

Town of Berlin RFP Follow Up Questions

1. Do the plans allow loans? If so, please provide the number and amount of outstanding loans (DC Plans).

A: No loans are allowed. Also, no in-service distribution from the 401, but in-service hardship withdrawals are allowed from the 457 plan.

2. Please expand on the “investment only” services you are seeking for the defined benefit plan:

a. Are you only seeking Trustee services?

A: Yes, trustee services. The Town is developing a new Police DB Pension Plan (not included in this RFP). We need to discuss the trustee, investment management and paying agent for this new plan, but that should be separate from the RFP. The Town Council has directed the Town Manager to develop the plan, but the Town Council and the Police union have not approved the new plan.

b. Will you be keeping Hooker & Holcomb as pension actuary and Prudential as paying agent?

A: Yes and yes. However, once the new Police DB Plan is approved, the Town may go out to bid for a paying agent.

c. Will plan administration remain in-house or are those responsibilities part of this request?

A: Administration will remain in-house for now, but we are looking into some alternatives if/when the new Police DB plan is approved. With such a small number of active members of the closed plan, it's not worth changing. However, once a new active plan is approved that scenario changes.

3. What is the current contribution/funding schedule (RHS Plan)?

A: 2% of base wages.

4. When can participants access the plan? Is it post-employment only or are there in-service provisions (RHS Plan)?

A: Only former employees. Below is the section of the plan outlining this requirement:

(c) Benefits not Available to Active Employees or their Spouses during Employment.

Subject to the limitations of this paragraph, the Medical Benefits Account Beneficiaries of eligible participants in the Defined Benefit Plan shall be specified in the Police Post-Retirement Medical Plan or the prior plan known as Police Post-Retirement Medical Security Plan. No benefits may be paid under the Police Post-Retirement Medical Plan, or the prior plan known as Police Post-Retirement Medical Security Plan, from the Medical Benefits Account to any active Employees (or their spouses) of the Town. Benefits may be paid under the Police Post-Retirement Medical Plan, or the prior plan known as Police Post-Retirement Medical Security Plan, from the Police Post-Retirement Medical Account only to Participants and former Participants (and their spouse, if applicable) of the Plan who have separated from service with the Town because of disability, normal retirement or, if applicable, early retirement.

5. Please provide an explanation for the large amount of distributions taken in 2021 (DC Plans).

A: The Plan did not include any COVID distributions options. The distributions were for retirements.

6. There was a reference to provide Plan Pricing for Pro rata, Per capita and Bundled.

a. Please expand on the reference to “Bundled”. Are you asking for TPA (unbundled) and Non-TPA (Bundled) pricing?

A: “Bundled” is a reference to including or bundling transactional fees, please assume that a TPA is not needed on this plan.

7. How many employees are eligible in total for the 401(a), 457 and Robert Wolf 457 plan?

A: There are 989 unique participants.

10. Is the Town of Berlin requesting to continue with six days of onsite education annually? a. How much is onsite versus virtual days?

A: The current number is sufficient but the town would like to hear proposals from recordkeepers.

11. Please describe the current fixed account or stable value options offered by the provider. Please include current crediting rates, minimum guarantees, withdrawal restrictions, market value adjustments, surrender charges, required put notices or any other encumbrance to liquidation

A: 2.07% one year as of 2/28/23 with no floor, benefit responsive and a 12 month put for contract termination.

12. What is the current pricing and how is it paid?

A: The current pricing will not be discussed during this process. The fees are paid from plan assets.

13. What administrative fees does the Town currently pay to your current vendor?

A: The current pricing will not be discussed during this process.

14. Please provide a list of any ancillary fees that are currently being charged to the plan and or its participants. (i.e. QDRO's, distributions, financial advice, etc.)

A: The current pricing will not be discussed during this process.

15. Can you please confirm what the plan fees are for the RHS plan?

A: The current pricing will not be discussed during this process.

16. What does the plan or its participants pay for transactional fees/ education or advice?

A: The current pricing will not be discussed during this process.

17. Do the plans currently offer a managed account service for participants?

A: The plan does currently offer manager account services.

18. What services would the plan like to improve upon?

A: The plan would like to evaluate plan sponsor efficiencies. The participant experience is also very important throughout this process.

19. Do you have any specific "wish list" as you review a potential new relationship?

A: This can be discussed during the interview stage of the process.

21. Can you please confirm the IRS code associated with the Robert Wolf plan? Is this a 457b or a 401a?

A: 401(a)

422. It appears the RFP is only asking for Investment Only services for the DB plan, who is anticipated to take on MissionSquare's role in the DB plan if the Town chooses another vendor for the other plans? (i.e. trust/custody, Recordkeeping, etc...)

A: This would all be outsourced to other vendors.

23. Please provide the current plan documents, services agreement, and fee disclosure document.

A: This may be part of the next stage in the RFP process.

24. Please clarify how RFP response materials must be submitted as there are mixed directions throughout the cover letter and RFP. a. Do you require responses through the RPAG database, original copy plus 5 hard copies and flash drive mailed to Town Manager, and/or sent electronically to the designated contact person, Tyler Polk?

A: All responses from the questionnaire is required to be mailed along with a flash drive to the Town Manager. RPAG database may be used during the evaluation stage of this process.