STATE OF CONNECTICUT

STATE EMPLOYEES RETIREMENT COMMISSION

AUGUST 19, 2021 MEETING
HELD VIA ZOOM
CONVENED AT 9:03 a.m.

Board Members Present (via Zoom):

Peter Adomeit, Chairman
Michael Bailey, Trustee
Karen Buffkin, Trustee
Michael Carey, Trustee
Martha Carlson, Deputy Comptroller, Ex Officio Member
Carl Chisem, Trustee
Robert D. Coffey, Trustee
John Disette, Trustee
John Flores, General Counsel Office of the Treasurer, Ex Officio Member
Karen Nolen, Trustee
Michael O'Brien, Trustee
Claude Poulin, Trustee
Mark Sciota, Municipal Liaison
Rebecca Simonsen, Trustee
Timothy Ryor, Trustee

Absent:

Sandra Fae Brown Brewton, Trustee
Sal Luciano, Trustee
Angel Quiros, Trustee

Also Present (via Zoom):

Bruce Barth, Tax Counsel to the Commission, Robinson & Cole
Cindy Cieslak, General Counsel to the Commission, Rose Kallor
John Herrington, Director, Retirement Services Division

Also Present (via Zoom), continued:

Yamuna Menon, General Counsel/Assistant State Comptroller, Office of the State Comptroller
Michael Rose, General Counsel to the Commission, Rose Kallor
Colin Newman, Assistant Director, Retirement Services Division
Alisha Sullivan, Tax Counsel to the Commission, Robinson & Cole
Donald Wilkerson, Retirement Services Division
Jason Ostroski, CLA
Jeff Ment, Attorney for Mr. Bettini
Armando Bettini

TRANSCRIPTIONIST: Karin A. Empson

(Proceedings commenced at 9:03 a.m.)

MR. ADOMEIT: All right. I can call the meeting to order then. This is the August 19th, 2021 meeting of the Connecticut State Employees Retirement Commission held by teleconference.

Cindy, do you have the attendance, please?

MR. CIESLAK: Sure. This is Cindy Cieslak. Present today we have Chairman Peter Adomeit; Trustee Robert Coffey; Trustee Carl Chisem; Ex Officio Member Martha Carlson, Deputy Comptroller; Claude Poulin, Actuarial Trustee; Trustee Michael Carey; Trustee John Disette; General Counsel to the Treasurer's Office and Ex Officio Member John Flores; Trustee Michael Bailey; Trustee Michael O'Brien; Actuarial Trustee Tim Ryor; General Counsel to the Comptroller's Office Ya Menon; Karen Nolen, Trustee; Municipal Liaison Mark Sciota; John Herrington, Retirement Services Division Director; Colin Newman, Assistant Director of Retirement Services Division; Donald Wilkerson from the Retirement Services Division; Bruce Barth and Alisha Sullivan, both Tax Counsel from Robinson & Cole; and Michael Rose and myself, Cindy Cieslak, General Counsel from Rose

Kallor; and we have Jason Ostroski from CLA.

Did I miss anyone as you were coming in?

MR. ADOMEIT: All right. Well, the Chairman's Report will be the same as it's been for some time, and that is a shoutout to Marty, to John, and all the people who have worked to make this process work using virtual meetings, and congratulations to all the progress we've been making despite the difficulties caused by Covid.

Okay. Division Director's Report. John?

MR. HERRINGTON: Good morning, everyone. I forwarded along my Division Director's Report. The report has been, you know, kind of consistent over the past month in terms of, you know, demonstrating the progress that we're making on our priorities. Our priorities for this year largely are eliminating our disability backlog for once and for all, both in terms of the wait time for initial applicants and for the pending finalizations. We continue to be right on track.

It's possible, with an additional push, we may be able to eliminate the disability backlog as early as November. December is probably a more realistic number, but we continue to do that. That's something that's languished, you know, for quite a while. And what we hope to do is eliminate that. They'll be essentially backlog-free at that point as we focus all of our energies towards the 2022 potential surge.

In terms of the activity for the normal retirements, you'll see that this past August was heavier than last - well, it was actually lighter than last August, but much heavier than the historical average. I think that last August is kind of an anomaly, you know, based on, you know, some delays in retirements for the first couple of months that individuals were out on Covid.

So, what we really are looking towards is what the number is going to be for October. As many of you know, there are three, kind of typically heavy months, which would be, you know, largely April and October, to some degree, January. And we're really focused on this October 1st to see if that's going to give us any indications in terms of what the potential demand will be for the 2022 retirements.

Also, we are focused on rolling out our self-service estimator to the entire population eligible to retire for 2022. We will have a very large kind of rollout this month to the UCONN population, approximately 800 individuals. We've rolled that out to 10,181 individuals so far. These numbers don't necessarily match up because each month the number changes. We have individuals who have retired, and so thankfully for us, right, the number that are eligible for 2022 is going to diminish each month.

As I've said in previous meetings, I would love it if we had, you know, 350 every month from now until next July. I don't think that that's going to happen. But with respect to the rollout, we've rolled it out to individuals. Some of the individuals that we've rolled it out to have, you know, subsequently retired.

Also, something new this month, I've invited Donald Wilkerson to attend today's meeting. I think Donald may have some information that's going to be relevant to our discussion of the MERS employer allocations. For those of you that don't know Donald, Donald has really kind of led the charge within the Division in terms of our embrace of technology. He is really kind of our primary source in terms of the Core-CT system as it relates to pensions and he's the driving force behind, kind of, our elimination of the regular audit backlog. But he will have perhaps some information to share with our efforts to improve our data with respect to our actuarial extracts for all of the plans.

But that's my report for this month.

MR. ADOMEIT: All right. Thank you. Are there any questions or comments?

Okay, hearing none, Marty, do you have anything to add? You're on mute, Marty.

MS. CARLSON: Sorry about that.

MR. ADOMEIT: There you go.

MS. CARLSON: We continue to work, as John has stated in the past, with the retirement pod that was the result of the HR consolidation over at DAS. They're working really hard. They have seven employees right now, going up to 10. They are still, you know, trying to find their footing. We're trying desperately to help them do that. They're struggling - not struggling. I don't want - they're working really hard and they're all really smart, but they - we have started sitting side-by-side with them to try to figure out, you know, why their quantity is lower than we expected it to be. And if it stays the same or improves slightly, we'll never get through the surge.

So, we continue to work on that. Nick Hermes is actually on vacation this week and I'm going to have a conversation with him next week about it. But John deployed a few of his staff over there just yesterday to sit in and witness how they process their one-on-one meetings with retirees. I will say that the consistent issue that we see is that in the consolidation, there's pretty much no one left at any agency to answer, you know, what we see are the - you know, the kind of, you know, not silly questions, but the kind of questions that people who are thinking about retiring don't know the answer to.

And the pod is concentrating - John, correct me if I'm wrong - they're concentrating on imminent retirements of that month. So, if someone wants to, you know, wants to - or that next couple of months, if someone wants to retire maybe in October or November and they have a simple question, you know, John just said, you'll understand these issues. They - there's no one left back at agencies to answer those questions.

So that's what we're trying to work through. We've put together a rapid-response team at the Comptroller's Office that is agencywide. We are going to cross-train employees in other divisions who are used to working, you know, in Core-CT so they'd be easily trained on the pension calculator. So as these numbers climb, you know, we may be able to, you know, plug that deficit of the preliminary work that the retirement pod can't keep up with.

But I don't - it's not a red alert yet, but it's heading towards a red alert for me. And we're working with Kevin Lembo on it, and John and I are, you know, meeting almost every other day trying to figure out ways to mitigate what we're afraid is going to happen next year.

MR. HERRINGTON: Yeah, and just to kind of touch on that point, I think, you know, from the Commission's perspective, what's important to us if we're dealing with that surge is to ensure that individuals receive the information that they need in order to make an informed decision, and also that we have the resources so that we can process those applications and commence benefits on time; right? That's really what we need to do.

In past incentives where there has been an uptick in retirements, what we've done is we've partnered with agencies so there was almost like a force multiplier. So, you know, each agency had, you know, some HR staff or perhaps payroll staff that were dedicated to retirement. In an event where there was a surge, typically those agencies would supplement their own staff with other HR or payroll individuals who didn't necessarily deal with retirements day-to-day but had some familiarity, so that we had more people available to speak with the employees.

With the consolidation of the pod, they're doing the exact opposite; right? So, we have, you know, essentially, where we may have had, you know, with force multipliers, maybe as many as, you know, 200 individuals that were available to answer questions for employees, right. Now we're dealing with our staff and perhaps 10 or 15 individuals at the pod. So, I mean, thankfully it is 2021; we can rely on technology to disseminate information to everyone. As we know, not everyone is tech savvy. Some individuals may have a question or concern that's, you know, a slight deviation from the standard answer that's provided on our online webinar.

So that is certainly something that we need to work through. Hopefully, what I'm hopeful for, is, you know, each month, we continue to increase our capacity based on our reliance on technology. I hope, you know, that we can kind of deliver some of those technological advances kind of to the pod so that hopefully, you know, their staff can do more with less and that they can devote, you know, some of their resources towards answering questions and being available to discuss with individuals.

We are creating some webinars where we will, you know, present the most critical information to large populations and be available for large question-and-answer periods. I mean, there's certainly a void that we're attempting to fill, but I think it's quite a large void in what we're trying to think of, you know, options that we can kind of deliver the best information to the relevant population.

One problem that we have is, you know, we're focused on all of those that are eligible. So, there's 12,700 individuals that were eligible. As I've said in previous meetings, if we knew that 5,000 of those people were guaranteed to go, if I knew that today, I could get, you know, perfect information to those 5,000 individuals. So that's something that we continue to kind of work through, whether there's any type of incentive that we can create for people to commit to retirement early so that we know that those are the priorities to focus on.

MS. CARLSON: And that's where labor comes in, for you folks on the labor side. We're going to be looking to you to help us communicate to employees that the best way to get, you know, their accurate pension on day one or month one and month two is to let us know relatively early.

Two other things just to elaborate a little bit on John is that there's an assumption out there that we had one-on-one counseling for anyone who ever wanted to retire. That has never been the case. When we had one-on-one counseling, we would fill our training room with 50 people, you know, several times a year, but we could never handle training everyone. Hence the webinars and the - you know, maybe some open office hours too for people to call in with questions that are unique to them.

And then the last thing I'll say is, you know, John and I have talked about this too. We're trying to find that sweet spot because we don't need to staff up because this time next year, we're not going to need 40 people to process. So, we're trying to figure out all of those ways that we can plug the gap that we need including TWR's and some temporary clerical help even to, you know, do intake for the retirement applications.

And so, this is - you know, we just want to keep you abreast of what we're doing and that we're concerned about it, and we'll report out every month on it.

MR. ADOMEIT: Okay. Thank you. Are there any other comments?

Okay, before we get into new matters, we will need a motion to amend the agenda because of a meeting—

MS. CIESLAK: Mr. Chairman?

MR. ADOMEIT: Yes.

MS. CIESLAK: I believe Trustee Disette has raised his hand.

MR. ADOMEIT: Oh, I'm sorry.

MS. CIESLAK: And for the record, this is Cindy Cieslak. And as a reminder, please try to announce yourself when you speak. Thank you.

MR. ADOMEIT: Okay.

MR. DISETTE: If I've been recognized, I—

MR. ADOMEIT: You have been.

MR. DISETTE: I am John Disette. My question is for either John or Marty. With the surge that you guys are expecting from State employee retirements, is there a possibility or is there a plan to handle paperwork that's been submitted, but isn't processed by the date of retirement or the expected date of retirement? And if so, what is the expectation on the employee? Like let's say they're looking to retire May 31^{st}; June 1^{st} rolls around; the paperwork hasn't been processed. How is that going to be handled and what is the expectation of the employee? Or is that something you guys aren't too concerned with at this point?

MR. HERRINGTON: I mean, I guess I'm

interested in what we mean by the paperwork not being processed, right. I mean (inaudible) is that the individual has to sign the application and that it has to be submitted and received in this office prior to that date. So I guess if your concern is, you know, an individual that, you know, submits their intent to retire on, you know, May 15th and they are, you know, the twenty-six-hundredth application that the pod's dealing with and the pod doesn't have the chance to get that done prior to May 31st, I think that's the situation we're discussing?

MR. DISETTE: Yeah, that's a good example of it, sure, yep.

MR. HERRINGTON: Right. Yeah, I mean, we don't have a plan for that other than, I mean, I think that kind of falls into kind of the incentive for individuals that are looking to retire to submit their intent far in advance of their retirement.

Colin, do you have any examples from past incentives when we've had that issue when there have been applications during an incentive that came in after the fact?

MR. NEWMAN: This is Colin, Colin Newman. Well, we had a situation where, you know, the application was received in time, you know, prior to the retirement date, and - but then there were many situations that the person had not submitted the additional paperwork that's required for the package. So, I mean, back where - I believe we're a lot more efficient now than we were back in 2009 and 2003 because, you know, you wound up with situations where, because of the lack of paperwork, you know, we were unable to pay a benefit on time to the individual.

But again, like, you know, the onus is on the employee to get that paperwork to us, you know, on time.

MR. HERRINGTON: Right, well—

MS. CARLSON: Let's further clarify this, John. If somebody submits - somebody wants to retire as of May 1, and they submit all of their paperwork and it's intact and it's before May 1, but we've got 2,000 retirements for May 1, that - I don't know if that's what John's asking, but I think that's a good question to answer, and - you know, and the reliance that we have on the pension calculator answer.

MR. HERRINGTON: Right. Yeah, I'm less concerned with that issue, right. I mean, we've received the paperwork on time, we will be able to process the benefit. It sounds to me like the issue is whether there is, you know, impediment to that employee who intends to retire, you know, kind of, you know, memorializing that intent on a retirement application that's received in this office by the deadline.

What I will say is, you know, with the SAG Award, this was the same - an issue that we had. We worked very closely with the higher ed institutions, and we were able to meet that deadline and there were no problems whatsoever. I think the issue may be, right, I mean, if there were, you know, a thousand employees that come to the pod on, you know, July 30th, there's no way that the pod would be able to process retirement applications for that population. I guess the question would be whether there's, you know, an intent to retire that the employee would have submitted prior to the retirement date, and I would say at that point, it's probably not to the Division, but to the Commission whether we would accept that.

MR. FLORES: This is John Flores. Does it make any sense to send out a general email to State employees describing in general terms the process of how long it takes? Like some - I suspect some people may not understand, you fill out your paperwork here, but you can't expect to get direct-deposit the next day. And I don't know if there's any value in sending some sort of communication like that, something how long for retirement benefits, you know, to switch over completing that sort of - the medical benefits, I should say, you know, how long that takes. I'm just curious if there's a value in doing that.

MS. CARLSON: There have actually been plenty of communications out about that, but to your point, we're having internal discussions on how we can, possibly even through Labor, send out an email message or some kind of message, to these 12,000 people who we know are eligible before that surge, and explain to them, if you let us know three months ahead, you know, then you're guaranteed, you know, that if there's anything wrong, we can fix it.

So, we're working through those communications now, John, but good point.

John Herrington, do you want to add to that?

MR. HERRINGTON: Yeah, no. Well, what I would say is, right, I mean, we haven't thought of including that explanation in terms of the normal processing, in terms, you know, someone submits a retirement application for August 1st, there's the trail of earnings that are paid out, and then they typically would receive their first check at the end of the month, and then the retiree's health insurance would kick in the following month, right.

We hadn't necessarily spelled that out in a written communication, but that is certainly the process that is explained in our online webinars that we continue to direct individuals to. But to the extent that, you know, we're dealing with individuals, I think that the most important message is that if anyone is contemplating retiring in, you know, July of 2022, it's a known interest to provide that, you know, the sooner than later.

I mean, I do think that, you know, it is a problem to deal with, but, you know, it's almost like a self-imposed problem if someone is finally making that decision at the last day. I mean, I guess the question would be whether there's some value in someone giving like a tentative intent to retire, you know, prior to that date. But if someone just makes the decision on their own in the midst of this large surge the day before they retire, you know, I'm not certain how much we can take in terms of steps to deal with that issue when we have the issues of the other, you know, 6,000 employees to work through.

MR. ADOMEIT: Marty—

MS. CARLSON: Just so—

MR. ADOMEIT: Yeah, go ahead.

MS. CARLSON: Yeah, just so everyone is

clear, if you – I guess it's the statute. The way the rules are is that if I want to retire on - you know, as of July 1, today, I could submit my retirement paperwork on June 30th. That has always been – you know, it's not an obstacle, but it's always been, you know, an issue for even in, you know, our month in which there are 200, because generally, you know, the last day of the month before somebody wants to retire, there's this pile of mail that shows up in the office that's got to be scanned and the case has to be opened and—

But luckily, we have enough staff, if it's only 200 a month, that we can clear those through by the time we have to confirm payroll. And confirm payroll is another issue because it's not that we can be cutting checks up until the 31st of the month that you are no longer working. We have to confirm that month's payroll sometime around, what, the 20th or 21st of that month.

MR. HERRINGTON: (Inaudible)

MS. CARLSON: So that, you know, batch that comes in the last day of the month before one wants to retire has to be processed within two weeks. So that - you know, if that weren't the case, and I know it is the case, if we had a little bit more leeway and say folks had to submit their paperwork two months before they retired, it would make all the difference in the world. But we're living in the world we're living in.

MR. ADOMEIT: Okay. Any further comments on this item?

Okay. I got a note from Cindy Cieslak that we have additional people who have joined since the last rollcall. So, Cindy do you want to add those to the list, please?

MS. CIESLAK: Yes. This is Cindy Cieslak. For the record, Trustee Rebecca Simonsen and Trustee Karen Buffkin have joined. Also joining us are Attorney Jeff Ment and Mister, I believe it's, Armando Bettini.

MR. ADOMEIT: Okay.

MS. CIESLAK: Attorney Ment and - you'll hear from Attorney Ment and Attorney (sic) Bettini later. There is a hearing scheduled.

MR. ADOMEIT: Okay. Thank you, Cindy.

Now we have two items. First, we need to have the agenda amended.

MR. POULIN: This is Claude Poulin. Mr. Chairman, I move to amend the agenda to add after Item 17 the following Item 18 to request Commission acceptance of the CMERS auditor's report and the schedule of employer allocations and pension amounts by employer for the year ending June 30, 2020.

MR. BAILEY: Bailey seconds.

MR. ADOMEIT: Is there any discussion? Hearing none, all in favor, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it. Okay, thank you.

I see that Mr. Luciano is not here today, but traditionally a motion is made on the labor side to move the agenda along and a second on the management side, so I have to commandeer someone to do this for me.

Mr. Michael Bailey, do you want to take over that task today, please?

MR. BAILEY: Sure, I can do that, Mr. Chairman.

This is Michael Bailey. I move approval of the July 15th minutes.

MR. COFFEY: Bob Coffey. I'll second.

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

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move approval of the State Employee Retirement Commission Chairman's per diem expenses.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none—

MS. CIESLAK: This is Cindy—

MR. ADOMEIT: Cindy?

MS. CIESLAK: This is Cindy Cieslak. Just for the record, if you are going to oppose a motion, please turn off (sic) your audio and say that you're opposing it, because if the motion is not unanimous, we do have to take a rollcall vote.

MR. ADOMEIT: Okay.

MS. CIESLAK: That's just for any motion today. I don't mean - I don't expect there to be someone opposing necessarily this motion, but I wanted just to let you know that if you are opposing it, please don't just raise your hand when the Chairman calls for nay votes.

MR. ADOMEIT: All right.

MR. BAILEY: Mr. Chairman, are we waiting for a vote on Item Number 2?

MR. ADOMEIT: Yeah. We'll call for the vote on that item, Number 2. All in - did I call for the vote? I got distracted. Did I call for the vote on

Item Number 2, please?

MR. BAILEY: I believe you called the pro votes, Mr. Chair. I don't think you called for any—

MR. ADOMEIT: Okay. So, all in favor, say aye or raise your hand, please.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand, please. The ayes have it. Thank you.

MR. BAILEY: This is Michael Bailey. I move Item 3, approval of the State Employees Retirement Commission Union Trustee Claude Poulin's per diem, with Claude abstaining.

MR. COFFEY: Bob Coffey, second.

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

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed say nay or raise your hand. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Item 4, Commission's approval of the State Employees Retirement Commission's Management Trustee Tim Ryor's per diem expenses.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none, all in favor, say aye or raise your right hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Items 5 and 6, the acceptance of the invoices from Robinson & Cole.

MR. COFFEY: Bob Coffey, second.

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

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Item 7, that the Commission accept the invoices of Rose Kallor for the month of July.

MR. COFFEY: Bob Coffey, second.

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

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Items 8 and 9 to request approval of the Connecticut State Employees Retirement System service retirements and pending - and voluntary pending retirements as of the month of July 20, 2021.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none, all in favor, say aye.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Items 10 and 11 on the agenda for approval of the State Employees Retirement disability retirements for the month of July 21st and pre-retirement death benefit for the month of July 2021.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none, all in favor, say aye.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Items 12 and 13 on the agenda for approval of the Connecticut State Employees Retirement System municipal employees' retirements for the month of July and disability retirements for the month of July 2021.

MR. COFFEY: Bob Coffey, second.

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

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, say nay or raise your hand. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Item 14 on the agenda for the approval of the Municipal Retirement System disability retirement denials.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none, all in favor, say aye.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay. The ayes have it.

MR. BAILEY: This is Michael Bailey. I move Items 15 and 16 on the agenda for approval of the Connecticut Probate Judges Employment Retirement System and personnel expenses for the pay period of June 4^{th}, 2021 through July 15^{th}, 2021.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none, all in favor, say aye.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay. The ayes have it.

Item Number 17 is a hearing on Mr. Armando

Bettini. And he is here represented by Mr. Jeff Ment.

Mr. Ment, this is an administrative proceeding. It's non-adversarial. There is no one on the other side. We have all read your materials. And so, after you state your case, then we will discuss and decide how we proceed.

So please proceed.

MR. MENT: Thank you. Good morning. My name is Jeff Ment. I have my own law firm currently, the Ment Law Group. I am here today representing Connecticut State Trooper Armando Bettini. Thank you for having us.

I think in my nearly 29 years of representing state troopers, this is a first on this particular and very limited issue. Trooper Armando Bettini applied for purchasing military time. And if you have reviewed my April 8th, 2021 letter to Mr. Newman, along with the affidavit of Trooper Bettini, you will know that the issue today relates to a period of time of three months and 25 days that was not allowed to be purchased.

To state this relatively succinctly, when he applied, he'd applied timely, and he attached and included his DD214. That document, which was in the State's possession from the very beginning of his application, in box D, like delta, had a statement total prior active service of three months, 25 days. In other words, that was his basic training versus war-time service. At the time of his application, that period of time would not have been available for purchase. However, years went by before his application was processed and approved.

At the time that it was processed and approved, that training time was now allowed to be purchased. But Trooper Bettini was only approved for his war-time service. There was a hearing on September 23rd, 2020 with the Subcommittee. Chairman, you were there; Fae was there; Mr. Chisem and Mr. Coffey were there. And on representing the agency, Mr. Newman spoke. There was a discussion back and forth. The transcript is not very long; it's about 18 pages; but it was clear that there was some confusion as to what had actually transpired. And eventually, the vote was two-to-one to not let him have that three-month, 25-day.

But I think it got sidetracked and went in a different direction because there was some uncertainty as to whether or not the DD214 was originally submitted as part of the application. Everyone at that Subcommittee hearing seemed to agree, number one, that he had applied timely originally. Everyone agreed that the prior training time was not allowed to be purchased at the time of his application. Everyone agreed that by the time his application was processed four years later, that training time was allowed. There then became some uncertainty as to whether or not the State had any obligation to notify the trooper that the rules of the road had changed, or whether it was incumbent upon him to somehow know that the rules of the road had changed.

Ultimately, Fae suggested that his application should be denied, and it seemed to be because there was this lack of clarity about this DD214. The DD214 that was in his file of course contained his wartime service, but also contained this questioned period of three months and 25 days. And it’s not lost on me that this is a small issue probably to most of us, but to Trooper Bettini it’s a significant issue. We can look at it two ways: it’s only three months and 25 days, or if you’re Trooper Bettini, that was a long three months and 25 days. So, you know, the beauty is in the eye of the beholder about the three-month period.

We believe that he should have been allowed to purchase that time. It would have been a very small amount of money obviously to purchase three months and

25 days, so clearly there'd be no reason he wouldn't do that when he was already purchasing several years of wartime service.

I have Trooper Bettini here with me today. I don't see him exactly. But, sir, would you like to say a few words?

MR. BETTINI: Sorry, I apologize. I was trying to figure out the Zoom meetings. I still haven't got a handle on it yet.

I would - first and foremost, good morning, everybody. I'm Trooper Armando Bettini. I've been with the State for 16 years now or coming up on 16 years. I appreciate you guys, you know, entertaining the appeal. And ultimately, you know, I think Attorney Ment did a great job articulating, you know, my case at this point.

I guess, you know, I'm not somebody - I guess I'm going to speak to my character. I'm not somebody that would ever look for something I don't think is rightly owed to me. I think there was just a mistake or missed timing. I don't know, you know, exactly what the circumstances are at this point, you know, how we want to look at them or call them, you know. But I wouldn't ask for this if I didn't think it was - if something was done in error or it was just missed timing. I have no malicious intent of getting any time from anybody. You know, I'd probably have served in the military – if it weren't for me starting a family, I would have continued my military service. You know, I've probably served with the State police – or, you know, I still take pride in the job; I always will; I always have. Same with the military.

So, you know, ultimately, I just – I appreciate you guys taking the time out of, you know, your schedules and days and your important meetings to hear our appeal. And I think that's all I can really say on my behalf. So, thank you.

MR. ADOMEIT: Okay, thank you.

MR. MENT: Mr. Chairman, thank you for allowing us to have this brief opportunity in your busy agenda. But we would respectfully request that Trooper Bettini be allowed to purchase his military training time of three months and 25 days.

MR. ADOMEIT: All right. Thank you.

How does the Commission wish to proceed?

MR. O'BRIEN: I have a question. This is Michael O'Brien. When someone puts in an application to purchase prior military service, is the – and I apologize; I had to step aside for like a minute to open a door; we have some workmen coming to the house –

but is the DD214 form required to be submitted with that application?

MR. MENT: The answer is yes. I have the State of Connecticut website on how you do this, and it says documents required, a DD214 from the federal government.

MR. O'BRIEN: And I apologize again. In reading the documentation, the DD214 form was grayed or blacked - grayed out in the copy and I had a lot of trouble reading it. So—

MR. MENT: Okay. There is - that's just - obviously these are old documents that had been previously submitted, but there's a box D that has this questioned three-month, 25-day period.

MR. ADOMEIT: Attorney Ment, could you elaborate on the comments that you made about how similar cases have been treated, please?

MR. MENT: Oh, I don't have any particular perfect example. I do note that in the transcript, Mr. Newman was asked about other similar situations. Mr. Newman indicated that people had been granted the opportunity to buy the time. In other words, there was that change in whether you could get training time or not get training time. Mr. Newman's remarks in the September 23rd hearing suggested that this would not be atypical.

MR. ADOMEIT: Thank you.

Does anyone have any comments or questions of Mr. Ment or Trooper Bettini?

All right. How does the Commission wish to proceed? Do you wish to take it under advisement? Do you want to decide the case now? What is your pleasure? I'll put someone on the spot. Bob Coffey.

MR. COFFEY: Thank you, Mr. Chairman. I think maybe it would be helpful if we ask Mr. Newman to speak to the Commission a little bit about why this request was administratively denied.

MR. NEWMAN: So, with respect to this application, the application that was denied was the fact that Mr. Bettini had submitted an application in 2019, which was obviously beyond - or was outside of the one-year deadline from the commencement – from the date of hire. So that actually is what was denied. It was during the – when it – the fact that it went before the purchase subcommittee, that's when all this information was unearthed about what had happened at the time of Mr. Bettini's hire.

Because he did do – there was a timely application on file. But on the application, and if everybody looks at like Exhibit A, which is the application itself, one of the – in the middle of the application where it lists the periods of time that Mr. Bettini was requesting, there was written on this form in the middle of it where it says per employee, no service here, and it says just processed. And then there's an arrow pointing to the period of time that was actually processed, which was the time from February 7th of '03 to May 22nd of '04.

With respect to the question about the fact that the time – you know, so at that time, that period of time was not eligible for credit. But by the time we got around to processing the purchase request, as has been stated before, now that period of time was eligible. So that one period, from February of '03 to May of '04, was processed. It really was the fact that based on this original application, the period of time in question we're talking about today, the three months and 25 days, in essence was not requested on a timely basis. And it was only requested, like I said, when we got the new application in 2019.

Now, I know Mr. Bettini, when he wrote his appeal, he appeared to indicate that there was like a lot of confusion with his HR office. But essentially, it wasn't applied for on the original application and it was only applied for in 2019, which was of course, beyond the one-year deadline associated with applying for prior military service.

MR. ADOMEIT: Colin, Peter Adomeit here. I'm a little confused now. I thought in his original application, the one that was delayed in processing, he actually asked for this period of time. Am I correct on that, or am I not correct on that?

MR. NEWMAN: Well, like I said, what I pointed to, Exhibit A, which was the original application, and there is something in writing on the application that basically is stating, and it says per employee, no service here, just processed. And then there's an arrow that indicates the period of time that they wanted - that was wanted to be processed was from February 7th of '03 to May 22nd of '04.

So that is the period of time that was processed. And it was only after the fact that we got a new application for this training period of time from in '02 - the seven—

MR. MENT: It's not—

MR. ADOMEIT: Let me restate the question, Colin. I was under the impression that the original application included this period of time of training, but because the law didn't permit that, he was not given that. Do I have it?

MR. NEWMAN: Well, he – and if it was on the original application, it also included the period of time from February ’03 to May of ’04, which was not permitted at the time.

MR. ADOMEIT: Mm-hmm.

MR. NEWMAN: But then, with the change in the federal law, by the time we processed this application, which was, I think, around 2010, those – both periods of time were now eligible to be purchased. It’s just that that three-month-and-25-day period of time was not on the original application based on the document that we had because, as I pointed out before, I mean, there’s a statement here. It’s not a – it’s just – it’s a statement that’s written here and it says just process the February ’03 to May of ’04 time. Because it’s saying that there’s no service here for the other periods of time that are listed.

MR. ADOMEIT: Okay. Let me work my way out of this confusion now.

Jeff, go ahead. Attorney Ment.

MR. MENT: Thank you, Mr. Chairman. So when Trooper Bettini applied originally, the paperwork was prepared by the agency on his behalf for his signature.

MR. NEWMAN: Correct.

MR. MENT: The questioned time of this three months, 25 days was not available for purchase at that time. You couldn't, at the time he applied, have that three-month-25-day period.

MR. NEWMAN: Correct.

MR. MENT: (Inaudible) the DD214 that was submitted at that time contained the three-month-25-day period.

MR. NEWMAN: Correct.

MR. MENT: It wasn't until significantly years later, many years later, like nine, like 2019, that Trooper Bettini learned that in fact that would be an allowable period of time to purchase. It was suggested to him to apply, but of course that was now many years after his commencement with State service.

So that application, if you look at it on its face, it was appropriately denied because it was so late in the coming. But our point is that when he applied originally, training time was not allowable. Despite it not being allowable, it was contained on his DD214 that was submitted to the State. When the State reviewed it in 2010, no one contacted Trooper Bettini to say we have your DD214; there's been a change in the law; you can now have this time.

And I suppose that was one of the debates at the Subcommittee hearing, is did the State have some requirement to recognize that the rules had changed. And there was some back-and-forth debate between the members of the Subcommittee, some suggesting that the State should and some suggesting that the State shouldn't. But the State was in the best position - the examiner would have been in the best position to know what time was purchasable versus not purchasable because a change in the federal law, as Mr. Newman just mentioned, had occurred between the time of the trooper's application and the agency's determination – the committee's determination that he could purchase it.

So, if you're asking did he, on his original application, request that training time? The answer would be no, he couldn't because it wasn't allowable at the time, but yes, he did give the DD214 at the time that had that training period, three months, 25 days, Box D, like delta. And when it was approved in 2010, the issue is should the examiner have realized that Box D was now allowable and give the trooper either the information or the opportunity for what would have been - just I think would be about eight dollars per check for a short period of time to purchase those three months.

I hope that clears up the confusion, Mr.

Chairman.

MR. ADOMEIT: Well, my confusion goes deeper than that.

MR. MENT: Okay.

MR. ADOMEIT: We have this one-year rule. You have to apply every purchase within a year of being hired. But the law changed a year after he was hired. And so, on your one interpretation, he could never ask for that time, because when they changed the law, it was one year after he was hired. And that's where my confusion comes in.

MR. MENT: As Mr. Newman pointed out in the transcript of September 23rd, yes, the law had changed; yes, had the State not taken four years to make the decision, Trooper Bettini would have no argument to make. So in other words, if his application had been acted on immediately upon submission, he would not have had an opportunity. The delay in processing the application is what gives Trooper Bettini the opportunity to now say I had that on my DD214; you had it in your possession timely; I should have been given the opportunity to purchase that time.

MR. ADOMEIT: My confusion has left. Thank you so much.

MR. MENT: Yes, sir.

MR. HERRINGTON: This is John Herrington.

MR. ADOMEIT: John Herrington.

MR. HERRINGTON: Yeah, I just wanted to have some clarity on a couple of points. There are actually two DD214's; correct; one DD214 that represents this active duty for training and one that represents the active-duty of service?

MR. MENT: I believe both have—

MR. HERRINGTON: Exhibit A is one DD214 and Exhibit D—

MR. NEWMAN: Exhibit D.

MR. HERRINGTON: --is a separate DD214?

MR. NEWMAN: Right.

MR. HERRINGTON: Is that correct?

MR. MENT: Sir, I don't know what exhibits you have, so I don't know the answer to that question.

MR. HERRINGTON: So, there is DD214 that represents the service from February of 2003 through May of 2004. That's the DD214 that you referenced where in Box D it indicates three months and 25 days, correct?

MR. NEWMAN: John?

MR. HERRINGTON: Yes.

MR. NEWMAN: Exhibit A and Exhibit D are the same DD214. They're the same DD214.

MR. HERRINGTON: So, do we have a DD214 that represents the specific dates that represents the three months and 25 days, the dates that (inaudible)?

MR. NEWMAN: That's Exhibit A. Exhibit A – well, Exhibit A and Exhibit D are the same DD214. They represent the three months and 25 days.

MS. BUFFKIN: This is Karen Buffkin. They have different explanations on the left-hand side of those DD214's, one describing military police service and one describing something else. Am I reading that correctly?

MR. HERRINGTON: The point I am making is I don't see a DD214 that represents the dates the three months and 25 days covers. That's—

MR. NEWMAN: I'm sorry, John. I was incorrect. The Exhibit A is the DD214 for his actual service that we did give him credit for.

MR. HERRINGTON: Correct.

MR. NEWMAN: And Exhibit D is the DD214 for the three months and 25 days.

MR. HERRINGTON: Exact – that's what I thought and that was my point. And so, the question was was that second DD214 that represents the actual dates that the three months and 25 days occurred, was that submitted initially?

MR. MENT: And my understanding is that the answer is yes to that, sir, and that was what Mr. Newman had stated at the September 23rd hearing. And Mr. Herrington, you were at that hearing, I think.

MR. HERRINGTON: Yes.

MS. BUFFKIN: This is Karen Buffkin. If you look at Exhibit A, the DD214, in Line D, it does have a three-month, 25-day timeframe. On the second DD214, it is – there is a three-year, 25-day timeframe in Column C. So it's – I'm not sure of the distinction between that change in terms of C and D, but that's the way I'm reading it.

MR. HERRINGTON: Correct, but – right, the distinction between the two would be if we had a DD214, that just meant that (inaudible) three months and 25 days, that would be an insufficient record for us to grant someone (inaudible) the dates of that time was served. That question was answered by this other exhibit.

And so, to me, if all we had was the first DD214, that would not be enough to put us on notice and/or to process that purchase, but if we had both, it would.

MR. MENT: My understanding, sir, is that both referenced the three-month, 25-day period in different boxes. So the State had the appropriate documentation, would be our position, when it approved the application in 2010. And that sounded like what Mr. Newman was saying in the September 23rd, 2020 transcript. I don't know if this group has that transcript, but some of you must.

MR. POULIN: This is Claude Poulin. The Form DD214 that I have is very hard to read, but going – when I look at D, I agree with Karen that it seems to include the three months and 25 days. Now, on the page just before that, there is Form CO-1088, which is the request for prior miscellaneous service for Tier II-A. And the second line of the request after the National Guard service, there is a period from February '01 to February '03, which seems to include the training time the period in question from January 9, 2002 to May 3, 2002.

So, it was part of this application, which was signed on January '06, which was just a few – the same month that he was hired.

MR. ADOMEIT: If you're following along, that's Page 67 of the packet.

MR. POULIN: That's right.

MR. NEWMAN: That's the purchase application that I was referencing previously, but it also had the

– had that notation next to it, next to that period of time regarding where it said per employee, no service here, just processed, and then there's an arrow directing the period of time that he – that was processed in 2010.

When this original application came in, none of this time – none of the time periods that were listed were eligible, at the time when this invoice – I mean, this application was first received. So it was only after, like I said, it was processed in 2010 and the - you know, the law had changed, that the application was processed like based upon the – what was indicated, which that's the reason why the only period of time that was processed was the period from February 7th of '03 to May 22nd of '04.

And the DD214 that's associated with it, yes, because it was a DD214 for a later period of time, so it would have on that DD214, it would include the fact that at some point, he had three months and 25 days for the active-duty training because that had occurred prior to the actual active-duty service that he had.

I don't—

MS. BUFFKIN: This is—

MR. NEWMAN: I don't believe that the actual DD214 for the three months and 25 days, I don't believe that we - it's unclear whether we had that on file or not. Yes, because of the copies, it's hard to see when that particular DD214 was - had been scanned in, but we obviously received another copy with the application that came in in October of '19.

MR. HERRINGTON: This is John Herrington. And so, I'm looking at Page 89 in the packet, which is Page 7 and 8 of the transcript. And when this question was asked at that time, the answer was that we didn't have the second DD214 at that time.

So, I guess the issue is, right, to clarify, the fact that we have a DD214 that represents that there was prior service, that that's not a sufficient record for us to allow an individual to purchase the time because we wouldn't necessarily know the days when that service occurred, whether those dates were purchasable. We also wouldn't know the nature of the service, whether there was an honorable discharge or not.

So that first DD214 that we're looking at as Exhibit A, that that wouldn't be a sufficient record from our perspective to put us on notice of this purchase opportunity.

MS. BUFFKIN: This is Karen Buffkin. I have a quick question, just a clarification of something that Colin stated, which is the time where it says per the employee, please process. Was that eligible at the time he applied for approval?

MR. NEWMAN: No. At the time when this application came in, none of the periods of time that were listed were eligible for purchase at the time in (inaudible).

MS. BUFFKIN: And then - and just to make sure I have the timeline correct, in 2010, when we did approve it because at some point the law changed and this time became eligible for purchase—

MR. NEWMAN: Mm-hmm.

MS. BUFFKIN: --was the three months and 25 days also eligible in 2010?

MR. NEWMAN: They would have been eligible in 2010, yes.

MS. BUFFKIN: Okay. And my last question, is there - would we have - do we normally inform applicants as to why we are denying, because this does say prior active service, even though we didn't have any dates on the original DD214? Would we normally follow up with the employee and ask for that documentation as part of our process?

MR. NEWMAN: So, your question is, if we had denied it at the time, would we have like given the reason for the denial?

MS. BUFFKIN: Correct, because the - in terms of some of the questions, the time period, you know, based on Claude Poulin's questions, the time period that encompasses the three months and 25 days is on the application; the three months and 25 days is not spiked out in terms of when in the period of time within this application—

MR. NEWMAN: Right.

MS. BUFFKIN: --that that service occurred, which is, of what I understand, is one of the issues, would we have in - had it not had - but for the notation where it says per employee process, this part, would we have followed up with the employee as to that three years and 25 days of service, which appeared to be active service?

MR. NEWMAN: As to what was done in 2010, probably not. We probably at the - when this application was processed, more likely the agency would have just - we would have just processed what was requested. And based upon what was notated on this application, I'm sure the only processing that would have occurred would have been for the period of time that he did receive credit for, and it would not have taken notice of the fact that, even though this statement is on here, they probably would not have moved forward and basically said, oh, by the way, we notice you had this period of time that you said that you didn't want it to be addressed, but you may have service that may quality - you may have service in this period of time that may qualify for retirement. I don't think they would have gone that far.

MR. COFFEY: Colin, Bob Coffey. When the law changes, and new periods of time become eligible for retirement purposes, is there a deadline for the applicant to come forward and say he's claiming that time? Does the one-year period that we have apply here, or is - what's the deadline?

MR. NEWMAN: There was really no deadline. It was like - there wasn't anything - I don't believe there was any communication that was put out at the time of the change of the law to advise people that, you know, due to the change in the federal laws that they may - you know, if they had already applied and had been denied because they were not eligible at that time, that they could, you know - they would be encouraged to like resubmit the application.

There wasn't any communication that was put out with respect to the change in the laws. I think what was done was applications that had not been processed as of the time were now - were then processed because now the times were eligible. Basically, for those individuals that had been processed and then had been denied, if they came back and said, you know, the time is - my time is eligible, we would have - I believe we would have just processed those also. But—

MR. COFFEY: No matter what time they came back?

MR. NEWMAN: Right. Right. If we had sent something out to them saying that they were denied because the time was ineligible and then they came back and they said, well, I did have a timely application on file, but there was a change, you know, there's been a subsequent change, then we - and as long as there was a timely application on file, then we would have processed their application.

MR. COFFEY: But you're saying that same rationale doesn't apply in a situation where somebody purposely doesn't apply because they know that the time period isn't eligible, that that means they're forever foreclosed from applying for the time?

MR. NEWMAN: Well, even though he may have known that the - or it may have been known that the training time was ineligible, but the period of time that they did apply, that was also ineligible unless -

yeah, the period of time that he actually applied for was also ineligible, from – like I said, from the – and from the application, even though he did – the dates were put down from, you know, 2001 to 2003, I mean, there was the notation that said basically there is no service here, just process the '03 to '04 time.

MR. POULIN: This is Claude Poulin. This note on the left side of the request, whose writing was this? Was it – was Trooper Bettini aware of that?

MR. NEWMAN: That, we don't know because this would have been done at the agency level. Now, whether or not Trooper Bettini was ever aware of this being on the application, that's unclear to us.

MR. ADOMEIT: Peter Adomeit here. You're talking about Exhibit A, Claude?

MR. POULIN: Exhibit A, Page 67.

MR. ADOMEIT: Thank you.

MR. POULIN: You know, this is Form CO-1088 and this is the initial application done in January of '06. So, of course, it was – it was filed on time. And it does include the period in question, which is from January 2002 to May 3, 2002, because it's part of the period of from February '01 to February '03. So, within that two-year period, there is the period that we're talking about here.

So, it was part of the application. So should he have submitted a seco. application when it became available? But he had already requested it.

MR. NEWMAN: Like I said, it was unclear to us in the Division as to whether or not Mr. Bettini was aware, you know, that this notation was on the application. I don't know if that's when he - when he wrote his appeal and indicated the confusion with the HR office at State Police. I don't know if it was because of that. It's unclear. This is how the application was submitted to the Division.

MR. RYOR: This is Tim Ryor. Just a point of clarification to make sure I'm understanding this. So, if his application was - I think you said that none of his time was eligible. So, if it was processed, you know, the same month that he applied, he would have been denied all time. It was only because of the later change in federal law that the time requested on his application was approved.

And so, I'm a little unclear on the fact that you said he didn't ask for the three months because he wasn't eligible, but at the time, he wasn't eligible for any service.

MR. NEWMAN: No, I said he didn't - what I'm saying is that he didn't ask for the three months, not because - whether or not it was because he was - that it wasn't eligible. I'm not saying that. What I'm saying is that it wasn't requested based on this notation. It was—

MR. RYOR: No, no, I understand that. I'm sorry. I meant, is it accurate though that as of the point of his application, he wasn't - the other time was ineligible too that—

MR. NEWMAN: That is correct. That is correct.

MR. RYOR: Okay.

MR. NEWMAN: Yeah, none of the time was eligible.

MR. RYOR: And - this is Tim Ryor again. Has the administrative practice been, and I think you've alluded to this as well, that if other individuals like him that applied weren't eligible, the law changed; if they came back and said, hey, now I'm eligible, that would be granted? And actually, he's one example because—

MR. NEWMAN: Right.

MR. RYOR: --the law changed, and his time became eligible, so it was granted?

MR. NEWMAN: Right, if they applied, right.

MR. RYOR: Perfect.

MR. FLORES: Mr. Chairman, Mr. Bettini and his attorney had their hands up.

MR. ADOMEIT: Okay. Thank you. First Mr. Ment. Go ahead.

MR. MENT: Yes, thank you very much. Trooper Bettini did not complete the – those forms are completed by the agency. Any writing is the agency's handwriting. And Trooper Bettini's point to his why would he not take the opportunity for this three month and 25 days? There would be no reason that he would say, give me a few years, but don't worry about the three months, 25 days. That's why this doesn't make much sense, that if the – when it was processed, all eligible time should have been processed. It was on his original application, this period of time.

So, I think at the end of the day, it was probably a clerical oversight. I'm sorry this has taken nearly an hour of your valuable time, but I think at the end of the day, it was probably just something that he should have gotten credit for as a matter of course when the Department granted his application in 2010. And so, I'm sorry that 11 years later we're talking about it, but I would hope that we've heard enough that the group today feels that an error, a simple clerical error, was likely made, and he should be given the opportunity to repurchase that time - or to purchase that time.

MR. ADOMEIT: Mr. Bettini—

MS. BUFFKIN: This is—

MR. ADOMEIT: --did your lawyer make the point that you were — you had your hand up.

MR. BETTINI: Yes, he did, absolutely. I was just going to state the same. I never was afforded the opportunity, that I'm aware of, from, you know, HR, and I never would have denied the four months if I'm already buying 16 months back.

I don't know what this note is. I don't have your exhibits available to me, so I don't know what this note is referring to. But I never denied requests for the four months. So it was never brought to my attention.

MR. ADOMEIT: It's good. You and your lawyer are on the same page.

MR. BETTINI: One hundred percent.

MR. ADOMEIT: All right. Thank you.

MS. BUFFKIN: I have a question for Trooper Bettini, if I may.

MR. ADOMEIT: Go ahead.

MS. BUFFKIN: This is Karen Buffkin.

Trooper Bettini, did you have discussions either with representatives of the Comptroller's Office in the Retirement Division or HR at any point with regard to what service would be eligible for purchase and what would not in terms of the one year and four months that you did purchase?

MR. BETTINI: So, I don't really remember exactly what the correspondence was between us. I did have multiple phone calls, whether it was with the Comptrollers, HR; I don't recall that; or my agency specifically. I do remember verbally being told that the four months was ineligible. And obviously, since, that has changed, and that's kind of why we are where we are, but that's the best of my recollection, being, you know, 11, you know, 12 years ago.

MS. BUFFKIN: Thank you very much.

MR. BETTINI: Thank you.

MR. ADOMEIT: All right. Is there any other discussion?

All right. Bob Coffey.

MR. COFFEY: Mr. Chairman, I would move that we approve Trooper Bettini's request to include the time from February 7th to May 22nd, '04 as eligible for retirement purposes.

MR. POULIN: This is Claude and I second.

MR. CAREY: Mr. Chairman, this is Mike Carey.

MR. ADOMEIT: Chairman recognized Mike Carey.

MR. CAREY: I would second Commissioner Coffey's motion.

MR. ADOMEIT: Okay. It's been moved and seconded. Is there any further discussion? Hearing none, all in favor of the motion, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. NEWMAN: This is Colin. Actually, the wrong period of time was just stated. The period of time actually is from January 9th of 2002 to May 3rd of 2002.

MR. COFFEY: I'm sorry. I accept the friendly amendment. I was looking at the Exhibit A and I have a hard time seeing it.

MR. ADOMEIT: So, we know we're talking about that brief period of time.

MR. COFFEY: Right.

MR. ADOMEIT: All right. Is there any - I guess I was in the middle of the motion. We'll start over again.

Is there any further discussion? Okay, hearing none, all in favor, say aye or raise your right hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it. It's unanimous.

Thank you, Mr. Ment and Mr. Bettini.

MR. MENT: Thank you all for your time.

MR. BETTINI: Thank you all for your time.

MR. ADOMEIT: You are free to go.

MR. MENT: Thank you. Good day, all.

MR. BETTINI: Thank you.

MR. ADOMEIT: Good day.

All right. Would a five-minute break be appropriate at this point in time? Yeah. Let's take a quick break and we'll come back in five minutes.

MR. FLORES: Though I don't have a vote, I approve.

MR. ADOMEIT: Yeah.

(The Board was in recess for several minutes.)

MR. ADOMEIT: Well, I think we should move the meeting along. So let's go back on the record. We are now in executive session, or about to be. So—

MR. BAILEY: Point of order, Mr. Chairman.

MR. ADOMEIT: Mr. Bailey.

MR. BAILEY: We have Item 18 on the agenda.

MR. ADOMEIT: Oh, I'm sorry. Of course. I should know that because I amended it to put it up there. Thank you very much.

Item Number 18, the Actuarial Report.

MR. BAILEY: This is Michael Bailey. I move Item 18 on the agenda to accept the recommendation of the Actuarial Subcommittee to accept the Connecticut Municipal Employees Retirement System’s Schedule of Employer Allocations and Pension Amounts by Employer ended June 30, 2020.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Is there any discussion? Hearing none, all in favor, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it. Thank you very much.

MR. BAILEY: Mr. Chairman, this is Michael Bailey. I move that we move into executive session to discuss the items on the agenda for executive session.

MR. ADOMEIT: One through nine?

MR. BAILEY: One through nine.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Any discussion? Hearing none, all in favor, say aye—

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: --or raise your hand. Opposed, nay or raise your hand. The ayes have it.

MS. CIESLAK: Mr. Bailey?

MR. ADOMEIT: Yeah.

MS. CIESLAK: This is Cindy Cieslak. To confirm, Mr. Bailey, does your motion include the invitation to John Herrington, Colin Newman, Bruce Barth, Alisha Sullivan, and Michael Rose and Cindy Cieslak to attend executive session?

MR. BAILEY: This is Michael Bailey. Yes, it does.

MR. ADOMEIT: Okay.

MS. CIESLAK: Okay. So with that, I am going to put Mr. Ostroski and Mr. Wilkerson in the waiting room. I just wanted to let you both know that, that we're going into executive session.

MS. CARLSON: And, Cindy, this is—

MS. MENON: Cindy, I don't think you named me.

MS. CARLSON: Right. You left out Ya.

MS. CIESLAK: Oh. I apologize.

MR. ADOMEIT: Yeah.

MS. CIESLAK: I had you in a different column. I had you in the column that didn't need invitation.

And, Mr. Bailey, could you confirm that your motion also included an invitation to Ya Menon to be invited into executive session?

MR. BAILEY: Yes. This is Michael Bailey. It does.

MS. MENON: Thank you.

MR. ADOMEIT: Okay. Are they in a waiting room now, Cindy?

MS. CIESLAK: One moment, please.

MR. ADOMEIT: All right.

(The Board was in executive session from 10:36 a.m. to 11:35 a.m.)

MR. BAILEY: Chairman, this is Michael Bailey. I move that we revisit Article 18 on the agenda, acceptance of the CMERS Report for Schedules of Employer Allocations and Pension Amounts by Employer.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Thank you. All in favor, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay. The ayes have it.

Okay. The information on the report that should - we should inform the Commission about, who wishes to speak to that? Claude?

MR. POULIN: Well, is Jason here?

MR. ADOMEIT: Yes, Jason is here.

MR. OSTROSKI: Yes, I'm here.

MR. ADOMEIT: Yeah, we want to hear from you folks. We think the Commission should hear what you guys have to say.

MR. OSTROSKI: Sure, certainly. Did you want me to go through kind of the presentation of the results and - again, I apologize I wasn't available yesterday for the Actuarial Subcommittee. So, one of my colleagues was presenting in my absence. But I can walk through the presentation that I was planning to make there and kind of just give a highlight of the results of the audit, and then, you know, talk about all the reports that we issued.

Would that be the pleasure of the Board?

MR. ADOMEIT: Yeah. Why don't you proceed? Yeah.

MR. OSTROSKI: Okay. If I could share my screen here, all right. So everybody can see that PowerPoint? All right.

Again, my name is Jason Ostroski and I'm the principal with CLA on the audit of the GASB 68 schedules. And I guess as a little bit of context before we get into the results of what are the GASB 68 schedules, so essentially the GASB 68 schedules are schedules that help the employers comply with the reporting requirements under GASB 68 for reporting their net pension liability and their, what we call, deferred inflows and outflows as well as their pension expense.

And under GASB 68, it requires an allocation of the system's total net pension liability to all of the participating employers. And so contained within that schedule, those schedules, is an allocation schedule as well as the total net pension liability deferrals and pension expense allocated to all of the employers. So, it essentially provides them with their information that they need to report the liability amounts as well as the expenses associated with their participation in the retirement system. And then our audit of those schedules provides their auditors with the evidence that they need to be able to rely on the accuracy of that information without having to come to CMERS and performing procedures over that for purposes of their financial statement audits.

So that's a little bit of background so we have a little context for what this report is. And I'll walk through the agenda real quick here to talk a little bit about our audit and what we do, the scope and the approach. We'll talk about the 2020 audit results, and then we can walk through some required communications.

MR. RYOR: Mr. Chairman, this is Tim Ryor, and I apologize, but do we need the whole presentation? Or - my understanding was that Jason was just going to present on the exception. I think the Actuarial Subcommittee kind of had this whole presentation, and based on it, was able to approve the reports. But the one issue of note related to the exception, which had never been seen before, about the data, that was the thing that we thought the full commission needed to hear about.

Is that - does the—

MR. ADOMEIT: That was my understanding, Tim, yeah.

So, Jason, why don't you go to the—

MR. OSTROSKI: Okay.

MR. ADOMEIT: --the problems in the report - not the problems, whatever you guys call them in actuarial science.

MR. OSTROSKI: Certainly. Yeah, so as part of our audit, we perform procedures, and I'll give a little context around - we had what we call a past audit adjustment. And essentially, that past audit adjustment is an adjustment that's not material, so it doesn't impact our opinion. Again, we issued an unmodified clean opinion. But it's something that's significant enough to warrant communication with the governing body.

And so, again, the past adjustment, essentially what that means is that's an adjustment that we identified during the audit through performing our procedures, and management chose to pass on making and incorporating into the report. And I think part of the reason that it was passed on was the timing of identifying that adjustment and issuance of the report and the needs for the employers. And so, because it wasn't material and wouldn't impact our opinion, the decision was made to not make it. So that's essentially what a past adjustment is.

So as far as how we identified that adjustment, part of our procedures is selecting a rotating sample of employers to test the completeness and accuracy of the census data. And so essentially, we select a sample of three employers every year, and we rotate through that sample, and we request payroll files from those employers and do testing on the payroll files from the actual employers back to the census data validating the census data.

And part of our procedures in doing that is that we perform data analytic procedures, essentially taking a hundred percent of that payroll file and relating it back to the census data and looking at the salary. We look at dates of birth and demographic information comparing between the two sources. And we also look at - for individuals that are on the payroll that aren't on the census data. So, from a completeness perspective, trying to make sure that everybody that should be on the census data is on there.

And so, in doing that procedure of comparing the payroll files to the census data, we take a sample of individuals who aren't on the census data that are on the payroll file, and again analytically kind of narrow that population down to individuals that look like they should be. And in doing that for one of the cities we selected, we found three that were not included on the census data that were contributing members. And so, in following up with that, we determined that there was something in the extract, a box that needed to be checked that wasn't checked for certain individuals.

So, what we asked management to do was to run us a report of all the individuals. So there were three from the one employer that we tested, and in total, there we. 74 that were missing from the active census data. And so, then the next step, once we got that information, was to work with Cavanaugh Macdonald and determine the impact.

And so that's where the past adjustment comes from. And determining the impact, it was an $8.5-million impact to the net pension liability and to the total pension liability. And so again, like I'd mentioned earlier, not a material difference in the scope of our audit, but something that was above what we call trivial for reporting purposes.

So that's where the 74 missing active members from the census data - and how through our audit procedures we came to identify that. And then you'll see the final bullet there, one of the communications we had was what we call a management letter, and again, just communicating, based on identifying those missing individuals, some recommendations around validating.

And again, we walked through the census data process, so I don't - there are validations and controls and reviews that are performed internally. So, we just made some recommendations of additional ways to improve that process to further be able to capture some of these missing individuals that may be on the contribution information, but, you know, extract or how the data was pulled, not having them included on the census data.

So that's a brief overview of kind of how that issue came to be and how we had communicated. Again, you should have all those communications. The management letter is one of the written communications, as well as within our governance communication, which goes through a variety of required communications under audit standards. Included in there would be the past adjustment as an attachment to that communication and an overview again of that issue.

MR. ADOMEIT: Okay. Thank you, Jason.

MR. POULET: Jason, this is Claude Poulet. Jason, Thomas Rey yesterday mentioned also the - and so did the report, that some incorrect dates of birth were found in the census data. But it also - like the missing participants, that it was immaterial.

MR. OSTROSKI: Yes, that is correct. And dates of birth is one - we do this all over the country, and all I do all year is work with pensions. So I do a lot of this employer testing and census testing, and there's always some dates of birth, whether it's keying or even reporting on the member's end. So - and some of the dates of birth, we found that the enrollment forms actually weren't completed correctly by the members.

So that is something that we find, and again, was not material, but we put it in there as part of that communication around the missing individuals. But yeah, you are correct, that was not a material issue.

MR. ADOMEIT: Thank you, Jason.

MR. OSTROSKI: Really not of any - significant.

MR. ADOMEIT: Claude, do you have any more questions or comments?

MR. POULIN: No, I do not.

MR. ADOMEIT: Okay. Well, Jason, thank you.

Do any members of the Commission have any questions of Jason?

MR. HERRINGTON: I don't have any questions, but I'd like Donald Wilkerson to kind of speak to our efforts in collecting the data. Last year, our long-term goal - and this is a goal we have across all of our plans, is kind of perfecting the data for the actuarial extracts. You know, MERS has its own unique challenges. We're dealing with a number of disparate entities of different levels of sophistication. And CERS has just a much larger population with more complicated rules. They both present unique challenges.

We're dealing with the fact that we've gone from one system to a new system. And so, we know that this is an issue or an area that we need to improve upon. We've continued to improve. I am slightly disappointed that we had this issue, but I'm also thankful that we identified it and that we identified that there are additional controls that we can implement, and that there may actually be, you know, some technology that we can utilize both for MERS in identifying these types of issues, and hopefully that we may actually apply some of those to SERS as well.

But, Donald, can you give just a quick overview of the issue with respect to both the dates of birth and the enrollment issues?

MR. WILKERSON: Yes, definitely. So let me just say, totally agree with John that we're disappointed that these exceptions occurred. First thing, in regard to dates of birth and enrollments in general, so we found as we researched this, there's often towns that fail to submit enrollment forms. I think they're under - they proceed in a way where they require the employees to sign off on an enrollment form, and they've told us that many times employees fail - refuse or fail to submit the signed enrollment form, which is a CO-931.

I think we decided that going forward, we're going to communicate to the towns, provide them a roster list of individuals to confirm who – if dates of birth are missing or validate that they're correct. And also inform them that if an employee refuses to submit a 931 or sign a 931, to submit it without their signature and just indicate that on the form that they decided or refused to sign it.

Because ultimately, whether they sign it or not, it doesn't matter. They're required to be in MERS, to participate, and it's up to the town obviously to deduct retirement contributions from payroll and to submit them on a monthly basis regardless of whether the employee agrees to or wants to participate or not. So that will, as far as I see, address the issue with birthdates and with enrollments in general.

In terms of the 74 that were omitted from last year's valuation for the fiscal year ending June 30th, 2020, so we have a very – a highly advanced developer who's been working on a new program in Core-CT for the data extract. She's fine-tuning it and finalizing it as we speak, and we expect to start testing it approximately September 15. And with the new program, it's a formal program that pulls or extracts all active and retirees in the MERS plan as well as SERS right now. And we'll be testing both MERS and SERS on September 15, begin the testing for the fiscal year ending June 30, 2021.

Part of that will be - one of the key things in identifying or extracting active employees is that there's the benefit plan page, the USA pension plan page in Core-CT, that every active member must be coded in that plan with the appropriate benefit plan code. For SERS, that includes the various tiers and so forth. For MERS, it's basically, you know, Fund A, Fund B, Fund C, the applicable plan that they participate in.

If for some reason - and we're doing our level best to ensure that, especially with this exception that's been discovered, that we're going through every one to ensure that that page is coded correctly with the applicable benefit plan. However, if for some reason, when we run the new extract and someone falls out, as she's got an error report in place that says if they are actively contributing, we're receiving retirement contribution and they have no benefit plan in place, we're going to get an error report so we can review everybody and do the appropriate follow-up to code them properly and ensure that no one is missed from the extract going forward.

So, I would just say, that's the highlights and a recap of how we're moving forward to avoid this in the future.

MR. HERRINGTON: Thank you, Don.

MR. WILKERSON: You're welcome.

MR. ADOMEIT: Is there - excuse me - any other questions or comments on the item?

All right. Hearing none, thank you, Jason Ostroski, for being here—

MR. OSTROSKI: Thank you. I appreciate it.

MR. ADOMEIT: --for your presentation.

MR. OSTROSKI: Not a problem. I appreciate the time.

MR. ADOMEIT: And you are free to go because we're going to executive session, and we'll put you in the waiting room.

MR. OSTROSKI: Not back in the waiting room. I appreciate it. Everyone, have a good day.

MR. ADOMEIT: Okay.

MR. OSTROSKI: All right, thank you.

MR. ADOMEIT: Have a nice day.

MR. OSTROSKI: Bye.

MR. ADOMEIT: Bye.

All right. Now we can resume and go back into executive session.

MR. BAILEY: Mr. Chairman, this is Michael Bailey. I move we return to executive session with the previously mentioned additions to that session, individuals.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: All in favor, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

MS. CIESLAK: For the record, those individuals included in executive session are John Herrington, Colin Newman, Ya Menon, Bruce Barth, Alisha Sullivan, Michael Rose, and Cindy Cieslak.

(The Board was in executive session from 10:59 a.m. to 11:35 a.m.)

MR. ADOMEIT: Okay. All right. The Chair recognizes Michael Carey.

MR. CAREY: Thank you, Mr. Chairman. In the matter of Riju Das, I move that the Commission decline to issue a declaratory ruling in this matter, but based on the fact pattern in this case, that we grant the remedy that Mr. Das is seeking.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Thank you both. Is there any further discussion? Hearing none, all in favor of the motion, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

MR. CAREY: And, Mr. Chairman, this is Mike Carey. In the matter of Ms. Flanagan, I would move that, in light of additional information becoming available regarding her receipt of disability retirement benefits, that the Commission reverse the decision of the MEB and grant a disability retirement to Ms. Flanagan.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: Okay. This was on continued—

MR. CAREY: Right, we grant continued disability—

MR. ADOMEIT: Right, yeah (inaudible).

MR. CAREY: --continuation of benefits, correct. Thank you.

MR. ADOMEIT: Okay. Any further discussion? All in favor, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: Aye.

MR. ADOMEIT: All opposed, say aye or raise your hand. The ayes have it.

MS. CIESLAK: Mr. Chairman, can I confirm that Trustee Coffey seconded that most recent motion?

MR. COFFEY: Yes, I did.

MS. CIESLAK: Thank you.

MR. ADOMEIT: Okay. I guess we are at the close of the motions; are we not?

MR. CAREY: Correct.

MR. ADOMEIT: Yeah. And that also means that we are about to adjourn, but to do that, we require a motion.

MR. BAILEY: Mr. Chairman, this is Michael Bailey. I move adjournment.

MR. COFFEY: Bob Coffey, second.

MR. ADOMEIT: All in favor, say aye or raise your hand.

UNIDENTIFIED SPEAKERS: (No audible response)

MR. ADOMEIT: Opposed, nay or raise your hand. The ayes have it.

Thank you all very much.

MR. COFFEY: Thank you, Peter.

MR. ADOMEIT: Good meeting.

(Adjourned at 11:37 a.m.)

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 9:03 a.m. on August 19, 2021.

Karin A. Empson

Karin A. Empson

09/23/2021

Date