



CT TEACHERS' RETIREMENT BOARD

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MINUTES

June 24, 2020 at 3:00 pm

The meeting of the Teachers' Retirement Board was called to order at 3:21 p.m. by Vice-Chairperson, Bill Myers on Wednesday, June 24, 2020.

BOARD MEMBERS PRESENT:

Clare Barnett, Chair, Retired Teacher Member
William Myers, Vice-Chair, Active Teacher Member
Steven Muench, Active Teacher Member
William Murray, Retired Teacher Member
Jonathan Johnson, Public Member
Keith Norton, State Department of Education
Lisa Mosey, Active Teacher Member
Stephen McKeever, Active Teacher Member, AFT
Laurie Martin, Office of the State Treasurer
Gregory Messner, Office of Policy and Management

BOARD MEMBERS NOT IN ATTENDANCE:

STAFF PRESENT:

Helen Sullivan, Administrator
Charlene Hill, Assistant to the Administrator
Loc Pho, Fiscal Administrative Manager
Javiel Resto, IT

OTHERS PRESENT:

John Garrett, Cavanaugh Macdonald Consulting
Ben Mobley, Cavanaugh Macdonald Consulting
Megan Budd, Marcum, LLP
Jeff Solomon, Marcum, LLP
Daniel Rhodes, Segal Consulting
Terry DeMattie, Segal Consulting
James Stirling, Stirling Benefits
Paula Backus, Retired Teacher

Call to Order: Vice- Chairperson, Bill Myers

1. Consideration and Approval of the February 2020 Board Meeting Minutes.

This item will be considered for approval at the September 9, 2020 Board Meeting.

2. Consideration and Approval of the 5-year Experience Study presented by Cavanaugh Macdonald Consulting, LLC.

John Garrett and Ben Mobley provided the results of the study of the economic and demographic experience which covers the five-year period from July 1, 2014 to June 30, 2019. The experience study includes all active and inactive members including retired members, disabled members and beneficiaries of deceased members.

A motion was made by Clare Barnett and seconded by Bill Murray to approve the 5-year experience study. All members voted in favor and the motion was passed.

3. Consideration and Approval of the June 30, 2020 credited interest to be posted to members' accounts presented by Cavanaugh Macdonald Consulting, LLC.

John Garrett and Ben Mobley presented to the Board as part of their annual services, the interest rate used to credit mandatory and voluntary contribution accounts at the end of each fiscal year. The calculation of the 10-year smoothed rate credited to these accounts is no longer necessary. The information used for this year's calculation of the estimated market return through June 30, 2020 includes the actual year to date (YTD) cash flows (as of April 30, 2020) and expected cash flows for May and June of 2020.

The interest rate of return for the mandatory contributions: 4.70%

The interest rate of return for the voluntary contributions: -4.09%

A motion was made by Clare Barnett and seconded by Lisa Mosey to approve the June 30, 2020 credited interest to be posted to members' accounts. All members voted in favor and the motion was passed.

4. Consideration and Approval of the Independent Audit Report of the June 30, 2019 GASB No. 68 and GASB No. 75 reports, presented by Marcum, LLP.

Megan Budd presented the audit reports for GASB No. 68 schedule of employer allocations and schedule of pension amounts by employer and GASB No. 75 schedule of OPEB amounts by employer as of June 30, 2019. There were no issues to report from either of the audits.

A motion was made by Bill Murray and seconded by Steve Muench to approve the independent audits of the GASB No. 68 and GASB No. 75 reports as of the June 30, 2019. All members voted in favor and the motion was passed.

5. Agency Report provided by Helen Sullivan, Administrator:

Agency Move Update:

TRB is moving to 165 Capitol Avenue in Hartford this Friday June 26, 2020. The staff has new laptops and new phones and phone lines. We sent out email announcements to all the active and retired teachers, Boards of Ed and districts to let them know we are moving. We also have it posted on our website. Staff will continue to check emails on Friday while our servers are moved to the new office.

File Software System:

The project for our file retrieval system because we are going digital is going very well. We hope to have it into effect in December which will really help to streamline some our services internally.

Phone System:

We are getting a new phone system in the new building. We are implementing a call center to streamline calls coming in to provide better customer service. Due to COVID-19, softphones were approved so staff can take calls and return calls to members when working at home.

Healthcare Update:

We do not expect any plan changes for this plan year 2020. If there are any changes it will be minimal. Our dental and prescription contracts are being extended for one year. We are working with our Segal healthcare consulting team to renegotiate those contracts. This will give our retirees less things to worry about. We will maintain some virtual open enrollment meetings and some Q&As. This will provide less exposure to our retirees during COVID-19 since we do not know what the situation will be in the fall. We are also working with our Segal team to do Healthcare audits which are done every few years.

6. Consideration and Approval of the subcommittee recommendation for the active member interim board seat.

Candidate Thomas Nicholas was recommended to the board by the subcommittee to replace Bill Myers and complete his term ending on June 30, 2021. The effective date of this seat will begin on October 1, 2020.

A motion was made by Steve Mckeever and seconded by Lisa Mosey to approve the recommendation of Thomas Nichols to fill the interim active board seat effective October 1, 2020 and ending on June 30, 2021.

7. Consideration and Approval of the Appeals Subcommittee recommendation.

The Appeals subcommittee recommended to the board to uphold the original decision of the agency staff to deny the appeal heard by the subcommittee.

A motion was made by Clare Barnett and seconded by Lisa Mosey to approve the recommendation of the appeals subcommittee to deny the appeal heard by the subcommittee. All members voted in favor and the motion was passed.

8. Consideration and Approval of the Administrator (Helen Sullivan) and Fiscal Administrative Manager (Loc Pho) to negotiate and/or execute any and all contracts, agreements, drafts, warrants and any such other arrangements necessary to operate or conduct the business of the Connecticut Teachers' Retirement System and for the payment of any benefits permitted or required.

A motion was made by Lisa Mosey and seconded by Bill Murray to authorize Helen Sullivan (Administrator) and the Fiscal Administrative Manager, Loc Pho to negotiate and/or execute any and all contracts etc., and any other such arrangements necessary to operate or conduct the business of the Connecticut Teachers' Retirement System. All members voted in favor and the motion was passed.

9. Consideration and Approval of the resolution renewal regarding the Medical Review Committee who consist of a panel of Doctors who review and render decisions on disability applications.

A motion was made by Bill Myers and seconded by Lisa Mosey to renew the Medical Review Committee Resolution. All members voted in favor and the motion was passed.

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

- a. Granting of service retirement benefits for the months of February, March, April, and May 2020.
- b. Survivor benefits for the months of February, March, April and May 2020.
- c. Reports & recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee at the February, March, April and May 2020 meetings.

A motion was made by Lisa Mosey and seconded by Bill Murray to approve the granting of service retirement, survivor benefits and applications for a disability allowance for the months of- February, March, April, and May 2020. All members voted in favor and the motion was passed.

MATTERS FOR THE BOARD INFORMATION:

Retirement Statistics for the month February, March, April and May 2020.

PUBLIC COMMENTS:

James Stirling thanked the board and TRB staff and advised that claim numbers are winding down. He expects to continue paying claims for the remainder of the year.

Paula Backus commented regarding the continuing dental and prescription plans and was hoping the TRB could provide more information on member's healthcare via zoom and call in instead of just call in. She also thanked everyone for their service.

ADJOURNMENT:

With no other comments or announcements, a motion was made by Bill Murray and seconded by Steve McKeever to adjourn the meeting. All members voted in favor and the motion was passed.

The meeting adjourned at 5:03 p.m.