

**TOWN OF GREENWICH, CONNECTICUT
RETIREMENT BOARD**

June 28, 2018 Minutes – Cone Meeting Room

The regular meeting of the Retirement Board was called to order at 8:01 a.m.

In attendance were:

Members:	Joseph Pellegrino, Chairman (left at 11:00 a.m.) Kevin Coyner Mark Kordick Peter Mynarski (Absent) Roland Gieger (Acting Comptroller) Mike Wacek
Staff:	Linda Culver, Clerical Assistant Alison Graham, Benefits Manager Mary Pepe, Director of Human Resources
BET:	William Drake Andy Duus David Weisbrod
RTM:	Miriam Kreuzer

ANNOUNCEMENT

Roland Gieger has been officially appointed by the BET as Acting Comptroller and has full authority to vote on all Board matters in Mr. Mynarski's absence.

APPROVAL OF MINUTES

- a. Special Meeting April 16, 2018
Upon a motion by Mr. Wacek, seconded by Mr. Kordick, the Board voted 4-0-1 to approve the minutes, as amended, of the Special Meeting of April 16, 2018. (Mr. Gieger abstained)
- b. Special Meeting May 8, 2018
Upon a motion by Mr. Coyner, seconded by Mr. Wacek, the Board voted 4-0-1 to approve the minutes, as amended, of the Special Meeting of May 8, 2018. (Mr. Gieger abstained)
- c. Regular Meeting May 24, 2018
Upon a motion by Mr. Wacek, seconded by Mr. Gieger, the Board voted 4-0-1 to approve the minutes as amended of the Regular Meeting of May 24, 2018, (Mr. Gieger abstained)

d. Special Meeting June 4, 2018

Upon a motion by Mr. Coyner, seconded by Mr. Pellegrino, the Board voted 3-0-2 to approve the minutes, as amended, of the Special Meeting of June 4, 2018. (Mr. Wacek and Mr. Gieger abstained).

ADMINISTRATOR'S REPORT

Ms. Graham stated there continues to be smooth operations while waiting for a replacement Retirement Plan Administrator. Today, the Board members will interview two finalists in executive session. The Human Resource Department will continue to accept applications until the position is filled.

The Empower implementation is moving forward as planned. There has been a change to the "go live" date for both the Defined Contributions and Defined Benefit plans to December 1st, 2018.

The Contractual COLA percentage increase of 2.344% is on the agenda to be approved. Total Contractual COLA increase is \$18,543 per month or \$222,520 per year. There are 436 retirees receiving the Contractual COLA this year, 30 for the first time.

The interest rate to be used for balances on all accounts will be 3% for balances as of June 30, 2017 and interim calculations until June 30, 2019. The interest rate is on the agenda to be approved.

APPROVAL OF RETIREMENTS

The Board reviewed the Retirement profiles for the individuals listed below:

July 1, 2018

1. Harriet Gotz
2. Dara Pinkert
3. Jane Schellings
4. Ruth Holtz

Upon a motion from Mr. Coyner, seconded by Mr. Gieger, the Board voted 5-0-0 to approve Retirement on July 1, 2018 for the four individuals listed above.

Ms. Graham commented that there are three service retirements and one vested term retirement. Three of the July 1st retirees are eligible for COLA on July 1, 2020. Ms. Gotz was terminated in 2003 which makes her ineligible for COLA.

APPROVAL OF PAYMENTS

A. ROUTINE DISBURSEMENTS:

Town of Greenwich, Connecticut			
Retirement JUNE 30, 2018			
Payments to be Approved			
Reserve Fund			
V	Pensioners	June Payroll	\$2,507,069.06
	Refunds		
		Pension Payroll Fund Total	\$2,507,069.06
Expense Fund			
	OCC Med and Wellness	6/20/18 Schmitz Med Disability	\$ 750.00
SV	Iron Mountain	May	\$ 68.00
	Iron Mountain	June	\$ 314.58
	Neuberger Berman(period Jan-Mar)	6/6/18 Inv # QI2018	\$ 127,371.39
	Patterson Belknap Webb & Tyler	6/11/18 Inv # 1055203	\$ 9,718.00
	TransAmerica	Inv # 21806333 4/1/18-6/30/18	\$ 32,750.00
	Patterson Belknap Webb & Tyler	Inv # 1051033 4/10/18	\$ 6,827.50
	TransAmerica	Inv # 21806202 6/1/18-6/30/18	\$ 10,000.00
		Expense Fund Total	\$ 187,799.47
Payroll			
	Retirement Administrator		
PV		May-Ms. Graham	\$ 1,000.00
		May-Ms. Culver	\$ 2,180.00
		Staff Payroll Fund Total	\$ 3,180.00
		Grand Total	<u>\$2,698,048.53</u>

Upon a motion from Mr. Coyner, seconded by Mr. Wacek, the Board voted 5-0-0 to approve the above payments for \$2,698,048.53.

B. REFUNDS

None

MILITARY BUYBACK

Upon a motion from Mr. Coyner, seconded by Mr. Kordick, the Board voted 5-0-0 to approve a military buyback for William Schmitz for 1 year of service in the amount of \$2,325.21.

ENCUMBERED FUNDS

Mr. Gieger commented that there are four bills that need funds encumbered with the 2017-2018 fiscal year’s funds. They are the following:

Neuberger Berman	Apr-Jun 2018	\$135,000.00
TransAmerica	Deconversion Payment	\$26,000.00
Boomershine	COLA Study	\$5,000.00
Patterson, Belknap	Estimate	\$5,000.00
<hr/>		
TOTAL		\$171,000.00

Upon a motion from Mr. Pellegrino, seconded by Mr. Coyner, the Board voted 5-0-0 to approve encumbered funds in the amount of \$ 171,000.00.

NEW BUSINESS

- a. Approval of 3% Interest Rate to be applied to balance in the Annuity Account as of July 1, 2017 and to be used in the year July 1, 2018 to June 30, 2019.

Upon a motion from Mr. Wacek, seconded by Mr. Coyner, the Board voted 5-0-0 to approve the 3% interest rate to be applied to the balance in the Annuity Account as of July 1, 2017.

- b. Approval of 2.344% Contractual COLA for July 1, 2018

Upon a motion from Mr. Coyner, seconded by Mr. Gieger, the Board voted 5-0-0 to approve the 2.344% Contractual COLA for July 1, 2017.

UPDATE:

Mr. Gieger stated that Mr. Mynarski will be returning to work on Tuesday, July 10th. Mr. Pellegrino stated the next meeting will be on July 13th with Neuberger Berman to discuss the plan assumptions. There will be no votes taken at this very important meeting. Mr. Coyner stated he will not be present.

- c. Request for an Ad-Hoc COLA was made by Mr. Thomas Keegan and Mr. Philip Dodson, both Retired Police Lieutenants. Mr. Keegan stated it’s been almost 15 years since there’s been an Ad Hoc pension increase and he explained how the cost of living and other factors have affected everyone. He stated that employees were always told that the Town was going to take care of them. It’s about caring about the people in the system.

Mr. Dodson stated he would like to add when the retiree dies their pension is reduced by 50% for their spouses. It’s long overdue for it to be reviewed. It’s been over 13 years and he thinks it’s time this issue is revisited.

Mr. Kordick provided a history prior to 2005 and stated there was a time that the municipality was a more benevolent employer than it is today. He acknowledged that we live in a different environment. That said, we could do a better job adjusting the benefits for retirees not subject to a Contractual COLA. He believed it's long overdue for this subject to be reviewed.

Mr. Wacek stated he didn't feel that the Board should make the decision on its own, it should be the First Selectman and that at the very least, the First Selectman should give some guidance to the Board.

Mr. Kordick stated the First Selectman has nothing to do with this; not a subject of the bargaining unit. It's up to us to make the plan equitable. In any event, it would go to the BET for review.

After a lengthy discussion; Mr. Pellegrino stated there's a very broad range of people here and he was against an across the board Ad-Hoc COLA. He said he didn't feel comfortable with deciding who's deserving and who's not. He stated it's a very complex issue, but feels at this time there is nothing specific to vote on.

Mr. Kordick stated subsequent to the addition of provisions for the first regular, automatic, contractual COLAs to some of the various Collective Bargaining Agreements in the later part of the last decade, the Board of Estimate and Taxation requested that the Retirement Board pass a resolution indicating that it would not be the Retirement Board's intent to provide ad hoc pension increase recommendations on top of contractual COLAs for future retirees eligible to receive them. That is to say that the BET wanted an assurance that the Retirement Board would not be granting future ad hoc increases to retirees receiving automatic COLAs. After debate, this resolution was ultimately adopted by the Retirement Board. The existence of this request from the BET and subsequent resolution by the Retirement Board made contemporaneous to the adoption of the first contractual COLA language is a clear indication that the Board of Estimate and Taxation both acknowledged the existing practice of the provision of ad hoc retiree benefit adjustments from time-to-time and fully anticipated that they would continue for retirees not affected by contractual COLAs."

Mr. Weisbrod suggested looking at retirees who are at or below a certain threshold to determine the population.

Mr. Pellegrino suggested that he sit down with the BET representatives to see if a population that can be agreed upon to give a AD-HOC COLA to. Mr. Kordick and Mr. Coyner said they are open to discuss the above. Mr. Pellegrino said he will work in good faith to see if anything can be done.

OLD BUSINESS

None.

EXECUTIVE SESSION

The Board voted unanimously to go into Executive Session at 10:03 a.m. to review a personnel matter.

Upon a motion by Mr. Pellegrino, seconded by Mr. Gieger, The Board voted 5-0-0 to go into Executive Session at 10:03 a.m.

The Board voted unanimously to come out of Executive Session at 11:33 a.m.

Upon a motion from Mr. Kordick, seconded by Mr. Gieger, the Board voted 4-0-0 to exit the executive session at 11:33 a.m. (Mr. Pellegrino was absent at the time of the vote; he left at 11:00 a.m.)

ADJOURNMENT

A motion to adjourn was made by Mr. Kordick, seconded by Mr. Gieger, and carried unanimously at 11:33 a.m.

Respectfully Submitted,

Alison Graham, Recording Secretary

Joseph Pellegrino, Chairman