

Old Saybrook Pension and Benefits Board
Regular Meeting, June 25, 2015
Meeting Minutes
Conference Room Town Hall

Members present: Suzanne Taylor, Paul Tracy, Eileen Torrenti, Carol Voigt, Attorney Ray Muratori, and Lynn Dallas

Absent members: First Selectman Carl Fortuna

Others: Tom Forma – Morgan Stanley, Steve Lemanski – Milliman, Chuck Petruccione - Brown & Brown Sharon Migliaccio, and Janet Vinciguerra – town employee

Meeting was called to order at 7:02 p.m. Suzanne welcomed all to the meeting of the Pension Benefit Board

Discussion of Retiree Life Insurance Policies: Chuck Petruccione of Brown & Brown, the town's insurance broker, presented information on the history of life insurance for the Town of Old Saybrook. The town has been covered by several policies over the years. Before The Hartford most of the policies covered retirees with one half of what they were covered by as employees. The Hartford policy states retirees are covered by one half of their salary. Chuck is still gathering information from The Hartford but would like to have the policy read as it did with the older policies. He also would recommend the current retirees retain their present coverage.

There was some discussion on decreasing the amounts of the current retirees as they age. He suggested either a flat rate or a decrease of benefit.

Suzanne pointed out that the rates we pay for life insurance affect the actuarial OPEB. She suggested that the matter of life insurance for retirees be brought to the bargaining table to be negotiated by the unions.

After much discussion a motion was made by Lynn Dallas and seconded by Ray Muratori to recommend maintaining the status quo for town employee retirement life insurance for one year to allow further discussion and study to determine cost savings opportunities. Discussion by members suggesting that town employee representatives be invited to a meeting with the First Selectman to discuss retiree life insurance followed with the motion being accepted.

Discussion followed as to the policy for new employees going forward. It was agreed that current employees and retirees remains as the life insurance list states but new employee could be as The Hartford states, one half their salary.

The Board thanked Chuck for his presentation.

Minutes:

The minutes from the May 28, 2015 meeting were presented for review. Also the minutes of the Special meeting on June 5, 2015. Several corrections were noted on the June 5th minutes. A motion was made by Ray Muratori to accept the minutes of the May 28th and June 5th with corrections. Eileen Torrenti seconded the motion. All voted in favor. The motion passed.

Chair's Report:

Opal Public Employee Conference: Lynn Dallas will be attending.

Pending Retirement Request: Two employees have requested retirement. Elaine Seaforth will be retiring as of July 1, 2015. John Porter was supposed to also be retiring as of July 1st but changed his mind and will remain an employee of the town.

Other: Suzanne has called Hooker and Holcomb actuaries re the proposed pension reform study and will also be contacting two other actuarial firms.

Investment Reports:

Tom Forma of Morgan Stanley reported on the status of the town's defined benefit fund and the retiree healthcare fund. As of June 11, 2015 there is \$19,819,287.75 in the town's fund and \$1,067,494.00 in the retiree healthcare fund. He briefly explained the action of the plan managers. Eaton Vance up 3.52, John Hancock up 6.33, Davidson up 4.77, Neuberger down .62, Invesco up 6.81, and London up 10.38. Tom Forma reports that the group is still working hard to correct the problems with their reports. The board thanked Tom for his presentation.

General Actuarial Matters: Suzanne presented an invoice from Milliman for actual services in the amount of \$12,950. This was for the Town of Old Saybrook Other Post-Employment Benefits Valuation (OPEB). A motion was made by Lynn Dallas and seconded by Paul Tracy to pay the invoice in the amount of \$12,950. After some discussion the motion was accepted.

Steve Lemanski distributed copies of the OPEB Program to those present. He explained how the OPEB report is prepared, the GASB requirement in regards to assets in the annual contribution. The total Liability is \$9,311,584.

Steve reported that there will be a new GASB 74 – 75.

Report on June 3rd Health Insurance Meeting for Employees: Carol reported representatives from Ctcare advantage and Brown & Brown were there to give information on the health saving plan. The plan is open to those under 65 years of age, employees and retirees. The employees in the HSA are happy with the plan. All employees have switched to the HSA plan now.

Old Business:

457 Plan with ICMA – no contact has been made with Laura in regards to the ICMA status, but a quarterly report should be forthcoming by the end of June. Suzanne asked Paul Tracy if he would make contact with ICMA to review how they are doing. .

New Business: none

Motion to adjourn meeting was made by Ray Muratori at 9:45 p.m., seconded by Carol Voigt. All voted in favor and the meeting was adjourned.

Respectfully submitted,

Sharon E. Migliaccio
Secretary Pro tem