



STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
765 ASYLUM AVENUE, HARTFORD 06105-2822
Toll free 1-800-504-1102 (860) 241-8402 Fax (860) 241-9295
"An Affirmative Action/Equal Opportunity Employer"
www.ct.gov/trb

TRB BOARD MEETING
Minutes of the Meeting
Wednesday, April 6, 2011

2:00 p.m.

The meeting was called to order by William Murray, Acting Chairperson, at 2:08 pm. Mr. Murray turned the meeting over to Administrator Darlene Perez for the Agency Report.

BOARD MEMBERS PRESENT:

Eugene Cimiano – Public Member
Jonathan Johnson, Public Member
Elaine Lowengard, Public Member
William Murray, Teacher Member
William Myers, Teacher Member

Marion Jewell arrived prior to consideration and approval of Board action items.
Brian Mahoney arrived prior to consideration and approval of Board action items

BOARD MEMBERS NOT IN ATTENDANCE:

Clare Barnett, Teacher Member
Astread Ferron-Poole, representing the Dept. of Social Services
Roselyn Schoonmaker, Teacher Member

STAFF PRESENT:

Darlene Perez, TRB Administrator
Leanne Appleton, TRB Assistant Administrator
Marie Dempsey, Administrative Assistant
Lou Laccavole, Fiscal Administrative Supervisor

OTHERS PRESENT:

James Stirling, CEO, Stirling Benefits, Inc.
Karen Nolen, OPM
Christina Gellman, OFA
Robyn Kaplan-Cho, CEA
Scott Reed, Reed Financial
Brendan Donate, Reed Financial
Ray Powell, Retired Superintendent

AGENCY REPORT

Administrator Perez reported on the following activities:

1. Thomas Ciccalone, a Board member appointed by Governor Rell, submitted his resignation, creating the 2nd Governor appointee vacancy.
2. The latest Auditor's report was previously provided to the Board. Several issues have to do with the operations of the Board itself, including how a Chairperson is elected, having an attendance policy and bylaws as well as the standing of an active Board member who retires during his or her four year term. Letters were written to the Attorney General regarding the Chairperson and active teacher Board member issues. We are currently waiting for replies to both of those letters. A status sheet of all recommendations was provided to the Board. An additional letter was written to the Attorney General for advice on pension system eligibility for a Superintendent who is not properly certified for his position. Legislation was enacted that authorizes the Commissioner of the Department of Education to waive the certification requirement for a Superintendent who has 15 years of successful employment as a Superintendent in a public school of another state, however, the laws governing the Board require members to be properly certified to receive a pension benefit for each assignment. We are currently waiting for a reply to this request for advice as well.
3. A Memo from Benjamin Barnes, Secretary of the Office of Policy and Management was provided to the Board members to alert them that there is currently a hiring freeze. Governor Malloy has included funding for our five vacancies in his budget, however, getting approval to fill the positions might be a challenge.
4. A letter to Governor Malloy thanking him for a proposed budget that includes funding for the five vacancies, funding the Health insurance programs and funding the pension fund was provided to the Board for their approval.
5. A summary of the Board's and Administrator's responsibilities was provided to assist new Board members in understanding the Board's and Administrators roles. In addition, by laws will be drafted to further assist the Board in the understanding of their roles and responsibilities.

This concluded the Agency report. Mr. Murray proceeded with the following Board action items:

- Item 1. A motion to approve the December 8, 2010 meeting minutes was made by Eugene Cimiano seconded by William Myers. All members voted in favor and the motion was passed.

Item 2. A motion to ratify, consider and approve the granting of service retirement benefits, survivorship benefits and the reports and recommendations of the Medical Review committee regarding applications for Disability Payments for the months of December 2010, January 2011, and February 2011 was made by Eugene Cimiano and seconded by William Myers. All members voted in favor and the motion was passed.

Item 3. A motion to ratify the January 2011 COLA, 3% (the guaranteed minimum) for pre September 1992 retirees and zero percentage for those who retired on or after September, 1992, which is the same as granted Social Security for 2011 was made by William Myers and seconded by Eugene Cimiano. All members voted in favor and the motion was passed.

Item 4. A motion was made to adopt, consider and approve the Strategic Business Plan by William Myers and seconded by Eugene Cimiano. All members voted in favor and the motion was passed.

Item 5. A motion was made to consider and approve the thank you letter to Governor Malloy for fully funding the Teachers' pension, health fund and five vacancies by Elaine Lowengard and seconded by William Myers. All members voted in favor and the motion was passed.

Item 6. Consideration and Approval of the Recommendations provided for in the Experience Study. A summary of the experience study results was provided by John Garrett and Jonathan Craven, enrolled actuaries from Cavanaugh Macdonald Consulting, LLC. There was a lengthy and thorough discussion regarding the duration of historical results to take into consideration to establish a reasonable investment rate of return, the cost of reducing a rate of return and the reasonableness of changing the assumed rate every five years or so based on shorter term investment results. The experience study resulted in the following findings which all fall within the reasonable range of assumptions and were so recommended:

Price Inflation - remain at 3%
Investment Return - remain at 8.5%
Real Wage Inflation - reduce from 1.00% to 0.75%
Payroll Growth - reduce from 4.00% to 3.75%

A motion was made to adopt and approve the assumption changes by William Myers and seconded by Eugene Cimiano. All members voted in favor and the motion was passed.

Item 7. A motion was made to formulate a Legislation and Policy Sub-Committee and schedule a meeting time and date regarding Permanent Substitute Teaching and Administration of the Health Insurance Subsidy Program by Eugene Cimiano. A discussion followed resulting in a committee, which will consist of three volunteers:

- Elaine Lowengard, Public Appointee
- William Murray, Retired Teacher
- William Myers, Active Teacher

The meeting was scheduled for Thursday, May 12th, 2011 at 1:00 pm. The motion was seconded by William Myers. All members voted in favor and the motion was passed.

motion was passed.

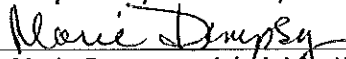
- Item 8. A motion was made to consider and approve to schedule Board meetings for Thursday, May 12th and Thursday, July 21st 2011 at 2:00 pm by Eugene Cimiano and seconded by William Myers. All members voted in favor and the motion was passed.

MATTERS FOR BOARD INFORMATION

Retirement statistics for the months of December, 2010 and January and February, 2011.

ADJOURNMENT 4:02 pm

Respectfully submitted,

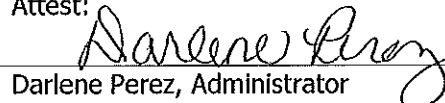


Marie Dempsey, Administrative Assistant

June 22, 2011

Date Submitted

Attest:



Darlene Perez, Administrator

June 22, 2011

Date Approved