



STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
765 ASYLUM AVENUE HARTFORD, CT 06105-2822
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Toll-Free 1-800-504-1102 (860) 241-8400 Fax (860) 241-9295
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Amended Minutes

Wednesday, September 14, 2011

3:00 PM

ELECTION: Acting Chairperson, to serve the fiscal year or until the governor appoints a Chairperson, whichever occurs first.

Administrator Darlene Perez explained that the Board would have to elect an Acting Chairperson from the existing Board until the Governor appoints a Chairperson.

William Myers made a motion asking if there were any nominations for the position of Acting Chairperson. Rosalyn Shoonmaker nominated Clare Barnett as Acting Chairperson. Greg Messner seconded the motion. All members voted in favor and the motion was passed.

Introductions were made by the Board to Doug Dubitsky a new member appointed by Governor Malloy.

BOARD MEMBERS PRESENT:

Clare Barnett, Teacher Member
Rosalyn Schoonmaker, Teacher Member
Jonathan Johnson, Public Member
William Myers, Teacher Member
Elaine Lowengard, Public Member
Gregory Messner, Designee (OPM)
Michael Freeman, Teacher Member
Doug Dubitsky, Public Member

BOARD MEMBERS NOT IN ATTENDANCE:

Eugene Cimiano, Public Member
Brian Mahoney, Designee, (SDE)

STAFF PRESENT:

Darlene Perez, TRB Administrator
Lou Laccavole, Supervisor

OTHERS PRESENT:

James Stirling, CEO, Stirling Benefits, Inc.

Robyn Kaplan-Cho, CEA

Christine Gellman, OFA

Lee Ann Palladino, Office of the Treasurer

Jonathan Harris, Office of the Treasurer

Joe Fields, Health Plan Consultant

Richard Follman, ARTC

AGENCY REPORT

Darlene Perez, Administrator gave the following report:

1. Need for An Attorney

- Tax and pension issues that arise.

There is a potential funding issue, but we do have a need. Our funding for an Attorney and for the health plan consultant was eliminated. Our retiree payroll is now one and one half billion dollars a year and we need help to implement it.

2. Medical Plan Administrator

- At the last Board meeting the Medical Plan Administrator was approved. There was a technical flaw with the RFP process and the Attorney General's office recommended that we start over.
- Between the last meeting and today, we reran the whole process again. This will be an action item on today's Agenda. The recommendation was made on Monday and that is why no information was sent to you.

3. Staffing

- We are currently down to 22 people. When we had 30 people, we participated in a bench marking survey; the results were that we are one of the worst staffed pension systems. We are unique because very few systems run both a health insurance plan and pension system. It is very challenging to do so with so few people.

4. Appeals and Divorces

I think due to the pressure of the economy, people are looking for ways of increasing their pensions. We had a high volume of divorces and appeals this summer.

- Appeals

Many of the appeals we receive do not come before the Board because they are not valid. It takes time explaining why they do not meet the criteria for a formal appeal.

- Divorces

Divorces are on the rise. We had a larger volume than normal. Again, I think this is due to the pressure of the economy.

5. Bylaws

- Recommended changes were made to the Bylaws as requested by members. Changes in the Bylaws were sent to you with the agenda.
 1. Section 5 (f) – Changed - Reviewing the Bylaws changed from annually to as needed
 2. Section 4 – Changed - Chairperson will no longer be elected by this Board but rather be appointed by the Governor from a member of this Board.
 3. Section 5(h,3) – Added - Actuary & Health Plan vendors shall take direction from the Chairperson or the Administrator.
 4. Section 9 – Added - Election by the Board of Teacher Members to the Board when a vacancy occurs.

Jonathan Johnson wanted to know if we would be electing a Vice Chairperson. The Board decided to postpone election until the Governor appoints a Chairperson.

William Myers suggested adding to Section 4 - appointed by the Governor from an existing Board member.

Darlene would also add - the Governor's public member appointee should not be a teacher. This would keep the Board balanced.

MATTERS FOR BOARD ACTION

- Item 1. Election of Interim Active Board Member
Acting Chairperson Clare Barnett explained to the Board that an election takes at least a year. In the interim, we posted the position on the website for an active teacher to fill the vacant position. Teachers had six weeks to come in with a resume and a photo ID. A Personnel Committee met to review the resume which will be presented to the board right now.
A motion was made by Rosalyn Schoonmaker to approve the recommendation of the Personnel Committee of Lisa Mosey as an interim member of the Board and seconded by William Myers. All members voted in favor and the motion was passed
- Item 2. A motion was made to approve the July 28, 2011 meeting minutes by William Myers and seconded by Rosalyn Schoonmaker. The motion passed with one abstention by Doug Dubitsky.
- Item 3. 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 month of July and August was made by William Myers and seconded by Elaine Lowengard. All members voted in favor and the motion was passed.
- Item 4. A motion was made to rescind our selection for a Medical Plan Third Party Administrator by William Myers and seconded by Rosalyn Schoonmaker. All members voted in favor and the motion was passed.

The Vendor Selection subcommittee recommended Stirling Benefits for Medical, Hearing and Vision.

A motion was made to consider and approve the new recommendation from the Vendor Selection subcommittee by Rosalyn Schoonmaker and seconded by William Myers. All members voted in favor and the motion was passed.

Item 5. Consideration, approval and adoption of the recommendations of the Legislative and Policy subcommittee regarding the following policies:

Acting Chairperson Clare Barnett turned the meeting over to Administrator Perez for a brief summary of the following policies:

Policy Re: Lost Data

A flash drive was lost or misplaced that contained active teachers' annual statements. The Attorney General's Office recommended we offer identity protection. The Auditors recommended that in the future we make immediate notice to any affected members whose sensitive information may have been lost.

Guardianship Benefits Policy

The Committee recommends approving guardian benefits to surviving spouses of deceased members; who becomes ineligible for surviving spouse benefits upon remarriage. This provision would be limited to those surviving spouses who are custodians of dependent children of the deceased member until the dependent children become ineligible for survivor benefits. Ineligibility usually happens when the dependent turns age 18.

Policy Re: Permanent Substitute Teachers

This policy would provide that a member may purchase ten months of credit provided all of the following conditions are met:

- The teacher taught for at least ten months during any school year.
- The teaching assignment required certification.
- The teacher was certified.
- The teacher was employed for an average of half-time or greater.
- The teacher was employed on the first working day of the year.

A discussion followed.

Doug Dubitsky asked if on the policy for Permanent Substitute Teachers if the regulations provide for the Permanent Substitute Teachers. Administrator Perez said this was statutory.

Doug Dubitsky asked if a vote could be taken individually. He had questions on the Guardianship Benefits Policy.

Chairperson Barnett responded yes.

A motion was made to approve the recommendation of the Legislative and Policy subcommittee for the Lost Data by William Myers and seconded by Rosalyn Schoonmaker. All members voted in favor and the motion was passed.

A motion was made to approve the recommendation of the Legislative and Policy subcommittee for Permanent Substitute Teachers by Rosalyn Schoonmaker and seconded by William Myers. All members voted in favor and the motion was passed.

A motion was made to table the policy for Guardianship Benefits Policy for more information of the annual cost of the survivorship program by William Myers and seconded by Rosalyn Schoonmaker. All members voted in favor and the motion was passed.

ITEM 6. Consideration and Approval of the recommendations from the Legislative and Policy subcommittee on new legislation.

- Revise EFT legislation to include opt out provision for those living in health care facilities. Delete new duplicate language added under Sec. 36 of P.A. 11-48.

A motion was made to approve the recommendation of the Legislative and Policy subcommittee to revise EFT legislation by William Myers and seconded by Elaine Lowengard. All members voted in favor and the motion passed.

- Include language that would provide for the hiring of an Attorney.

A motion was made to approve the recommendation of the Legislative and Policy subcommittee to include language that would provide for the hiring of an Attorney by Rosalyn Schoonmaker and seconded by Elaine Lowengard. The motion passed with one abstention by Greg Messner.

Item 7. A motion was made to adopt, consider and approve revisions to the Bylaws by Rosalyn Schoonmaker and seconded by Elaine Lowengard. All members voted in favor and the motion was passed.

Item 8. A motion was made to accept the recommendations of Mr. Robert Fitzpatrick, from CBC, to implement new premium rates for the CTRB Health Benefits Plan to become effective January 1, 2012.

The proposed premium rates:

- \$124 Medicare Supplemental with Prescriptions
- \$173 Medicare Supplemental with Prescriptions and Dental
- \$180 Medicare Supplemental with Prescriptions, Dental, Vision and Hearing

The motion was made by William Myers and seconded by Rosalyn Schoonmaker. All members

voted in favor and the motion was passed.

Item 9. A motion was made to approve the November 9th meeting for 2 pm by Rosalyn Schoonmaker and seconded by Greg Messner. All members voted in favor and the motion was passed.

MATTERS FOR BOARD INFORMATION

Retirement statistics for July and August, 2011.

Comments from the Public

Jamie Stirling from Stirling Benefits thanked the Board for selecting Stirling Benefits as the Third Party Administrator for Vision and Hearing.

Richard Follman, ARTC

Thank CBC for holding down the cost of Medical Insurance.

Richard Follman backed the Board 100% for an Attorney.

Adjournment: 4:10pm