

STATE OF CONNECTICUT
STATE EMPLOYEES RETIREMENT COMMISSION

NOVEMBER 17, 2022 MEETING
HELD VIA ZOOM
CONVENED AT 9:02 a.m.

Present:

Peter Adomeit, Chairman
Michael Bailey, Trustee
Martha Carlson, Deputy Comptroller, Ex Officio Member
Carl Chisem, Trustee
Robert D. Coffey, Trustee
John Disette, Trustee
David Kraveski, Trustee
Sal Luciano, Trustee
Karen Nolen, Trustee
Michael O'Brien, Trustee
Claude Poulin, Trustee
Angel Quiros, Trustee
Timothy Ryor, Trustee
Mark Sciota, Municipal Liaison

Absent:

Karen Buffkin, Trustee
Michael Carey, Trustee
John Flores, General Counsel Office of the Treasurer, Ex Officio
Member
Rebecca Simonsen, Trustee

Also present were:

Bruce Barth, Tax Counsel to the Commission, Robinson & Cole
Cindy Cieslak, General Counsel to the Commission, Rose Kallor
Tara Downes, Assistant Comptroller
Elizabeth Doyon, Tax Counsel to the Commission, Robinson & Cole
John Herrington, Director, Retirement Services Division
Yamuna Menon, General Counsel/Assistant State Comptroller,
Office of the State Comptroller
Colin Newman, Retirement Services Division

TRANSCRIPTIONIST: Karin A. Empson

1 (Proceedings commenced at 9:02 a.m.)

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5 CHAIRMAN ADOMEIT: Okay. This is the monthly
6 meeting of the State Employees Retirement Commission,
7 Office of State Comptroller by teleconference.

8 Ms. Cieslak, do you have the attendance,
9 please?

10 MS. CIESLAK: Good morning. This is Cindy
11 Cieslak. Present this morning, we have Chairman Peter
12 Adomeit; Trustee Michael Bailey; Tax Counsel from
13 Robinson & Cole, Bruce Barth; Deputy Comptroller and Ex
14 Officio member of the Commission, Martha Carlson;
15 Trustee Carl Chisem; General Counsel from Rose Kallor,
16 Cindy Cieslak; Trustee Robert Coffey; Trustee John
17 Disette; Assistant Comptroller Tara Downes; Division
18 Director from the Retirement Services Division, John
19 Herrington; Trustee David Krayeski; Trustee Sal
20 Luciano; General Counsel and Assistant Comptroller, Yam
21 Menon; Assistant Director from the Retirement Services
22 Division, Colin Newman; Trustee Michael O'Brien;
23 Actuarial Trustee Claude Poulin; General Counsel from
24 Rose Kallor, Michael Rose; Actuarial Trustee Tim Ryor;
25 and I'm letting in Municipal Liaison Mark Sciota and

1 Trustee Angel Quiros.

2 CHAIRMAN ADOMEIT: Okay. Thank you.

3 Chairman's Report, first of all, I give kudos
4 out to John Herrington and the people in the Division
5 for keeping up with the good work.

6 MS. CARLSON: Yes.

7 CHAIRMAN ADOMEIT: Excuse me. The
8 Comptroller's Office and the Division is working quite
9 hard on the transition to the new comptroller, Sean
10 Scanlon, who takes office in January. So that
11 concludes my report.

12 Division Director?

13 MR. HERRINGTON: Yes, good morning, everyone.
14 Yeah, I'd like to pick that up from Chairman Adomeit
15 that we are in quite a kind of transition period here
16 as a division when we account for where we were with
17 the '22 surge, how that has impacted our staff in terms
18 of longtime employees transitioning out and replacing
19 those employees with new hires. We're definitely deep
20 in the midst of the hiring process replacing a number
21 of positions right now.

22 We're going through the process of, you know,
23 preparing transition documents to bring the new
24 comptroller up to speed. Obviously, this is my first
25 time as a transition from one administration to the

1 next. I don't really anticipate a number of problems
2 or issues with that, but it does require us to kind of
3 look inward for us to get a sense of exactly where we
4 are in summarizing some of our priorities going
5 forward. So I think that the transition has been
6 helpful in that regard, so that we have to kind of put
7 pen to paper in terms of exactly what our goals,
8 initiatives and priorities are going forward. So we're
9 definitely in the midst of that piece right now.

10 In terms of some of the projects that we're
11 working through, as we've worked through the surge,
12 we've had - you know, historically, we've had a number
13 of backlogs. As you can see from the Director's
14 Report, the number of retirements that we have coming
15 in is historically low. We have the disability
16 population pretty much under control at this point. So
17 we do have a bit of time to focus on a number of areas
18 that we haven't really had the time to focus on before.

19 One of the first pieces that we're working
20 through would be the enrollments. The enrollment
21 process is far more complicated now than it was in
22 years past just due to the fact that we have more
23 plans. We have, you know, the hybrid plan as an
24 option. We have the multiple tiers. We have, you
25 know, something called Tier IV as for education

1 employees.

2 So the rules are a bit more complicated,
3 especially when we apply those to the individual facts
4 of cases. There's also been - the same way that
5 there's been turnover within our agency, that turnover
6 is as represented throughout the state. So this past
7 week, we held the first of what will be many training
8 sessions with agency HR and payroll individuals on the
9 enrollment process. Another aspect that's complicated
10 the enrollment process is our continued reliance on
11 technology. So hopefully this is something that we
12 will incorporate and it will be a bit more routine.

13 But we hope to resolve a number of the
14 enrollment problems that we've had over the past by
15 educating the agencies and opening up lines of
16 communication so that we can resolve problems and
17 issues quicker. There are many times where just due to
18 some particular set of circumstances in one
19 individual's case, it happens more frequently than you
20 would think where on the face, it would appear that
21 someone should be placed into a historical tier that
22 wouldn't necessarily be the case and they should be
23 placed in Tier IV to begin with and that results in a
24 deficiency of retirement contributions that have to be
25 collected at some point in the future.

1 Right now, there's been sometimes a delay in
2 us identifying those types of errors, and then there's
3 a delay in us resolving those errors. What we hope to
4 do is to eliminate those errors from the start and this
5 is our first step in that direction.

6 Another issue that came up over this past
7 month would be the risk-sharing contributions. So this
8 is an aspect of the Tier IV plan where if the fund
9 doesn't meet the assumed rate of return on the
10 investments, there is the potential and there's a
11 formula that would establish an additional contribution
12 that would need to be paid by the employees. The
13 initial agreement in 2017, there were some ambiguities
14 in that language where we are working with SEBAC and
15 OLR to confirm exactly the application of that
16 provision.

17 I think that we're pretty much there. We're
18 just waiting on an executed agreement. But based on
19 the market performance, it does look like at the end of
20 this calendar year, there will be a need for us to
21 implement an increase in retirement contribution or the
22 employee contribution for Tier IV members that we would
23 implement likely in July of 2003 (sic).

24 Some other issues that have arisen, I would
25 say that I would like to really thank Yam Menon from

1 this office and Cindy, who have really taken on the
2 lion's share of the work in shepherding through the
3 MERS reemployment regulation through that process. It
4 looks as though we, just this week, cleared a major
5 hurdle and it looks like we are on track to have that
6 regulation in place by the end of the year.

7 But that's my report for this month.

8 CHAIRMAN ADOMEIT: Okay. Are there any
9 questions? All right, before I move on to Marty
10 Carlson, Cindy Cieslak, we have additional people here;
11 don't we?

12 MS. CIESLAK: This is Cindy Cieslak. Trustee
13 Karen Nolen has joined us.

14 CHAIRMAN ADOMEIT: Thank you.

15 Marty Carlson? You're muted.

16 MS. CARLSON: I just want to echo what John
17 has said and what Peter mentioned in that we are in the
18 midst of a transition to a new administration. And
19 Tara Downes, who is on the call, Assistant Comptroller,
20 is running point on that. We had been planning from
21 the summer on a new comptroller, you know, whoever it
22 was, so we're in good shape. The new comptroller, Sean
23 Scanlon, has an outstanding record as a state rep on -
24 for both as chair of the insurance committee and as
25 chair of finance and bonding. We have worked with him

1 directly over the years on multiple projects, so he
2 will be able to hit the ground running.

3 We are already in transition with him. He
4 has met with Natalie. He is meeting with all the
5 division directors next week, and we'll just move
6 forward with that. So I'm sure that he will want to
7 pop into this meeting when he's - after he's
8 inaugurated. So if you've known me long enough to
9 know, or if you've know me long enough to have
10 confidence that I can recognize good talent, John
11 Scanlon will be an outstanding comptroller for the
12 State of Connecticut.

13 CHAIRMAN ADOMEIT: Thank you, Marty. I
14 looked him up. He resurrected Tweed Airport.

15 MS. CARLSON: Yes.

16 CHAIRMAN ADOMEIT: An incredible influence on
17 the state already.

18 Well, thank you very much. Any questions or
19 comments? Okay, hearing none, we'll move on to the
20 agenda. Sal Luciano.

21 MR. LUCIANO: I would prefer if somebody else
22 move the agenda. My wi-fi is not stable.

23 CHAIRMAN ADOMEIT: I see. Okay. Let's see,
24 last time, we used Mr. Bailey.

25 MR. BAILEY: Thank you, Mr. Chairman. This

1 is Michael Bailey. I move approval of the October 20th,
2 2022 minutes.

3 MR. COFFEY: This is Bob Coffey. I'll second
4 that.

5 CHAIRMAN ADOMEIT: Any discussion? Hearing
6 none, all in favor, say aye or raise your hand.
7 Opposed, nay or raise your hand. The ayes have it.

8 MR. BAILEY: Mr. Chairman, this is Michael
9 Bailey. I move approval of the State Employees
10 Retirement Commission Chairman's per diem expenses.

11 MR. COFFEY: Bob Coffey. I second that.

12 CHAIRMAN ADOMEIT: Any discussion? Hearing
13 none, all in favor, say aye or raise your hand.
14 Opposed, nay or raise your hand. The ayes have it.

15 MR. BAILEY: Mr. Chairman, Michael Bailey. I
16 move approval of the State Employees Retirement
17 Commission Union Trustee Claude Poulin's per diem and
18 travel expenses reimbursement with Claude abstaining.

19 MR. COFFEY: Bob Coffey. Second.

20 CHAIRMAN ADOMEIT: Any discussion? Hearing
21 none, all in favor, say aye or raise your hand.
22 Opposed, nay or raise your hand. The ayes have it.

23 MR. BAILEY: Mr. Chairman, Michael Bailey. I
24 move approval of the State Employees Retirement
25 Commission Management Trustee Tim Ryor's per diem

1 expenses.

2 MR. COFFEY: Bob Coffey, second.

3 CHAIRMAN ADOMEIT: Any discussion? Hearing
4 none, all in favor, say aye or raise your hand.

5 Opposed, nay or raise your hands. The ayes have it.

6 MR. BAILEY: Mr. Chairman, Michael Bailey. I
7 move acceptance of Items 5 and 6, the invoices from
8 Rose Kallor and Robinson & Cole for the month of
9 September 2022.

10 MR. COFFEY: Bob Coffey, second.

11 CHAIRMAN ADOMEIT: Any discussion? Hearing
12 none, all in favor, say aye or raise your hand.

13 Opposed, nay or raise your hand. The ayes have it.

14 MR. BAILEY: Mr. Chairman, Michael Bailey. I
15 move approval of the Connecticut State Employees
16 Retirement System service retirements for the month of
17 October 2022.

18 MR. COFFEY: Bob Coffey, second.

19 CHAIRMAN ADOMEIT: Any discussion? Hearing
20 none, all in favor, say aye or raise your hand.

21 Opposed, nay or raise your hand. The ayes have it.

22 MR. BAILEY: This is Michael Bailey. I move
23 approval of the Connecticut State Employees Retirement
24 System's preretirement death benefits for the month of
25 October 2022.

1 MR. COFFEY: Bob Coffey, second.

2 CHAIRMAN ADOMEIT: Any discussion? Hearing
3 none, all in favor, say aye or raise your hand.
4 Opposed, nay or raise your hands. The ayes have it.

5 MR. BAILEY: Michael Bailey. I move approval
6 of the Connecticut State Employees Retirement System
7 voluntary pending retirements for the month of October
8 2022.

9 MR. COFFEY: Bob Coffey, second.

10 CHAIRMAN ADOMEIT: Any discussion? All in
11 favor, say aye or raise your hand. Opposed, nay or
12 raise your hands. The ayes have it.

13 MR. BAILEY: Michael Bailey. I move approval
14 of the Connecticut State Employees Retirement System
15 disability retirements for the month of October 2022.

16 MR. COFFEY: Bob Coffey, second.

17 CHAIRMAN ADOMEIT: Any discussion? Hearing
18 none, all in favor, say aye or raise your hand.
19 Opposed, nay or raise your hand. The ayes have it.

20 MR. BAILEY: Michael Bailey. I move approval
21 of the Connecticut State Employees Retirement System
22 municipal employee retirements for the month of October
23 2022.

24 MR. COFFEY: Bob Coffey, second.

25 CHAIRMAN ADOMEIT: Any discussion? Hearing

1 none, all in favor, say aye or raise your hand.

2 Opposed, nay or raise your hand. The ayes have it.

3 MR. BAILEY: Michael Bailey. I move approval
4 of the Connecticut State Employees Retirement System
5 retroactive retirement for the month of October 2022.

6 MR. COFFEY: Bob Coffey, second.

7 CHAIRMAN ADOMEIT: Any discussion? All in
8 favor, say aye or raise your hand. Opposed, nay or
9 raise your hands. The ayes have it.

10 MR. BAILEY: Michael Bailey. I move approval
11 of the Municipal Employees Retirement System disability
12 retirements approvals.

13 MR. COFFEY: Bob Coffey, second.

14 CHAIRMAN ADOMEIT: Any discussion? Hearing
15 none, all in favor, say aye or raise your hands.
16 Opposed, nay or raise your hands. The ayes have it.

17 MR. BAILEY: Michael Bailey. I move approval
18 of the Municipal Employees Retirement System disability
19 retirements denials.

20 MR. COFFEY: Bob Coffey, second.

21 CHAIRMAN ADOMEIT: Any discussion? All in
22 favor, say aye or raise your hand. Opposed, nay or
23 raise your hand. The ayes have it.

24 MR. BAILEY: Michael Bailey. I move
25 acceptance of recommendations of the Medical Examining

1 Board for the continued entitlement approvals.

2 MR. COFFEY: Bob Coffey, second.

3 CHAIRMAN ADOMEIT: Any discussion? Hearing
4 none, all in favor, say aye or raise your hand.

5 Opposed, nay or raise your hand. The ayes have it.

6 MR. BAILEY: Michael Bailey. I move
7 acceptance of recommendations by the Medical Examining
8 Board for the continued entitlement tabled and denials.

9 MR. COFFEY: Bob Coffey, second.

10 CHAIRMAN ADOMEIT: Any discussion? Hearing
11 none, all in favor, say aye or raise your hand.

12 Opposed, nay or raise your hand. The ayes have it.

13 MR. BAILEY: Michael Bailey. I move approval
14 of the Connecticut Probate Judges and Employees
15 Retirement System.

16 MR. COFFEY: Bob Coffey, second.

17 CHAIRMAN ADOMEIT: Any discussion? Hearing
18 none, all in favor, say aye or raise your hands.

19 Opposed, nay or raise your hand. The ayes have it.

20 MR. BAILEY: Michael Bailey. I move approval
21 of the Probate Judges and Employees Retirement Fund
22 personnel expenses for the pay period September 9th,
23 2022 through October 6th, 2022.

24 CHAIRMAN ADOMEIT: Any discussion?

25 MR. COFFEY: Bob Coffey, second.

1 CHAIRMAN ADOMEIT: I'm sorry. I jumped the
2 gun. Any discussion? Hearing none, all in favor, say
3 aye or raise your hand. Opposed, nay or raise your
4 hand. The ayes have it.

5 MR. BAILEY: And Michael Bailey. I move
6 approval of the Connecticut Judges, Family Support
7 Magistrates, and Compensation Commissioners Retirement
8 System.

9 MR. COFFEY: Bob Coffey, second.

10 CHAIRMAN ADOMEIT: Any discussion? Hearing
11 none, all in favor, say aye or raise your hand.
12 Opposed, nay or raise your hand. The ayes have it.

13 MR. BAILEY: Mr. Chairman, I move that the
14 Commission move to executive session to address the
15 items on the executive session agenda.

16 MR. COFFEY: Bob Coffey, second, and inviting
17 those people that will help us with our discussion.

18 CHAIRMAN ADOMEIT: Do you want to name them,
19 Ms. Cieslak?

20 MS. CIESLAK: Mr. Chairman, this is Cindy
21 Cieslak. Invited into executive session will be Bruce
22 Barth, Cindy Cieslak, Tara Downes, John Herrington, Yam
23 Menon, Colin Newman, and Michael Rose.

24 CHAIRMAN ADOMEIT: All right.

25 MS. CIESLAK: Mr. Chairman, can you please

1 call the motion?

2 CHAIRMAN ADOMEIT: Yes. All in favor, say
3 aye or raise your hand. Opposed, nay or raise your
4 hand. The ayes have it.

5 (The Commission was in executive session from
6 9:19 a.m. until 9:24 a.m.)

7 CHAIRMAN ADOMEIT: Let the record show we
8 opened the meeting at 9:02. It's now 9:24, or as my
9 daughter, who was very young at the time would say,
10 nine-twodee-four (phonetic).

11 MS. CARLSON: This may be a record, 24
12 minutes.

13 CHAIRMAN ADOMEIT: Oh, it most certainly is.

14 MR. LUCIANO: I make a motion to adjourn and
15 wish everybody a happy Thanksgiving.

16 MS. CALRSON: You too, Sal. Nice to see you.

17 CHAIRMAN ADOMEIT: Yeah, same wishes to
18 everyone. All in favor, say aye.

19 MR. BAILEY: I second those wishes and that
20 motion.

21 UNIDENTIFIED SPEAKER: Happy Thanksgiving.

22 UNIDENTIFIED SPEAKER: Thank you, everyone.

23 UNIDENTIFIED SPEAKER: Happy Thanksgiving,
24 everyone.

25 UNIDENTIFIED SPEAKER: Best wishes.

1 CHAIRMAN ADOMEIT: All in favor, say aye or
2 raise your hand. It's unanimous. The ayes have it.

3 MS. CIESLAK: Happy Thanksgiving.

4 CHAIRMAN ADOMEIT: Happy Thanksgiving,
5 everyone.

6 MS. CARLSON: Is that raise your hand for
7 happy Thanksgiving?

8 (Adjourned at 9:25 a.m.)

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I, Karin A. Empson, do hereby
certify that the preceding pages are an accurate
transcription of the Connecticut State Employees
Retirement Commission meeting held electronically via
Zoom, conducted at 9:02 a.m. on November 17, 2022.

Karin A. Empson

Karin A. Empson

12/01/2022

Date