

**TOWN OF GREENWICH, CONNECTICUT
RETIREMENT BOARD
SPECIAL MEETING**

December 4, 2018 Minutes - Mazza Meeting Room

The meeting of the Retirement Board was called to order at 8:04 A.M.

In attendance were:

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| Members: | Joseph Pellegrino, Chairman Kevin Coyner Mark Kordick Peter Mynarski Mike Wacek |
| Staff: | Ken Berkson, Retirement Board Administrator Daniela Barcello, Retirement Board Clerical Assistant J. Wayne Fox, Town Attorney, Law Dept. (left at 9:20 A.M.) Mary Pepe, Director, Human Resources |
| Board: | William Drake Andreas Duus Anthony Turner (left at 9:20 A.M.) David Weisbrod |
| RTM: | Miriam Kreuzer |

Mr. Pellegrino welcomed attendees to the meeting.

Voting Eligibility for Silver Shield COLA

After the previous Board Meeting, a question was escalated to Mr. Mynarski by a BET member asking if Mr. Kordick can vote on the Silver Shield CBA changes, including the amortization of the increase in Actuarial Liability. Mr. Pellegrino had asked Mr. Fox to research and present his findings at this Board Meeting. Mr. Fox reviewed the applicable section of the Town Charter and offered an opinion that Mr. Kordick was not benefiting any differently than other members of the group regarding this item. Mr. Fox also stated that there would also be no conflict with Mr. Coyner and changes involving the Fire Department. They are part of a larger group. Mr. Fox did add that a conflict could exist if it was regarding a family member application. After discussion of the opinion rendered by Mr. Fox, the Board reached a consensus that they saw no conflict of interest in Mr. Kordick's eligibility to vote on this topic. It was also discussed that protocol would be for this question to be sent to Mr. Pellegrino, therefore Mr. Fox will send a memo to him with his findings.

Retirement Administrator Reporting Structure

At a previous Board Meeting, Mr. Kordick, referenced a possible violation of Section 217A of the Town Charter regarding the current reporting structure of the Retirement Administrator to the Director of Human Resources. Mr. Pellegrino had asked Mr. Fox to research and present his findings at this Board Meeting. The Board discussed the department's historical reporting structure, including the reporting change to the Director of Human Resources in 2012. Mr. Fox commented that the Town Charter described the Retirement Board as responsible for the policy and administration of the Plan and the Retirement Administrator was accountable to the Retirement Board. The change in 2012 was the oversight of the Retirement Administrator's day-to-day functions delegated to the Director of Human Resources. Ms. Pepe confirmed that she oversees the Retirement Administrator's day-to-day functions, but does not have administrative control or the ability to make decisions for the Plan. She stated for those matters she brings to the Board's attention as the policy maker, using the recent employee contribution policy as an example.

Mr. Fox stated Human Resources is not administering the plan. He also referred to the updated Retirement Administrator job description from 2012 and voted on by the Board that the job reports to the Director of Human Resources and has accountability to the Board (Chairman). He further commented that the decision making is by the Board and not Human Resources. Mr. Fox concluded that there was no violation of the Town Charter regarding the Retirement Administrator's current reporting structure. Mr. Fox will supply a memo to Mr. Pellegrino on his findings

There was further discussion, where Mr. Kordick asked Mr. Fox if the Board can change the structure. Mr. Fox stated that they can by vote. Mr. Wacek asked if the current way is practical, with all benefits in one location. Mr. Mynarski discussed the weekly meetings with Mr. Pellegrino, Ms. Pepe and Mr. Berkson that are very helpful. Ms. Pepe also stated that Human Resources gives some support with the Front Desk and Executive Assistant, as well as assistance when necessary from the Benefit Analyst and Manager. The Board reached a consensus to keep the current reporting structure with the knowledge that they can discuss and vote in the future if they wish.

Potential Headcount Increase

Mr. Pellegrino began the discussion commenting on all the tasks and special projects completed by the Retirement Administration and the need for additional staff. Mr. Berkson commented on the special projects being completed and will continue on a consistent basis. He stated projects will always arise, such as CT mandatory tax withholding on pensions, CBA changes such as the Silver Shield (addition of COLAs and change in employee contribution rate) and retro pay updates for actives and retirees. Mr. Berkson stated that the Retirement Administrator needs to ensure the information supplied to the Plan's vendors is accurate and complete, as well as manage the vendors and review the end product to ensure information supplied to the Plan's participants is accurate. He also stated that a 2nd employee would be very helpful to get the work completed timely and accurately allowing another person to review the others work. It would

also allow there to be back-up in case one is out of the office or in meetings. It would also be good for succession planning.

Mr. Mynarski commented to the Board regarding the headcount history of the department, explaining that the team has actually always had 2 employees working, as a previous Board Member and future PT temporary employees have supplemented the Retirement Administrator since the change to one.

Mr. Coyner and Mr. Kordick stated that there is no argument and it is justified that a 2nd person is necessary. Ms. Pepe commented that there are three choices for this 2nd employee, full-time, part-time and part-time temp. Ms. Pepe also discussed that an employee who works an average of at least 30 hours/week, is entitled to benefits. Mr. Coyner asked if it was possible to hire an independent contractor. The consensus was that this would be an issue. Mr. Pellegrino commented that the change to the plan's contribution for the cost of a 2nd employee is negligible,

Mr. Pellegrino asked Mr. Fox as to the authority of the Board to work independently to hire employees. Mr. Fox commented on the need for balance of power, oversight and the authority invested with the Town's Finance Board (BET). Mr. Duus commented on the needs for checks and balances. Mr. Pellegrino stated he does wish to collaborate with everyone on this matter.

Mr. Coyner commented that there is an issue with resources, not the reporting structure. However, he would like to note the ability to change the reporting structure upon the results of this topic.

The Board reconfirmed its 5-0-0 vote taken at its October 25, 2018 meeting to request the addition of a full-time staff person. Mr. Fox was asked to address the issue of whether or not the BET has the authority to approve or disapprove a request by the Retirement Board for additional personnel.

Actuarial Valuation Report Review

The final draft of the Actuarial Valuation Report was updated to include the changes previously discussed with the Plan's Actuary, Mr. Stump, as well as clarification updates supplied by Mr. Wacek.

Upon a Motion by Mr. Coyner, seconded by Mr. Wacek, the Board voted 5-0-0 to approve the final draft of the Actuarial Valuation Report.

Next Meetings

Regular Meeting December 13, 2018

Regular Meeting January 31, 2019

Regular Meeting February 21, 2019

Adjournment

Upon a Motion by Mr. Wacek, seconded by Mr. Coyner, the Board voted 5-0-0 to adjourn the meeting at 9:50 A.M.

Respectfully submitted,

Catherine Sidor, Recording Secretary

Joseph Pellegrino, Chairman