



CT TEACHERS' RETIREMENT BOARD

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October 29, 2014

1:00 pm

The meeting of the Teachers' Retirement Board was called to order at 1:04 pm by Chairperson Clare Barnett on Wednesday, October 29, 2014 at 765 Asylum Avenue, Hartford, CT.

BOARD MEMBERS PRESENT:

Clare Barnett, Teacher Member
William Myers, Teacher Member
Rosalyn Schoonmaker, Teacher Member
Maureen Honan, Teacher Member
Al Bredehorst, Teacher Member
Clifford Silvers, Public Member
Jonathan Johnson, Public Member
Eugene Cimiano, Public Member
Lee Ann Palladino, Designee (Office of the Treasurer)
Elaine Lowengard, Public Member
Charles Higgins, Public Member
Michael Freeman, Teacher Member
Gregory Messner, Designee (Office of Policy and Management)

BOARD MEMBERS NOT IN ATTENDANCE:

Kathy Demsey, Designee (State Department of Education)

STAFF PRESENT:

Darlene Perez, TRB Administrator
Mark Aronowitz, Temporary Worker Retired
Mike Janusko, Temporary Worker Retired
Charlene Hill, Administrative Assistant

OTHERS PRESENT:

Tom Danehy, Connecticut Association of Public School Superintendents
Dr. Joseph A. Fields, TRB Benefit Consultant, Bargained Plans, LLC
Richard Follman, Association of Retired Teachers of Connecticut
Christina Gellman, Office of Fiscal Analysis
Robyn Kaplan-Cho, Connecticut Education Association
Karen Nolan, Office of Policy Management

Tom Singleton, Association of Retired Teachers of Connecticut
James Stirling, CEO, Stirling Benefits, Inc.
John Garrett, Cavanaugh Macdonald Consulting
Eric Gary, Cavanaugh Macdonald Consulting

Open meeting – Chairperson

Chairperson, Clare Barnett

1. Agency Report.

EGWP:

Joe Fields and Tom Lally have attended approximately 20 workshops around the state educating members on the new prescription plan. The reception to the information has been very positive. In the beginning we were given the wrong telephone number for Express Scripts that was widely distributed by the retired teacher groups including ARTC and CEAR which caused a lot of problems starting October 1, 2014. The error has since been corrected. The Express Scripts customer service team was prepared to provide members with general information, however, once Express Scripts started receiving calls, members expected to receive very specific information regarding plan design and copayments which goes beyond what general information covers. Express Scripts will not be able to answer those specific questions until January 1, 2015 when the plan actually goes into effect. We have discussions with Express Scripts at least weekly ranging from a half hour up to two hours ironing out any potential issues in the process. There is a process in place where any open refills from the current vendor will be transferred over to Express Scripts except for controlled substances and specialty drugs because those don't transfer over from one vendor to another. An outreach team will be contacting those members who are not able to have their prescriptions transferred over.

APPEAL:

The case of the retiree who was working at a college at the level of Professor has been resolved. He was performing in an endowed assignment so that most of the money he was paid was coming from this endowment. The Statutes limit salaries that are received from monies appropriated for education which excludes any salary obtained from this endowment which then brought his earnings well within what is allowed, so an offset was not necessary, therefore resolving this issue.

Temporary Workers Retired:

Mark Aronowitz and Mike Janusko, introduced themselves to the Board. Mark is a retired state employee with 34 years of service. Most of that time was spent in the State Comptroller's Office, where he spent 17 years as the Director of the State Accounts Payable Division. Mike Janusko spent a couple years in the State Comptroller's Office but most of his time was spent at the Division of Special Revenue and Department of Consumer Protection. Mark and Mike will also be part of the Advisory Committee.

Gregory Messner confirmed that the Advisory Committee met and had a preliminary meeting.

2. Consideration and Approval of the Pension and OPEB Valuation Report:

Clare Barnett turned the meeting over to John Garret and Eric Gary. John Garret presented a summary of the pension actuarial valuation of the assets and liabilities of the system as of June 30, 2014.

A discussion followed.

A motion was made by Rosalyn Schoonmaker and seconded by William Myers to approve and adopt the report. All members voted in favor and the motion was passed.

Eric Gary presented a summary of the Other Post-Employment Benefits valuation (OPEB).

A discussion followed.

A motion was made by William Myers and seconded by Rosalyn Schoonmaker to approve and adopt the report. All members voted in favor and the motion was passed.

3. Approval of the September 3, 2014 Meeting Minutes.

A motion was made and seconded to approve the September 3, 2014 meeting minutes. All members voted in favor with one abstention (Gregory Messner).

4. Approval of the September 24, 2014 Meeting Minutes via telephone conference.

A motion was made and seconded to approve the September 24, 2014 telephone conference meeting minutes. All members voted in favor with three abstentions (Rosalyn Schoonmaker, Clifford Silvers and Michael Freeman).

5. Consideration and Approval of the Administrator's Actions regarding:

- a. Granting of service retirement benefits for the months of August and September, 2014
- b. Survivor benefits for the months of August and September, 2014
- c. Reports & recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee at the August and September, 2014 meeting.

A motion was made and seconded to approve the granting of service retirement, survivor benefits and applications for a disability allowance for the months of August and September, 2014. All members voted in favor and the motion was passed.

6. Certification and Approval of Nomination Petitions:

Clare Barnett discussed the requirements and process of the nomination petitions. The candidate must be a member of the Teachers' Retirement Board system representing an active or retired teacher. An active teacher can only run for an active seat and a retired teacher can only run for a retired seat. They must come into the Teachers' Retirement Board to be verified as a member of the system and obtain a packet. Active teachers must obtain a minimum of 400 certified active teacher signatures, and retired teachers must obtain a minimum of 100 certified retired teacher signatures. A biographical sketch must also be submitted. The petition must be notarized and returned to the Teachers' Retirement Board to be verified that each signature is an active or retired member of the system eligible to sign the petition.

Darlene Perez confirmed that Charlene Hill, a Notary, attested that two retired teachers, Clare Barnett and Rosalyn Schoonmaker and two active teachers, Maureen Honan and Lisa Mosey met all of the minimum requirements for qualification and all of the signatures have been verified.

Clare Barnett confirmed that the four year terms for all four candidates will begin on July 1, 2015.

A motion was made and seconded to approve the nomination petitions. All members voted in favor and the motion was passed.

7. Consideration and Approval of Board Meeting Schedule for 2015:

One change was made to the schedule for 2015. The Wednesday, September 9, 2015 date was changed to Wednesday, September 2, 2015.

A motion was made and seconded to approve the schedule. All members voted in favor and the motion was passed.

MATTERS FOR THE BOARD INFORMATION:

Retirement Statistics for the months of August and September, 2014.

COMMENTS FROM OBSERVERS:

Al Bredehorst thanked James Stirling for inviting him down to Stirling Benefits in Milford, CT.

Rosalyn Schoonmaker also thanked James Stirling for the work that they do at Stirling Benefits. She commented on the great customer service they provide there.

Richard Follman asked for clarification on the "Trustee of the Trust". Clare Barnett confirmed that the Board is the Administrator of the Trust. The Treasurer is the Trustee of the funds and the sole fiduciary.

Richard Follman asked, “In 1986 all teachers hired new or transferring from districts were paying in 1.45% to Medicare. Does your statistics show that influx of people that would be able to get Medicare at 65 because you amortize out for 30 years?”

Eric Gary responded, “The membership is eligible for the \$220.00 local school district subsidy and they are reflected in the valuation process for anyone who might be pensionable in the future. You have to be eligible for Medicare A and B to be in the Medicare Supplement plan. It’s accounted for in the numbers and in the valuation.”

Joe Fields discussed that we do have almost 100% participation through the other methods people are entering into Medicare.

Eric Gary discussed that only about 10% (nationwide average) of those people who don’t qualify actually aren’t eligible to receive Medicare through other sources and it’s typically the spouse.

Clare Barnett discussed that over time there won’t be anyone anymore.

Everyone agreed.

James Stirling extended an invitation to the Board to visit Stirling Benefits.

ADJOURNMENT – 2:15 PM