

Old Saybrook Pension and Benefits Board
Friday, February 21, 2020
8:30 a.m.
First-floor Conference Room, Town Hall

Special Meeting Minutes-Amended

Attendees

Members Present:

Darrell Pataska (Chair)

Suzanne Taylor (Vice-chair)

Lynn Dallas

Carl Fortuna, First Selectman

David Sparrow

Absent: Rowena Moffett and Paul Tracey

Others Present:

Lee Ann Palladino, Finance Director and
Pension Plan Administrator

Janet Vinciguerra, Pension Board Liaison

Jennifer Donahue, Board Secretary

Welcome and Public Comment

The meeting was called to order at 8:30 a.m. by Mr. Pataska.

Approval of the Minutes

The minutes of the January 23, 2020 meeting of the board were reviewed. A **motion** was made by Mr. Fortuna and seconded by Ms. Dallas to approve the minutes as submitted. All were in favor and the motion was approved.

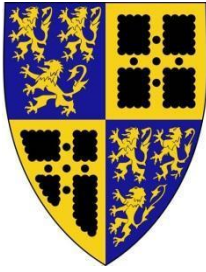
Chair's Report

Mr. Pataska reported that the actuaries will make a presentation at the next meeting. He noted that Dr. Taylor had asked to say a few words.

Dr. Taylor asked that her thanks be officially noted for the support of the board and its many years of service. She also thanked the staff for arranging the event at the January meeting and noted that she felt the newspaper article had been favorable. She passed out cards that would allow board members to read her e-book, *Love Letters to and from A Monk*, as well as Milliman benefit perspectives quick reference cards.

Pension Liaison Report

Ms. Vinciguerra provided the Pension Payroll Status Report for February and reported on the DB and DC statistics. Twenty-one of the 31 people enrolled in the DC plan (68%) are now electing for the extra 3% contribution with a Town match. Currently, there are 85 town retirees as well as 27 fire department



retirees. One retired firefighter, Charles Robertson, passed away earlier this month. There are four pending FD retirements and one BOE retirement expected by the end of the fiscal year.

Ms. Vinciguerra also debuted a new report at the request of the first selectman showing a rolling 24 months of gross payroll for the Town and Fire Department in order to help spot trends.

Plan Administrator's Report

Ms. Palladino noted that all board members had an updated contact list and revised calendar in their meeting packets to add to their notebooks.

Ms. Palladino reviewed the issue of the gap in coverage between DC plan coverage and Social Security for those who may be disabled before retirement age. Offering a long-term disability plan would bridge this gap for eligible employees who choose to purchase it. Board members reviewed a recommendation from Brown & Brown for a plan through UNUM that the town would like to offer. Board members felt favorably about having a long-term disability plan to offer to employees.

Ms. Palladino also reported on the upcoming mandatory benefit education event for all employees. Employees will be given a half hour overview of the new employee benefit portal and then individual one-on-one meetings with a benefit counselor to discuss their own personal situations, specifically what Aflac products might supplement their existing benefit coverage. Mr. Fortuna noted that he would like the benefit counselors to be targeted in their guidance for employees by addressing what might be pertinent for each person's circumstances, why it could help them and what it would cost them. Ms. Palladino will relay that information to Brown & Brown.

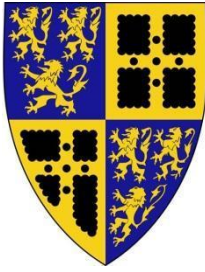
Ms. Palladino also reported that the amendments to the Fire Department plan summary documents were approved by the Board of Selectmen. A signed copy of the agreement will be distributed to board members for their binders at a later date.

Old Business

Dr. Taylor brought up the RFP for the DC and 457 Plans that was discussed at a previous meeting. She would like TIAA to be added to the list of potential recipients for the RFP and asked Ms. Palladino to put together a complete list. Ms. Dallas suggested looking at CCM's list to see who other towns are using.

Mr. Fortuna asked board members to consider a stipend for the plan administrator, currently Lee Ann Palladino. There is precedent for this practice. Board members discussed where the compensation would be allocated from. Ms. Dallas asked Mr. Fortuna to check with CCM to see what other towns of similar size do.

Mr. Fortuna noted that he had recently heard a presentation by Gordon Hamlin, Jr. regarding Connecticut municipal bankruptcy. One of the issues discussed was the fact that municipal pensions are



generally not well funded. During the presentation he gave examples of well-structured municipal funding. Mr. Fortuna will send the presentation to board members for their information.

New Business

Mr. Fortuna reported that the Town is likely switching from ConnectiCare to Anthem for health insurance benefits. He noted that this was a recommendation from the Town's benefit broker and involves a two-year lock in with no more than an 8% increase in the second year. Though the Town has had a good experience with its current carrier, the broker's recommendation seems to be the best choice for taxpayers.

Dr. Taylor noted that she had not seen if there was anything pending before the legislature to require that schools provide a financial literacy component for students. Mr. Fortuna said he would email the three state legislators to see if there is any new information.

A **motion** was made by Mr. Fortuna and seconded by Mr. Sparrow to adjourn. Meeting adjourned at 9:29 a.m.

Respectfully submitted,

Jennifer Donahue

The next meeting will be Thursday, March 26, 2020 at 8:30 a.m. in the Town Hall, first-floor conference room.