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 Krayeski, 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
(Proceedings commenced at 9:02 a.m.)

CHAIRMAN ADOMEIT: Okay. This is the monthly meeting of the State Employees Retirement Commission, Office of State Comptroller by teleconference. Ms. Cieslak, do you have the attendance, please?

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

CHAIRMAN ADOMEIT: Okay. Thank you.

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

MS. CARLSON: Yes.

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

Division Director?

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

We’re going through the process of, you know, preparing transition documents to bring the new comptroller up to speed. Obviously, this is my first time as a transition from one administration to the
next. I don’t really anticipate a number of problems or issues with that, but it does require us to kind of look inward for us to get a sense of exactly where we are in summarizing some of our priorities going forward. So I think that the transition has been helpful in that regard, so that we have to kind of put pen to paper in terms of exactly what our goals, initiatives and priorities are going forward. So we’re definitely in the midst of that piece right now.

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

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

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

But we hope to resolve a number of the enrollment problems that we’ve had over the past by educating the agencies and opening up lines of communication so that we can resolve problems and issues quicker. There are many times where just due to some particular set of circumstances in one individual’s case, it happens more frequently than you would think where on the face, it would appear that someone should be placed into a historical tier that wouldn’t necessarily be the case and they should be placed in Tier IV to begin with and that results in a deficiency of retirement contributions that have to be collected at some point in the future.
Right now, there’s been sometimes a delay in us identifying those types of errors, and then there’s a delay in us resolving those errors. What we hope to do is to eliminate those errors from the start and this is our first step in that direction.

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

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

Some other issues that have arisen, I would say that I would like to really thank Yam Menon from
this office and Cindy, who have really taken on the
dlion’s share of the work in shepherding through the
MERS reemployment regulation through that process. It
looks as though we, just this week, cleared a major
hurdle and it looks like we are on track to have that
regulation in place by the end of the year.

But that’s my report for this month.

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

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

CHAIRMAN ADOMEIT: Thank you.

Marty Carlson? You’re muted.

MS. CARLSON: I just want to echo what John
has said and what Peter mentioned in that we are in the
midst of a transition to a new administration. And
Tara Downes, who is on the call, Assistant Comptroller,
is running point on that. We had been planning from
the summer on a new comptroller, you know, whoever it
was, so we’re in good shape. The new comptroller, Sean
Scanlon, has an outstanding record as a state rep on –
for both as chair of the insurance committee and as
chair of finance and bonding. We have worked with him
directly over the years on multiple projects, so he
will be able to hit the ground running.

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

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

MS. CARLSON: Yes.

CHAIRMAN ADOMEIT: An incredible influence on
the state already.

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

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

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

MR. BAILEY: Thank you, Mr. Chairman. This
is Michael Bailey. I move approval of the October 20th, 2022 minutes.

MR. COFFEY: This is Bob Coffey. I’ll second that.

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

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

MR. COFFEY: Bob Coffey. I second that.

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

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

MR. COFFEY: Bob Coffey. Second.

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

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

MR. COFFEY: Bob Coffey, second.

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

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

MR. COFFEY: Bob Coffey, second.

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

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

MR. COFFEY: Bob Coffey, second.

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

MR. BAILEY: This is Michael Bailey. I move approval of the Connecticut State Employees Retirement System’s preretirement death benefits for the month of October 2022.
MR. COFFEY: Bob Coffey, second.

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


MR. COFFEY: Bob Coffey, second.

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


MR. COFFEY: Bob Coffey, second.

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

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

MR. COFFEY: Bob Coffey, second.

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

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


MR. COFFEY: Bob Coffey, second.

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

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

MR. COFFEY: Bob Coffey, second.

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

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

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

MR. COFFEY: Bob Coffey, second.

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

MR. BAILEY: Michael Bailey. I move acceptance of recommendations of the Medical Examining
Board for the continued entitlement approvals.

MR. COFFEY: Bob Coffey, second.

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

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

MR. COFFEY: Bob Coffey, second.

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

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

MR. COFFEY: Bob Coffey, second.

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

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

CHAIRMAN ADOMEIT: Any discussion?

MR. COFFEY: Bob Coffey, second.
CHAIRMAN ADOMEIT: I’m sorry. I jumped the gun. Any discussion? Hearing none, all in favor, say aye or raise your hand. Opposed, nay or raise your hand. The ayes have it.


MR. COFFEY: Bob Coffey, second.

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

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

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

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

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

CHAIRMAN ADOMEIT: All right.

MS. CIESLAK: Mr. Chairman, can you please
Call the motion?

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

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

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

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

CHAIRMAN ADOMEIT: Oh, it most certainly is.

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

MS. CARLSON: You too, Sal. Nice to see you.

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

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

UNIDENTIFIED SPEAKER: Happy Thanksgiving.

UNIDENTIFIED SPEAKER: Thank you, everyone.

UNIDENTIFIED SPEAKER: Happy Thanksgiving, everyone.

UNIDENTIFIED SPEAKER: Best wishes.
CHAIRMAN ADOMEIT: All in favor, say aye or raise your hand. It’s unanimous. The ayes have it.

MS. CIESLAK: Happy Thanksgiving.

CHAIRMAN ADOMEIT: Happy Thanksgiving, everyone.

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

(Adjourned at 9:25 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 9:02 a.m. on November 17, 2022.

Karin A. Empson

Date

12/01/2022