

**PENSION COMMISSION
City Conference Room
260 Constitution Plaza
Friday, September 27, 2013
9:00 a.m.**

MINUTES

PENSION ADMINISTRATION

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

MEMBERS EXCUSED: Frank Lord

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

OTHERS PRESENT: Richard Pokorski, Employee Benefits; Jose Sanchez, Office of Management and Budget; Richard Pszenny, NEPC

Chairman Peter Stevens called the meeting to order at 9:14 a.m.

I. Minutes of the Meeting of August 2, 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 August 2, 2013 meeting.

II. Survivor Benefits

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

Arcata, Angelo *, survivor of the late Lucy Arcata, member of the Municipal Employees' Retirement Fund (MERF) who died June 11, 2013 (Survivor benefits under the MERF; Emp. #S017663 / 980263)

Effective Date: July 1, 2013
Annual Allowance: \$ 17,626.56
Monthly Allowance: 1,468.88

Beard, Susan *, beneficiary of the late Harold Beard, member of the Police Benefit Fund (PBF) who died July 23, 2013 (Survivor benefits under the MERF; Emp. #B035769 / 980265)

Effective Date: August 1, 2013
Annual Allowance: \$ 9,506.40
Monthly Allowance: 792.20

Choquette, Anne Marie, survivor of the late Gregory Choquette, member of the Municipal Employees' Retirement Fund (MERF) who died August 21, 2013 (Survivor benefits under the MERF; Emp. #S106631 / 980267)

Effective Date: September 1, 2013
Annual Allowance: \$ 24,711.60
Monthly Allowance: 2,059.30

Coyne, Michael *, survivor of the late Anne Coyne, member of the Municipal Employees' Retirement Fund (MERF) who died November 18, 2001 (Survivor benefits under the MERF; Emp. #S901951 / 980264)

Effective Date: January 30, 2008
Annual Allowance: \$ 3,793.56
Monthly Allowance: 316.13

Fasanelli, Marti *, survivor of the late Antonio Fasanelli, member of the Police Benefit Fund (PBF) who died May 3, 2013 (Survivor benefits under the PBF; Emp. #S241113 / 980262)

Effective Date: June 1, 2013
Annual Allowance: \$ 20,425.56
Monthly Allowance: 1,702.13

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II. Survivor Benefits (continued)

Gendreau, Alcide, survivor of the late Patricia Gendreau, member of the Municipal Employees' Retirement Fund (MERF) who died August 16, 2013 (Survivor benefits under the MERF; Emp. #S282189 / 980266)

Effective Date: September 1, 2013
Annual Allowance: \$ 4,671.84
Monthly Allowance: 389.32

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

III. Regular Retirements

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

		<u>AMOUNT</u>		
<u>Beliveau, David *</u>				
Emp. # 941683 / 990523				
Union: Local 760				
	Years	Months	Days	
Term of Service (including Military Service and Sick Exchange):	31	2	12	
Military Service	3	5	23	
Sick Exchange:	4	2	12	
Grounds:	Service			
Effective Date:	July 14, 2013			
Average Salary:	Final Base Pay		\$ 125,181.02	
Pension Allowed:	85.00 %		106,403.88	
Monthly Payment:	8,866.99			

<u>Diaz, Priscilla</u>				
Emp. # 576964 / 990521				
Union: HMEA				
	Years	Months	Days	
Term of Service (including Sick Exchange):	29	0	0	
Sick Exchange:	0	0	0	
Grounds:	Service			
Effective Date:	August 31, 2013			
Average Salary:	Highest 2 out of last 5 years		\$ 68,329.03	
	Final Base Pay		68,650.00	
Pension Allowed:	75.00 %		51,246.72	
Monthly Payment:	4,270.56			

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III. Regular Retirements (continued)

AMOUNT

Diego, Regla

Emp. # 915602 / 990527

Union: Local 82

	Years	Months	Days
Term of Service (including Sick Exchange):	11	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	August 9, 2013		
Average Salary:	Highest 3 out of last 5 years		\$ 73,710.57
	Final Base Pay		73,155.00
Pension Allowed:	27.50 %		20,270.40
Monthly Payment:	1,689.20		

Domingo, Eva

Emp. # 912648 / 990528

Union: Local 2221

	Years	Months	Days
Term of Service (including Sick Exchange):	12	0	0
Sick Exchange:	0	0	0
Grounds:	Early		
Effective Date:	June 29, 2013		
Average Salary:	Highest 3 out of last 5 years		\$ 27,750.34
	Final Base Pay		24,578.00
Pension Allowed:			
Unreduced Pension:	30.00 %		\$ 8,325.12
Early Reduction Factor:	4.00 % for each year prior to age 60		12.00 %
Reduced Pension:	\$ 7,326.12		
Monthly Payment:	610.51		

Dubay, Mary

Emp. # 909050 / 990533

Union: Local 1018C

	Years	Months	Days
Term of Service (including Sick Exchange):	18	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	August 16, 2013		
Average Salary:	Highest 5 out of last 10 years		\$ 40,738.54
	Final Base Pay		40,165.00
Pension Allowed:	36.00 %		14,666.92
Monthly Payment:	1,222.16		

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III. Regular Retirements (continued)

		<u>AMOUNT</u>		
<u>Gionfriddo, Angela *</u>				
Emp. # 289531 / 990524				
Union: Local 1018C				
		Years	Months	Days
Term of Service (including Sick Exchange):		28	0	0
Sick Exchange:		0	0	0
Grounds:	Service			
Effective Date:	August 2, 2013			
Average Salary:	Highest 5 out of last 10 years			\$ 61,561.65
	Final Base Pay			63,032.00
Pension Allowed:	56.00 %			34,474.56
Monthly Payment:				2,872.88
 <u>Lewis, Eloise</u>				
Emp. # 912994 / 990528				
Union: Local 2221				
		Years	Months	Days
Term of Service (including Sick Exchange):		14	0	0
Sick Exchange:		0	0	0
Grounds:	Service			
Effective Date:	June 29, 2013			
Average Salary:	Highest 3 out of last 5 years			\$ 27,092.84
	Final Base Pay			24,661.00
Pension Allowed:	35.00 %			9,482.52
Monthly Payment:				790.21
 <u>Quiroga, Leopoldo</u>				
Emp. # 943734 / 990532				
Union: HPU Non-Sworn				
		Years	Months	Days
Term of Service (including Sick Exchange):		18	0	0
Sick Exchange:		4	0	0
Grounds:	Service			
Effective Date:	August 8, 2013			
Average Salary:	Highest 3 out of last 5 years			\$ 36,311.70
	Final Base Pay			36,428.00
Pension Allowed:	45.00 %			16,340.28
Monthly Payment:				1,361.69

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III. Regular Retirements (continued)

AMOUNT

Vinick, Carol

Emp. # 901112 / 990534

Union: Local 1018 AB

	Years	Months	Days
Term of Service (including Sick Exchange):	28	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	September 4, 2013		
Average Salary:	Highest 3 out of last 5 years		\$ 79,360.78
	Final Base Pay		77,489.00
Pension Allowed:	70.00 %		55,552.56
Monthly Payment:	4,629.38		

Williams, Ella *

Emp. # 943192 / 990526

Union: SCGA

	Years	Months	Days
Term of Service (including Sick Exchange):	15	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	April 14, 2012		
Average Salary:	Highest 5 out of last 10 years		\$ 9,683.52
	Final Base Pay		10,216.80
Average Social Security:			9,408.71
Pension Allowed:	(2.00 % x Average Salary in excess of Average Social Security + 1.00% x Average Social Security) x Service		1,493.76
Monthly Payment:	124.48		

Zazzaro, Joseph *

Emp. # 940783 / 990525

Union: Local 760

	Years	Months	Days
Term of Service (including Sick Exchange):	25	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	July 21, 2013		
Average Salary:	Final Base Pay		\$ 77,123.80
Pension Allowed:	70.00 %		53,986.68
Monthly Payment:	4,498.89		

III. Regular Retirements (continued)

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

IV. Terminated Vested – Requests to Vest Benefits

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

			<u>AMOUNT</u>
<u>Diaz, Brunilda</u>			
Emp. # 909521			
Union: Local 2221			
Date of Termination:	March 12, 2013		
Term of Service:	16 years		
Grounds:	Vested Service		
Normal Retirement Date:	March 2, 2023 (Age 60)		
Average Salary:	Highest 3 out of the last 5 years		\$ 31,605.77
	Final Base Pay		30,653.00
Pension Allowed:	40.00 %		12,642.36
Monthly Payment:			1,053.53

V. Employee Pension Contribution Adjustments

Chairman Stevens introduced the item. The Plan Administrator, Donna Parker explained that the Pension Unit had completed an audit of the pension contribution deduction codes in payroll for the active CHPEA and HMEA employees, and found four additional employees who were set up with an incorrect HMEA or CHPEA deduction code and needed contribution refunds.

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

<u>Employee</u>			<u>Refund</u>	<u>Interest</u>
<u>Number</u>	<u>Name</u>	<u>Union</u>	<u>Due:</u>	<u>Due:</u>
941492	Chapman, Shyrlene	HMEA	\$ 10,320.36	\$ 464.09
940648	Robertson, Arlene	HMEA	13,157.09	1,366.56
945487	Ware, LaShaunda	CHPEA	521.32	
944372	Williams, Lue	HMEA	10,838.92	1,322.10

VI. 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>
35769	Beard, Harold	07/23/2013	\$ 1,584.39	PBF
73709	Buckley, Francis	07/28/2013	236.60	MERF
101737	Cebollero, Arline	08/21/2013	1,317.38	MERF
106631	Choquette, Gregory	08/21/2013	4,118.60	MERF
S126837	Collins, Arline	07/19/2013	510.63	MERF
S165248	Daly, Josephine	08/12/2013	864.46	FRF
167231	Damato, Michael	07/31/2013	3,110.81	MERF
282189	Gendreau, Patricia	08/16/2013	778.63	MERF
S445071	Liebl, Alice	08/21/2013	709.95	PBF
990056	Stainrod, Aubrey	08/13/2013	108.13	MERF
747718	Vilbrin, James	07/25/2013	804.41	MERF

The pension for the following individual was suspended due to the fact that at least two pension payments remain uncashed or were returned as undeliverable and the individual had not responded to inquiries made by the Pension Unit as to her address and/or status.

<u>EMPLOYEE NUMBER</u>	<u>NAME</u>	<u>DATE OF REMOVAL</u>	<u>PENSION AMOUNT</u>	<u>PENSION PLAN</u>
980042	Gsoell, Gloria	08/31/2013	\$ 418.43	PBF

VII. 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>
Arborio, Anthony	\$ 10,296.56
Arroyo, Guadalupe	302.39
Brooks, Lakina	26,157.99
Byers, Shevonda	18,620.78
Carruth, Joshua	33,368.96
Costantini, Jamie *	4,080.65

VII. Request for Refunds of Pension Contributions (continued)

<u>NAME</u>	<u>AMOUNT</u>
Etzel, Christine	\$ 5,409.05
Hackett, William	3,269.14
Hardrick, Carl O. *	363.35
Jaffee, Andrew	22,751.38
Kitchens, Vernessa **	2,963.95
McDowell, Alysia	1,685.49
Parkin, Rebecca	4,495.92
Rivera-Michaud, Jennie	363.38
Rodriguez-Figueroa, Antonio	7,371.09
Rodriguez, Chiedza	5,345.72
Sargent, James	4,459.70

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.

* Additional interest due

** Beneficiary of deceased active MERF member, La'Keisha Kitchens

VIII. Request for Refund of Contributions for Excess Purchased Service

A motion was made, seconded and unanimously adopted to refund the following amounts paid for additional pension service that was not able to be used in the pension calculation:

<u>Name</u>	<u>Amount Due:</u>	<u>Service Type</u>
Beliveau, David	\$ 2,664.75	Military

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>	
Costello, Frank *	Military	2	0	0	\$ 25,861.72
Huertas, Joseph*	Military	0	6	9	2,562.62
Huertas, Joseph*	City	1	4	20	4,863.17
Kessler, Steven*	Military	3	0	0	14,272.50
McKenzie-Tibby, Veneice**	CMERS	3	7	29	3,432.03
Rivera, Tanya **	CMERS	7	0	14	14,730.31

* This individual has completed his service purchase.

** This individual has signed a promissory note.

X. Qualified Domestic Relations Orders

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

A motion was made, seconded and unanimously adopted to approve the following QDROs, with assignments as indicated, subject to like reductions in the contribution and pension accounts of the plan member, and also approved payment to the Alternate Payee subject to receipt of a properly executed *Application for Pension*.

MERF

QDRO: 13-13

Entered into Court Records: July 23, 2013
Benefit Calculation Date: October 12, 2006

		<u>Percentage</u>	<u>Dollar Amount</u>
Benefit Assigned to Alternate Payee:	Monthly:	41.00 %	\$ 1,227.20
Pension Contributions Assigned:	Pre-Tax:	41.00 %	15,655.28
	Post-Tax:	41.00 %	19,874.29
	Interest:	41.00 %	0.00

Alternate Payee Retirement Date: September 1, 2013

QDRO: 13-14

Entered into Court Records: August 29, 2013
Benefit Calculation Date: February 14, 2013

		<u>Percentage</u>	<u>Dollar Amount</u>
Benefit Assigned to Alternate Payee:	Monthly:	50.00 %	\$ 3,267.57
Pension Contributions Assigned:	Pre-Tax:	50.00 %	0.00
	Post-Tax:	50.00 %	0.00
	Interest:	50.00 %	0.00

Alternate Payee Retirement Date: October 1, 2013

XI. Hardship Withdrawal Requests

Chairman Stevens introduced the item. The Plan Administrator, Donna Parker stated that the Pension Unit had received six requests for hardship withdrawals from the Section 457 deferred compensation plan.

Application 13-03: Ms. Parker summarized the request by stating that the applicant had received a foreclosure notice on the mortgage of his primary residence. Ms. Parker went on to explain that foreclosure on a participant's primary residence met the IRS guidelines for a Hardship Withdrawal and recommended that the Commission ratify the approval given by Mass Mutual's Hardship Review Committee and the Pension Commission's Review Committee.

Application 13-04: Ms. Parker summarized the request by stating that the applicant had unpaid property taxes and mortgage payments due to loss of income from a sudden medical condition. Ms. Parker went on to explain that overdue property bills were not a qualifying event per IRS guidelines, but the injury leading to decreased income was a qualifying event. She recommended that the Commission ratify the approval given by Mass Mutual's Hardship Review Committee and the Pension Commission's Review Committee.

Application 13-05: Ms. Parker summarized the request by stating that the applicant had received an eviction notice from his apartment and had unpaid dental bills. Ms. Parker went on to explain that these reasons met the IRS guidelines for a Hardship Withdrawal and recommended that the Commission ratify the approval given by Mass Mutual's Hardship Review Committee and the Pension Commission's Review Committee.

Application 13-06: Ms. Parker summarized the request by stating that the applicant had received a foreclosure notice on the mortgage of his primary residence. Ms. Parker went on to explain that foreclosure on a participant's primary residence met the IRS guidelines for a Hardship Withdrawal and recommended that the Commission ratify the approval given by Mass Mutual's Hardship Review Committee and the Pension Commission's Review Committee.

Application 13-07: Ms. Parker summarized the request by stating that the applicant was unable to pay his rent because he was out of work and behind on his bills. Ms. Parker went on to explain that failure to pay rent did not meet the IRS guidelines for a Hardship Withdrawal and recommended that the Commission ratify the denial given by Mass Mutual's Hardship Review Committee and the Pension Commission's Review Committee.

XI. Hardship Withdrawal Requests (continued)

Application 13-08: Ms. Parker summarized the request by stating that the applicant was evicted from his apartment and needed money to pay the first month of rent for a new apartment. Ms. Parker continued to explain that since default on a residence cannot be cured, Mass Mutual’s compliance team advised that approval of the amount necessary to secure a new residence, as the result of eviction, was within IRS guidelines. She recommended that the Commission ratify the approval given by Mass Mutual’s Hardship Review Committee and the Pension Commission’s Review Committee.

A motion was made, seconded and adopted to ratify the approvals for hardship withdrawal requests 13-03, 13-04, 13-05, 13-06 and 13-08 and to ratify the denial for hardship withdrawal request 13-07 as presented.

XII. Consideration of Report on Automatic Pension Adjustments for FRF and PBF

Chairman Stevens introduced the item. The Plan Administrator summarized her report, stating that the retirees under two old closed plans, the Police Benefit Fund (PBF) and the Firemen’s Relief Fund (FRF), received automatic increases by contract, due to wage adjustments for active police and firefighters of equivalent rank, with the July 1, 2013 pension payment.

Police Benefit Fund (PBF)

EE #	Last Name	First Name	MI	January 1, 2013 Monthly Pension	July 1, 2013 Monthly Pension	Monthly Change
32069	Barber	Thomas	A.	\$ 2,829.10	\$ 2,870.05	\$ 40.95
35769	Beard	Harold		1,560.77	1,584.39	23.62
236497	Faenza	John	J.	1,995.88	2,025.17	29.29
267155	Frank	Ralph	J.	1,989.09	2,020.42	31.33
296120	Goldstein	Benjamin		2,379.71	2,409.26	29.55
571237	O'Connor	Robert	J.	1,977.57	2,007.69	30.12
764604	Welles	Arthur	C.	2,558.63	2,595.98	37.35
		Total		\$15,290.75	\$15,512.96	\$ 222.21

**XII. Consideration of Report on Automatic Pension Adjustments for FRF and PBF
(continued)**

Fireman's Relief Fund (FRF)

EE #	Last Name	First Name	MI	January 1, 2103 Monthly Pension	July 1, 2013 Monthly Pension	Monthly Change
391107	Keenan	James	F.	2,062.73	2,084.86	22.13
539198	Muller	James	R.	1,673.25	1,695.38	22.13
682853	Skehan	Edward		1,743.36	1,766.40	23.04
735752	Treglia	Vincent		1,936.94	1,962.31	25.37
Total				\$7,416.28	\$7,508.95	\$ 92.67

A motion was made, seconded and unanimously adopted to ratify the automatic pension adjustments for the FRF and PBF retirees effective July 1, 2013.

XIV. Disability Retirements

A motion was made, seconded and unanimously adopted to take Item XIV out of order, then a motion was made, seconded and unanimously adopted to enter into executive session to discuss the disability applications before the Commission, after which a motion was made, seconded and unanimously adopted to return to open public session.

A motion was made, seconded and unanimously adopted to approve the following disability retirement application:

Application

Guzman, Bernardo
Emp. # 316818 / 990530
Union: Local 760

AMOUNT

	Years	Months	Days
Term of Service (including Sick Exchange):	33	0	0
Sick Exchange:	2	0	0
Grounds:	Non-Service Connected Permanent Total		
Effective Date:			
Average Salary:	Final Rate of Pay	\$ 118,542.87	
Pension Allowed:	85.00%	100,761.48	
Monthly Payment:	8,396.79		

XIV. Disability Retirements (continued)

Reclassification to Disability Retirement

A motion was made, seconded and unanimously adopted to approve the following request to extend the one year deadline, from September 30, 2013 to June 30, 2014, to request a reclassification from a service retirement to a disability retirement.

		<u>AMOUNT</u>		
<u>Zangari, Thomas</u>				
Emp. # 990489				
Union: Local 760				
		Years	Months	Days
Term of Service (including Sick Exchange):		32	0	0
Sick Exchange:		2	0	0
Grounds:	Service Connected Permanent Partial			
Retirement	September 28, 2012			
Approved:				
Effective Date:	August 19, 2012			
Average Salary:	Final Rate of Pay		\$ 96,440.83	
Pension Allowed:	85.00%		81,974.76	
Monthly Payment:			6,831.23	

XIII. 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 Deferred Compensation Committee met with Retirement Plan Advisors (RPA) recently, and asked them to recommend two investment alternatives to BlackRock Capital Appreciation Fund, which had been on the watch list for several quarters, in the event that the Committee wanted to replace that fund.

Secretary Cloud reported that Section 457 plan contributions were posted late due to negative amounts on the file. He explained that Anne Coleman had resolved the issues with Mass Mutual and payroll, and he thanked her for resolving the issue promptly.

Secretary Cloud added that he was working collaboratively with Richard Pokorski on a college tuition benefit program administered by Colonial Life. Secretary Cloud explained that the program would be available to all Section 457 plan participants, and would allocate 5% of an employee's deferred compensation balance to a college tuition

account, which could be used at 300 participating colleges. He further explained that the next steps were due diligence, and presentations to union presidents and department heads.

Secretary Cloud reported that he had been working with the Operations, Management and Budget Committee (OMB) on the issue of "double dipping" and rehired retirees. Secretary Cloud explained that there were currently two options for rehired retirees: receive a paycheck and suspend their pension, while building a second pension, or receive a paycheck and a pension, and opt out of the MERF. Previously Hooker and Holcombe had estimated the cost impact of these options, he added, and rehired retirees who opted out of the MERF reduced the City's annual contribution. The group then discussed the current pension provisions for rehired retirees, which vary by group and union.

Secretary Cloud informed the group that he had participated in discussions regarding the removal of EMBERS for unclassified employees. He further explained that the OMB was reviewing options for both new and existing employees, and that in his opinion, changes to EMBERS would create difficulties in recruiting and retaining department heads.

There being no further business, Chairman Stevens adjourned the Pension Administration portion of the meeting at 10:14 a.m.

Attest:



Adam M. Cloud, Secretary