



CT TEACHERS' RETIREMENT BOARD

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“An Affirmative Action/Equal Opportunity Employer”

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March 8, 2017

2:00 p.m.

The meeting of the Teachers' Retirement Board was called to order at 2:00 p.m. by Vice-Chairperson Bill Myers on Wednesday, March 8, 2017 at 765 Asylum Avenue, Hartford, CT.

BOARD MEMBERS PRESENT:

Bill Myers, Teacher Member
Jonathan Johnson, Public Member
Charles Higgins, Public Member
Al Bredehorst, Teacher Member
Elaine Lowengard, Public Member
Lisa Mosey, Teacher Member
Lawrence Wilson, Office of the State Treasurer
Gregory Messner, Office of Policy and Management

BOARD MEMBERS NOT IN ATTENDANCE:

Clare Barnett, Teacher Member
Maureen Honan, Teacher Member
Rosalyn Schoonmaker, Teacher Member
Clifford Silvers, Public Member
Kathy Demsey, State Department of Education

STAFF PRESENT:

Darlene Perez, Administrator
Shantelle Varrs, Fiscal Administrative Manager
Charlene Hill, Assistant to the Administrator

OTHERS PRESENT:

Robyn Kaplan-Cho, CEA
Karen Nolen, OPM
James Stirling, Stirling Benefits
Christina Gellman, OFA
June Pinkin, HFT-R
Walt Ciplinski, Retired Teacher
Tom Danehy, CAPSS
Steven Muenol, IAC

Open meeting: Vice Chairperson, Bill Myers

1. Agency Report:

New Hire:

Darlene Perez, Administrator introduced Loc Pho, the new Associate Accountant in the Fiscal Division at TRB. The Board members introduced themselves to Loc.

Request for Proposal (RFP):

Darlene announced that TRB has recently issued a RFP for the EGWP Pharmacy Benefits Management Services. Services with our current vendor is at the end of their three (3) year contract so we are following what we often do which is to put out an RFP to invite new responses from all interested vendors to ensure we are getting the best possible price for our services.

Inactive Non-vested Members:

The new law that was passed effective July 1, 2016 allowed us to cease posting interest on inactive non-vested members after ten (10) years. Notifications were sent out to approximately 2,700 members advising them of the new law and giving them the option to withdraw their funds if they felt it would be in their best interest. Only about 400 members have applied to have their funds withdrawn from the system, the remaining members either have not responded or are deliberately choosing to continue to leave their money in the system based on some phone calls we have received.

Health Insurance Open Enrollment:

The health insurance open enrollment was conducted in October, 2016. A couple of years ago, the plan changed to a bundled plan. New members must elect all benefits, the medical, dental, vision and hearing when enrolling. The open enrollment in October was an opportunity for any members who were “grandfathered” out of that bundling to now add additional coverages they did not have previously, during the course of the open enrollment, approximately 300 members added coverages to their plan. The health insurance plan currently has over 27,000 members.

Appropriations Meeting:

Darlene and Joe Fields, the TRB Health Plan Consultant attended the Appropriations Committee meeting. The areas of interest in TRB included number of staff, positions and vacancies. There was also interest in the Governor’s proposal in respect to the Health Fund. The proposal did increase the funding from the current flat rate of 16% up to 25%. Darlene and Joe will be preparing written responses to questions regarding how much money in aggregate was the Health Fund shorted and why the full 33% was not received since the Health Fund appears to be in a downward trend.

2. Alternative Cash Flow Regimes for TRB Health Fund:

Joe Fields discussed the three components in which the Health Fund is funded, retirees pay 1/3, the State of CT statutorily was set up to pay 1/3 and the active teachers' pay 1.25% of their salary which translates to a number just below 40% of the plan cost. The funds accumulations, that is being paid by the active teachers, has been declining because the retiree population in the plan has been growing by about 8% per year while the employment of teachers in CT has generally been about 1% a year or less so, the number of retirees compared to the number of actives has been increasing relatively dramatically.

Joe discussed the work the subcommittee did in preparing the report he presented which included a prediction of a possible short funding over the next 2.5 years. Once a budget for FYE 2018-19 is adopted the Board will determine what further action is necessary.

3. Approval of the October 5, 2016 Meeting Minutes:

A motion was made by Charles Higgins and seconded by Gregg Messner to approve the November 2, 2016 meeting minutes. All members voted in favor and the motion was passed with four abstentions, Elaine Lowengard, Lisa Mosey, Al Bredehorst and Cliff Silvers due to absence.

4. Consideration and Approval of the Administrator's actions regarding:

- a. Granting of service retirement benefits for the months of November and December, 2016 and January and February, 2017.
- b. Survivor benefits for the months of November and December, 2016 and January and February, 2017.
- c. Reports & recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee at the November and December, 2016 and January and February, 2017 meetings.

A motion was made by Gregg Messner and seconded by Al Bredehorst to approve the granting of service retirement, survivor benefits and applications for a disability allowance for the months of November and December, 2016 and January and February, 2017. All members voted in favor and the motion was passed.

2. Certification and Approval of Nomination Petitions.

Darlene discussed the requirements and process for the nomination petitions. Petitions were received from two active teachers, Bill Myers and Steven McKeever for the term beginning July 1, 2017. It has been confirmed that both teachers have met all of the requirements for qualification and all of the petition signatures have been verified.

A motion was made by Greg Messner and seconded by Al Bredehorst to approve the nomination petition. All members voted in favor and the motion was passed with one abstention, Bill Myers due to being one of the petitioners.

MATTERS FOR THE BOARD INFORMATION:

Retirement Statistics for months of November and December, 2016 and January and February, 2017.

COMMENTS FROM OBSERVERS:

ADJOURNMENT: 2:29 p.m.