

**South Fire District
of the City of Middletown
PENSION COMMITTEE MEETING
Wednesday, April 24, 2024
3:30 p.m.**

AGENDA

1. CALL TO ORDER
2. MINUTES TO BE APPROVED
 - a. Pension Committee Meeting of June 21, 2022
 - b. Pension Committee Meeting of May 17, 2023
3. QUARTERLY FIDUCIARY REVIEW
4. FINANCIAL PLANNING FOR PARTICIPANTS
5. DISCUSSION OF RETIREMENT DISTRIBUTION PROCESS
6. GENERAL ADMINISTRATION
7. NEW BUSINESS
8. ADJOURNMENT

Members of the public may attend the meeting at the firehouse. Alternatively, they may view/listen to the meeting as follows:

Direct link to Zoom:

<https://us02web.zoom.us/j/8220855592?pwd=ZU9RSGZQZUFwSkJpMGIVZGdCcFVRdz09>

1. Go to <https://zoom.us> and joining the meeting using the meeting I.D. number located below.
2. Via telephone at 646-558-8656

Meeting I.D. 822 0855 5592

Passcode: SFD

**South Fire District
of the City of Middletown
PENSION COMMITTEE MEETING
REGULAR MEETING MINUTES
Tuesday, June 21, 2022 - 4:00 p.m.**

Held at the firehouse and via Zoom Meeting I.D. 826 9851 6943

Present: Chairman Deborah Kleckowski, Firefighter Chris Bodie, Chief James Trzaski (departed at 5:10 p.m.), and Kathy Kiley, Michael Callahan from CCR Wealth, LLC, Bridget Cording from Lincoln Financial Group, Richard Moore on Zoom from CCR Wealth Management, LLC.

Absent: Terence Keenan

1. CALL TO ORDER

Chairman Deborah Kleckowski called the meeting to order at 4:25 p.m.

2. MINUTES TO BE APPROVED

a. Pension Committee Meeting of May 20, 2021

MOTION to approve the minutes of May 20, 2021 by FF Chris Bodie/D. Kleckowski.
Unanimously approved.

3. INTRODUCTION OF NEW MEMBERS AND ADVISORS

Mike Callahan introduced Rich Moore, a partner of CCR Wealth Management and head of our corporate services. Michael Callahan will remain the advisor on the account and has a contractual arrangement to stay with the firm. CCR Wealth Management offers full financial planning services for participants within the plans and for those retiring or terminating. Rich and the CCR Wealth Management team offered to provide full financial plans to the members of the plan at no cost. We suggested that we start with those within 5 years to retirement. Firefighter Chris Bodie introduced himself as a new member of the Committee replacing Tim Heiden. Chief James Trzaski introduced himself to the group as the facilitator replacing former Chief Michael Howley.

4. REVIEW OF FIDUCIARY DUTIES AND BY-LAWS

Michael Callahan began the discussion regarding the fiduciary duties of the committee. A copy of the By-laws was provided to each member present and an extra copy provided for Terence Keenan. Additionally, Michael provided an outline of the Governance Framework to be discussed in the future. Michael offered to provide a seminar to the members of the Committee on Fiduciary duties similar to the one he provided a couple of years ago to the group. The Committee will consider and get back to Michael. Deb suggested a change to the By-laws to ensure that 2 members of the Union are

appointed by the Commission. Each member is to review the By-laws for any additional changes. Michael indicated the By-laws were drafted by Attorney Richard Cohen at Shipman and Goodwin. Michael suggested Richard review the legal documents for the plan as well since they have not been updated since 2009. Michael will contact Richard and ask him to discuss the engagement with Commissioner Deb Kleckowski. We also discussed the other monies under the purview of the Committee. There are two contracts under the GALIC plan, and several old contracts Empower (old Hartford/Mass Mutual contracts. Only the GALIC contracts have additional contributions. Michael indicated he would work with Empower to check on fees and guarantees. Richard Moore indicated Empower may not look at these contracts until later this summer when they do all the conversions. (Not discussed at the meeting: Michael does not have access to the GALIC contracts and will need some assistance from Kathy getting data.)

5. REPORT FROM LINCOLN FINANCIAL

Bridget began her report on demographics of the two plans and gave a background on Lincoln Financial Group. She indicated the participants will now be provided an estimate of the retirement pension that can be developed from the projected account balance. She discussed the Lincoln PathBuilder Income program and those that elect the income/investment option will have a different projected income than those illustrated.

Bridget indicated the Stable Value fund is currently crediting 1.7% and will raise that to 1.75% in July. Michael discussed the advantages of Roth vs. Traditional 457 contributions. Bridget offered to do an educational piece on Market Volatility in a pre-recorded session to be provided to the members. She then went on to explain the annuitization feature with Lincoln PathBuilder Income to the Committee. Lastly, Bridget provided a summary of the fees for the plan.

6. CYBERSECURITY

Bridget reviewed the Cybersecurity initiatives Lincoln Financial has done and continues to do for their clients. Michael indicated it is a recommended process the US Department of Labor has issued for Committees to review their Cybersecurity processes. Deb Kleckowski mentioned South Fire District has recently undergone a Cyber Security audit and they have periodic reviews of their processes. Michael recommended the results of the audit and the corresponding procedures be added to the agenda and minutes of a future meeting. The adopted process should be documented.

7. QUARTERLY FIDUCIARY REPORT

Since both plans have the same fund line-up a review of the Money Purchase plan would be used for both plans. There are three funds on the watchlist this quarter: DFA US Core Equity I, Vanguard Small Cap Growth Index and the Western Asset Core Bond IS funds. No recommended changes were made.

8. FEE REDUCTION

The fees will be reduced from CCR Wealth Management from 30 basis points to 25 basis points. The plans have reached \$10 million in assets.

9. RIA STATUS AND CHANGEOVER TO DAVID BORDEN

Deb discussed the benefits that the Firefighters have that may be different from the benefits from other cities and towns. Kathy and Deb indicated the District contributes along with the Firefighters to Social Security and Medicare and those benefits are provided to the members. There is also long and short-term disability provided. There was a brief discussion regarding a bridge to social security benefits.

10. STATUS OF FIVE YEAR PUT OPTION ON VOYA 457

The next payment for the old Voya fixed contract is in August of 2022.

11. NEW BUSINESS

a. Change of Contractual Advisor

Michael indicated as part of the changeover to CCR Wealth Management from Edu4retirement, Inc., David Borden, the managing partner of CCR Wealth Management, will be named as the financial advisor. Michael Callahan will remain as the servicing advisor along with Richard Moore. We will also be changing the contract to be based on a Registered investment Advisor role from a Fiduciary Broker. Michael indicated the services and responsibilities do not change. This is to operate in a more consistent manner within CCR Wealth Management. Again, the fees will be reduced so there is a lowering of the cost to the plan.

b. Signatory Powers

Deb and Kathy will determine who will have signatory powers. The contract will need to be amended to add someone and eliminate Mary.

c. Firefighter Chris Bodie indicated Firefighter Terence Keenan would like the accounting on the fees from Pension Consultants and Lincoln Financial. Michael is to contact Pension Consultants on the fee reconciliation as well as the billing process.

12. ADJOURNMENT

MOTION to adjourn by FF Chris Bodie/D. Kleckowski. Unanimously approved.

The meeting adjourned at 5:50 p.m.

Submitted by,



Kathleen M. Kiley
Recording Secretary

**South Fire District
of the City of Middletown
PENSION COMMITTEE MEETING
REGULAR MEETING MINUTES
Wednesday, May 17, 2023 - 4:00 p.m.**

Held at the firehouse and via Zoom Meeting I.D. 849 1258 6303

Present: Firefighter Chris Bodie, Firefighter Terence Keenan, Chief James Trzaski, Kathy Kiley, Michael Callahan, CCR Wealth LLC; Richard Moore, CCR Wealth LLC; Bridget Cording, Lincoln Financial Group via Zoom; Frank Rossi, Pension Consultants, Inc. via Zoom; Lynne Smith, Pension Consultants, Inc. via Zoom.

Absent: Chairman Deborah Kleckowski (medical)

1. CALL TO ORDER

Terence Keenan called the meeting to order at 4:14 p.m.

2. MINUTES TO BE APPROVED

a. Pension Committee Meeting of June 21, 2022

Minutes were not approved due to lack of a Pension Committee quorum. Minutes will be reviewed and approved at the next meeting.

3. QUARTERLY FIDUCIARY REVIEW

Since both plans have the same fund line-up a review of the Money Purchase plan would be used as a discussion for both plans. Mike Callahan provided a review of the plans. No changes were recommended. A few funds are on the watchlist.

4. FINANCIAL PLANNING FOR PARTICIPANTS

Mike Callahan discussed a recent video promoting financial planning available to all employees and would be emailed to all employees. He would like to focus on employees within five years of retirement first, but all employees would be encouraged to participate in a one-on-one meeting.

5. DISCUSSION OF RETIREMENT DISTRIBUTION PROCESS

Lynne Smith, Pension Consultants and Bridget Cording, Lincoln Financial Services reviewed the retirement distribution process with the committee. Terence Keenan discussed issues with a recent distribution. The retiree has received their distribution, and the process is being reviewed for improvement. Lynne, Bridget, and Kathy will continue to work on distribution process procedures for retirees.

6. LINCOLN FINANCIAL EDUCATION

Bridget Cording discussed education seminars available in-person or virtually through Lincoln Financial. Lincoln Financial also sends educational information to employees throughout the year to the email address on file with Lincoln Financial. If the employee does not have an email address on file, Lincoln Financial sends the material to the mailing address on file.

7. ADJOURNMENT

MOTION to adjourn by T. Keenan/C. Bodie.

The meeting adjourned at 6:05 p.m.

Submitted by,

A handwritten signature in blue ink that reads "Kathleen M. Kiley". The signature is written in a cursive style.

Kathleen M. Kiley
Recording Secretary

DRAFT