woollacott, Hooker and Holcombe for information on plans that they have set up for other clients, and will also email the results to the Board of a recent survey, taken by ConnPELRA, of CT Municipalities with Defined Contribution Plans.

Approve May 1, 2012 Minutes:

Mr. O'Brien made a motion to approve the Minutes. Mr. Todisco seconded and it was unanimously voted.

There being no further business to come before the Board, the meeting was adjourned at 9:20 a.m.

Respectfully Submitted,


Maryanna Stevens
Chairman

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