

**PENSION COMMISSION  
City Conference Room  
260 Constitution Plaza  
Friday, August 2, 2013  
9:00 a.m.**

**MINUTES**

**PENSION ADMINISTRATION**

**MEMBERS PRESENT:** Peter Stevens, Chairman; Frank Lord; Gene Goldman; Marc Nelson, Employee Representative; Adam Cloud, Secretary

**STAFF PRESENT:** Donna Parker, Plan Administrator; Anne Coleman, Assistant Plan Administrator; Lisa Silvestri, Assistant Corporation Counsel; Carmen Sierra, Assistant City Treasurer; Terry Williams, Senior Administrative Assistant

**OTHERS PRESENT:** George Zoltowski, Office of Management and Budget

**Chairman Peter Stevens called the meeting to order at 9:06 a.m.**

**I. Minutes of the Meeting of June 28, 2013**

There were no changes or corrections to the minutes as presented.

**A motion was made, seconded and unanimously adopted to accept the minutes of the June 28, 2013 meeting. Chairman Stevens abstained from voting.**

**II. Survivor Benefits**

**A motion was made, seconded and unanimously adopted to approve the following survivor benefits:**

Breen, Joan \*, survivor of the late James Breen, member of the Municipal Employees' Retirement Fund (MERF) who died June 7, 2013 (Survivor benefits under the MERF; Emp. #S063150 / 980260)

Effective Date:	July 1, 2013	
Annual Allowance:		\$ 14,811.84
Monthly Allowance:		1,234.22

Yancovich, Ruth, survivor of the late Henry Yancovich, member of the Municipal Employees' Retirement Fund (MERF) who died June 19, 2013 (Survivor benefits under the MERF; Emp. #S788320 / 980261)

Effective Date:	July 1, 2013	
Annual Allowance:		\$ 15,596.88
Monthly Allowance:		1,299.74

\* This benefit is being presented for ratification. The first payment was made in July 2013.

**III. Regular Retirements**

**A motion was made, seconded and unanimously adopted to approve the following regular retirement benefits:**

		<u>AMOUNT</u>		
<u>Betz, John</u> *				
Emp. # 941729 / 990517				
Union: HPU				
	Years	Months	Days	
Term of Service (including Sick Exchange):	27	0	0	
Sick Exchange:	4	0	0	
Grounds:	Service			
Effective Date:	June 7, 2013			
Average Salary:	Highest 3 out of last 5 years			\$ 98,273.73
		Final Base Pay		99,921.12
Pension Allowed:	70.00 %			68,791.56
Monthly Payment:				5,732.63

**Pension Commission  
Pension Administration Minutes  
August 2, 2013  
Page 3**

**III. Regular Retirements (continued)**

AMOUNT

Casares Jr., Edward \*  
Emp. # 097292/ 990519  
Union: Local 760

	Years	Months	Days	
Term of Service (including Sick Exchange):	34	0	0	
Sick Exchange:	2	0	0	
Grounds:	Service			
Effective Date:	June 14, 2013			
Average Salary:	Final Base Pay			\$ 138,690.03
Pension Allowed:	85.00 %			117,886.56
Monthly Payment:				9,823.88

Cmara, Maureen  
Emp. # 913082 / 990520  
Union: Local 82

	Years	Months	Days	
Term of Service (including Sick Exchange):	13	0	0	
Sick Exchange:	0	0	0	
Grounds:	Early			
Effective Date:	August 2, 2013			
Average Salary:	Highest 3 out of last 5 years			\$ 82,683.01
	Final Base Pay			80,866.00
Pension Allowed:				\$ 26,871.96
Unreduced Pension:	32.50 %			16.00 %
Early Reduction Factor:	4.00 % for each year prior to age 60			\$ 22,572.48
Reduced Pension:				1,881.04
Monthly Payment:				

Condon, William \*  
Emp. # 943413 / 990518  
Union: HMEA

	Years	Months	Days	
Term of Service (including Sick Exchange):	19	0	0	
Sick Exchange:	4	0	0	
Grounds:	Service			
Effective Date:	May 3, 2013			
Average Salary:	Highest 2 out of last 5 years			\$ 60,983.95
	Final Base Pay			52,030.00
Pension Allowed:	51.25%			31,254.24
Monthly Payment:				2,604.52

**Pension Commission  
Pension Administration Minutes  
August 2, 2013  
Page 4**

**III. Regular Retirements (continued)**

AMOUNT

Dodson, Ula \*

Emp. # 201987 / 990516

Union: HMEA

	Years	Months	Days
Term of Service (including Sick Exchange):	31	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	July 10, 2013		
Average Salary:	Highest 2 out of last 5 years		\$ 69,646.91
		Final Base Pay	68,994.00
Pension Allowed:	75.00 %		52,235.16
Monthly Payment:	4,352.93		

Rich, Veronica

Emp. #940999 / 990515

Union: CHPEA

	Years	Months	Days
Term of Service (including Sick Exchange):	10	0	0
Sick Exchange:	0	0	0
Grounds:	Vested Service		
Termination Date:	March 5, 1998		
Effective Date:	August 17, 2013		
Average Salary:	Highest 2 out of last 5 years		\$ 34,456.26
		Final Base Pay	34,983.00
Pension Allowed:	25.00 %		8,614.08
Monthly Payment:	717.84		

\* These benefits are being presented for ratification. The first payments were made in July 2013.

**IV. Terminated Vested – Request to Vest Benefits**

**A motion was made, seconded and unanimously adopted to approve the following request to vest benefits:**

		<u>AMOUNT</u>
<u>Diaz, Rafael</u>		
Emp. # 943488		
Union: Local 760		
Date of Termination:	December 19, 2012	
Term of Service:	14 years	
Grounds:	Vested Service	
Normal Retirement Date:	March 10, 2018	
Average Salary:	Final Base Pay	\$ 74,375.65
Pension Allowed:	39.20 %	29,155.20
Monthly Payment:		2,429.60

**V. Pension Benefit Adjustments**

Chairman Stevens introduced the item. The Plan Administrator, Donna Parker, explained that Mr. Armstrong retired with a disability pension effective December 19, 2001. Now that he has reached age 60, Ms. Parker stated, he has requested to have his pension reclassified to a Service Retirement Benefit, so he would not need to provide annual disability affidavits. She concluded by stating that the reclassification would be effective on July 1, 2013, with no retroactive adjustments.

**A motion was made, seconded and unanimously adopted to approve the following pension benefit adjustment:**

Armstrong, Leroy  
Emp. #018341

From:	\$ 1,432.63
To:	\$ 1,474.00

**VI. Employee Pension Contribution Adjustments**

**1. Contributions Owed to the Employee**

Chairman Stevens introduced the item. The Plan Administrator, Donna Parker, explained that in June 2001, Ms. Fothergill transferred from CMERS to the MERF and transferred her CMERS contributions to the MERF, but she never completed the purchase of her CMERS service. As a result, Ms. Parker continued, any employee contributions transferred from CMERS to the MERF are to be returned to the employee. The Plan Administrator recommended that the Commission authorize a refund of the CMERS contributions to Ms. Fothergill.

**A motion was made, seconded and unanimously adopted to approve the following employee pension contribution adjustment:**

Fothergill, Jesselyn  
Amount Due: \$ 8,620.45  
Interest Due: 8,517.21

**VII. Separations from Pension Payroll**

**The following separations from Pension Payroll were placed on file:**

<u>EMPLOYEE NUMBER</u>	<u>NAME</u>	<u>DATE OF DEATH</u>	<u>PENSION AMOUNT</u>	<u>PENSION PLAN</u>
17663	Arcata, Lucy	06/11/2013	\$ 2,937.76	MERF
63150	Breen, James	06/07/2013	3,312.26	MERF
S115940	Cleary, Lucille	06/01/2013	494.45	FRF
362760	Hurd, George	07/07/2013	564.96	MERF
595705	Huston, Roberta *	06/30/2013	719.48	PBF
385824	Katin, Alice	07/17/2013	177.75	MERF
S385833	Katin, Alice	07/17/2013	58.53	MERF
S576787	O'Neill, Mildred	06/10/2013	763.52	MERF
S577561	O'Rourke, Patricia	06/12/2013	135.48	MERF
653454	Parnes, Dorothy	06/01/2013	131.86	MERF
980038	Pilon, Donald *	06/30/2013	719.48	PBF
741507	Vacco, Sterina	06/05/2013	765.71	MERF
788320	Yancovich, Henry	06/19/2013	2,599.48	MERF

\* Non-spouse beneficiaries who were eligible to receive survivor benefits for a period of 10 years following the death of the participant. The 10-year payment period ended June 30, 2013.

**VII. Separations from Pension Payroll (continued)**

The pension for the following individual has been reinstated since the Pension Unit has received verification of his address.

<u>EMPLOYEE NUMBER</u>	<u>NAME</u>	<u>DATE OF REMOVAL</u>	<u>PENSION AMOUNT</u>	<u>PENSION PLAN</u>
940267	Pu'sey, Harold	May 1, 2013	\$ 1,737.20	MERF

**VIII. Request for Refunds of Pension Contributions**

**A motion was made, seconded and unanimously adopted to approve the following refunds of pension contributions:**

<u>NAME</u>	<u>AMOUNT</u>
Burts, Jimmie L.	\$ 397.46
Coleman, Xiomara	5,692.83
Davis, Samantha	3,513.15
Giulliano, Justin	3,702.10
Kupiec, Jared	17,699.99
Leftwich, Arvid	10,894.82
Luna, David	19,547.74
Myers, Jerome	8,248.99
Reyes, Tiffany	2,911.67

None of the above members is vested, or, if vested, he or she has been informed of, and has waived, his or her rights to a vested benefit in lieu of a contribution refund.  
The amounts shown above include interest.

Commissioner Goldman asked when employees were entitled to a refund of employee contributions. The Plan Administrator, Donna Parker, stated that the Pension Administration Unit policy was to refund employee contributions after an employee was fully paid out by the City. Ms. Parker further explained that since an employee had the option of receiving payment of accumulated vacation time in a lump sum or by "run out", the timing of the payment of employee contributions might be shortly after termination, or months after termination of employment if an employee had accumulated significant vacation time and elected to run the time out in regular paychecks.

**IX. Service Purchases**

**Routine Service Purchases**

Chairman Stevens introduced the item. The Plan Administrator stated that the following individuals have requested the purchase of additional pension service under the provisions of the Municipal Code of the City of Hartford, Article I, Division I, Section 2A-8.

**The requests were accepted and placed on file.**

<u>NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>			<u>PURCHASE PRICE</u>
		<u>Years</u>	<u>Months</u>	<u>Days</u>	
Murtha, Robert	Prior City	4	7	25	\$ 29,876.40
Yergeau, Edward	Military	3	11	13	29,228.62

These individuals have completed their service purchases.

**X. Qualified Domestic Relations Orders**

Chairman Stevens introduced the item. The Plan Administrator reported that the Pension Unit had received one properly executed Qualified Domestic Relations Orders (QDRO) for the MERF. The Plan Administrator recommended that the Commission approve the Order as presented.

**A motion was made, seconded and unanimously adopted to approve the following QDRO, with assignment as indicated, subject to like reductions in the contribution and pension accounts of the plan member.**

**MERF**

QDRO: 13-12

Entered into Court Records: July 16, 2013

Benefit Calculation Date: July 8, 2013

		<u>Percentage</u>	<u>Dollar Amount</u>
Benefit Assigned to Alternate Payee:	Monthly:	40.00 %	\$ 2,291.72
Pension Contributions Assigned:	Pre-Tax:	40.00 %	49,061.34
	Post-Tax:	40.00 %	108.73
	Interest:	40.00 %	0.00

Alternate Payee Retirement Date: April 26, 2014

**XI. Consideration of Report on Section 457 Deferred Compensation Quarterly Status**

Chairman Stevens introduced the item. Ms. Parker noted that she was providing the summary pages of the quarterly report provided by Mass Mutual for the Section 457 Deferred Compensation Plan for the quarter ending on June 30, 2013, as requested by the Commissioners.

**The Commission received the report for advice and placed it on file.**

**XII. Other Business**

Chairman Stevens introduced the item. The Secretary, Adam Cloud, indicated that he had three items of Other Business.

Secretary Cloud informed the Commissioners that the Treasurer's Office, Chief Operating Officer, and Corporation Counsel were working with the Board of Education on an OPEB (Other Post-Employment Benefits) ordinance. Secretary Cloud further explained that Assistant Corporation Counsel, Lisa Silvestri, drafted a letter for the Mayor to present to City Council on August 12, 2013, to create an OPEB Trust, and that creation of an OPEB Trust would allow the Pension Commission to invest the money in the Trust, with oversight by the City Treasurer. Secretary Cloud stated that the OPEB liabilities were approximately \$240 million, and he believed that setting up an OPEB trust would be a prudent step for the City.

Assistant Corporation Counsel Silvestri stated that state statute allowed for the creation of an OPEB trust, and that the Municipal Code gave the Pension Commission jurisdiction over post-employment benefits. She further explained that the OPEB Committee would consist of the Pension Commission, the Mayor (or designee), and the Superintendent of Schools (or designee). She added that the OPEB trust would be irrevocable. Assistant Corporation Counsel Silvestri reported that GASB (Government Accounting Standards Board) had issued a standard stating that municipalities could not continue to issue only a current year cost for OPEB, but must also report the unfunded liability.

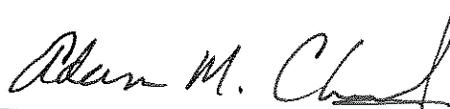
Secretary Cloud concluded by stating that the first step was for the City Council to approve the creation of the OPEB trust, after which there would be many operational issues.

Secretary Cloud reported that the Pension Administration Unit had implemented a merit based performance review process, where instead of flat 2% raises, the raises, if any, would be based on performance.

Secretary Cloud informed the group that former Secretary Kathleen Palm Devine's husband, Joseph Devine, passed away on Sunday, July 28, and services were planned for Monday in Mystic, Connecticut.

There being no further business, Chairman Stevens adjourned the Pension Administration portion of the meeting at 9:50 p.m.

**Attest:**



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**Adam M. Cloud, Secretary**