

STATE OF CONNECTICUT  
STATE EMPLOYEES RETIREMENT COMMISSION  
LEGAL & PERSONNEL SUBCOMMITTEE MEETING

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JULY 7, 2021 MEETING  
HELD VIA ZOOM  
CONVENED AT 8:43 a.m.

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Subcommittee Members Present:  
Chairman Peter Adomeit  
Trustee Michael Carey  
Trustee Robert Coffey  
Trustee Michael O'Brien

Also Present:  
Martha Carlson, Deputy Comptroller, Ex Officio Member  
Commission Counsel Michael Rose  
Commission Counsel Cindy Cieslak  
Commission Tax Counsel Bruce Barth  
Commission Tax Counsel Alisha Sullivan  
John Herrington, Retirement Services Division Director

TRANSCRIPTIONIST: Karin Empson

1 (Proceedings commenced at 8:43 a.m.)

2  
3 MR. ADOMEIT: Okay. Well, we've called the  
4 meeting to order, and Cindy, are you ready to announce  
5 the attendance, please?

6 MS. CIESLAK: Sure. Today we have - this is  
7 Cindy Sieslak. Chairman Peter Adomeit called the  
8 meeting to order, and he is present today. We also  
9 have Trustee Michael Carey, Trustee Robert Coffey,  
10 Trustee Michael O'Brien. We have Deputy Comptroller  
11 and Ex Officio Member to the Retirement Commission,  
12 Martha Carlson. We have Retirement Services Division  
13 Director, John Herrington. Bruce Barth and Alisha  
14 Sullivan, both Tax Counsel to the Retirement Commission  
15 from Robinson & Cole. And we have Michael Rose and  
16 Cindy Cieslak, General Counsel to the Retirement  
17 Commission from Rose Kallor.

18 I believe that is everyone.

19 MR. ADOMEIT: Right. Now we are going to  
20 need an amendment to the agenda. And then after that,  
21 we're going to have a second motion to approve the  
22 agenda as amended. The agenda will have as a first  
23 item new business in open session dealing with the  
24 issue of uncashed checks. And then I need a motion to  
25 amend the agenda to include in executive session the

1 MERS enrollment issue.

2 And then Ronald Johnson updating the meeting  
3 requirements, MERS enrollment, which they should  
4 probably move up because I think Marty wants to talk to  
5 that one. Interpretation, Section 7-438; the Latham  
6 appeal; Tedesco, which is litigation; Crandle, which is  
7 litigation; Grzeszczyk, litigation. And all the  
8 executive session items other than those are written  
9 legal opinion.

10 So I need someone to say they so move to  
11 amend the agenda. Mike?

12 MR. O'BRIEN: So moved.

13 MR. ADOMEIT: Thank you.

14 MR. COFFEY: Second.

15 MR. ADOMEIT: Thank you, Bob. All in favor,  
16 say, aye.

17 MR. O'BRIEN: Aye.

18 MR. ADOMEIT: Opposed, nay. The ayes have  
19 it. It's unanimous. We have two-thirds. Okay. Well,  
20 let's move into executive session - I'm sorry, in open  
21 session. And-

22 MS. CIESLAK: Peter?

23 MR. ADOMEIT: Yes. Cindy, go ahead.

24 MS. CIESLAK: I apologize for the  
25 interruption. This is Cindy Cieslak. Can we have an

1 approval of the agenda as amended?

2 MR. ADOMEIT: Of course. And I had that in  
3 my notes and I forgot to announce it. So I'll need a  
4 motion to approve the agenda as amended.

5 MR. O'BRIEN: So moved.

6 MR. COFFEY: Second.

7 MR. ADOMEIT: All in favor, say aye. Raise  
8 your hand.

9 MR. O'BRIEN: Aye.

10 MR. ADOMEIT: It's unanimous. The ayes have  
11 it. Thank you, Cindy. Okay.

12 MS. CARLSON: I have a question just to  
13 process. Mike Carey, maybe you can help me. And that  
14 is whether or not my discussion for the purposes of  
15 this meeting should be in executive session.

16 MR. ADOMEIT: Well-

17 MS. CARLSON: Mike Rose could help with that  
18 too because he has a - I had a fleeting conversation  
19 with him, and it looks like he's gone. But Mike, what  
20 do you think?

21 MR. ROSE: I think if the matter is addressed  
22 in a general sense without affording names or talking  
23 about any legal approaches, just reporting what the  
24 division's approach is, then I think it would be okay  
25 in public session.

1 MS. CARLSON: Okay. Thank you.

2 MR. ADOMEIT: Is this the uncashed checks  
3 issue?

4 MS. CARLSON: Yes.

5 MR. ADOMEIT: Oh. Are you comfortable with  
6 that? Because I thought you wanted it in open session.

7 MS. CARLSON: I'm comfortable with that. I  
8 think it may need an executive session at some point,  
9 but someone can - maybe Cindy can, you know, guide me  
10 in that direction once we're through with this part of  
11 the discussion.

12 MR. ADOMEIT: All right.

13 MS. CARLSON: Or the next meeting, whatever.

14 MR. ADOMEIT: Just don't mention names and-

15 MS. CARLSON: No. I'm fine.

16 MR. ADOMEIT: Okay. I'll call on you to  
17 report then, please.

18 MS. CARLSON: You want me to - right now?  
19 You want me to do that right now?

20 MR. ADOMEIT: Yeah (inaudible).

21 MS. CARLSON: Okay. So I'm just going to try  
22 to give you a summary chronologically what is going on.  
23 But I want to preface it by saying we've had in-house  
24 counsel look at this. I had a fleeting conversation  
25 with Mike Rose about it. I don't know, Mike. It might

1 have lasted five or ten minutes. I've also spoken to  
2 the Attorney General about resolution of this matter  
3 and the Office of Protection and Disability. I don't  
4 know if that's the right commission name, but I talked  
5 to someone in Protective Services.

6 So the summary is, a couple of months - it  
7 might be three months ago - Kevin received a return-  
8 receipt certified letter from, we assumed, a member of  
9 the retirement, you know, a retiree, that was pretty -  
10 it went on for several pages. It talked a lot about, I  
11 need a job; I've got no money; you know, stuff like  
12 that. And we get some of those once in a while. We  
13 don't really feel the need to respond to them because  
14 they don't seem to come to the point.

15 Anyway, so we just put it - Kevin just put it  
16 aside. And then the member called in and wanted a  
17 meeting with Kevin. Under ordinary circumstances, I  
18 always screen that call or that meeting to just figure  
19 out what's going on. During my call with this member,  
20 I was - I startlingly discovered that he retired on a  
21 disability from one agency, and on a, I would say, a  
22 physical disability in 2015 and has not cashed a single  
23 disability check.

24 That, as you can imagine, sent me into  
25 overdrive; how can someone not have cashed a single

1 retirement check and we don't know about it? We've  
2 since obviously made an adjustment to the way that is  
3 reported to us from the Treasurer's Office, but in a  
4 nutshell, once a year, we get the list of all checks  
5 that have not been cashed, but the checks are in  
6 numerical order. We don't get them in name order, and  
7 we had no ability to spin them, or no reason to spin  
8 them. Because generally if someone has a cashed check,  
9 it means that they - or haven't received it, they're  
10 calling us looking for the check.

11 So this is a once-in-a-century story on the  
12 retirement. I have not in my 26 years here heard  
13 anything like this. So I had a back-and-forth numerous  
14 times with the gentleman. I think - I don't know what  
15 the amount is now, but a couple of months ago, it was  
16 \$176,000, most of which is sitting in the fund, some of  
17 which has been transferred over to the unclaimed  
18 property division of the Treasurer's Office. And I  
19 think that - I think the dates are after 60 days, a  
20 bank doesn't have to cash it, and after three years, it  
21 goes to unclaimed property.

22 There was something to the tune of mid-forty-  
23 thousand dollars in unclaimed property, which all of  
24 this has increased in the past couple months I've been  
25 trying to work through this. I've had numerous

1       conversations. This member has insisted that he or she  
2       has not received any of these checks. I have had  
3       Angela Romano, our Director of Core-CT, go into the  
4       system, into the Core-CT system, to just make sure  
5       there wasn't some crazy flag that said, do not print  
6       the checks. We have documentation that they were  
7       printed and left the building.

8               We also have documentation that midway  
9       between 2015 and 2021, there was an address change.  
10       One check came back undeliverable. Our division, the  
11       Division called that person on his or her phone and he  
12       or she said, oh, yeah, I moved; my new address is a  
13       post office box.

14              Fast-forward, you know, we did everything we  
15       could here to make sure that we weren't at fault, that  
16       those checks did go out. And we had - I scheduled a  
17       meeting for this person to come in and sign the  
18       appropriate forms so we could, you know, send the  
19       money.

20              I also had the Office of State Treasurer in  
21       my office, you know, as well as John Clark - or John  
22       Herrington, I'm sorry, and Mark Fassoni (phonetic)  
23       because there are a number of forms you have to fill  
24       out if you haven't received checks. You have to sign  
25       an affidavit that you haven't received the checks. We



1 need proof that they haven't been cashed, which we had.  
2 Unclaimed property needs documentation that it's really  
3 you. So there were a lot of forms to fill out.

4 So this person showed up for the meeting. I  
5 don't remember what it was; it might have been the end  
6 of March, maybe middle of April; I can't remember. I  
7 can put that chronology together if anybody's  
8 interested in it. And arrived at my door and asked to  
9 speak to me privately - so Mike, just keep an ear on  
10 what I'm saying here - asked to speak to me privately,  
11 and I took the person into Kevin's office where we  
12 could speak privately. And this person said to me, I  
13 know that, you know, you've indicated to me that - it's  
14 completely lucid now. I know you've indicated to me  
15 that it's \$176,000, but according to my calculations,  
16 and pulled out like spreadsheets, it's \$450,000.

17 And I said, well, how do you get there? And  
18 this person said, well, I was wrongfully terminated  
19 from my agency, and I had to retire, and if I add up  
20 all of that money, it comes to \$450,000. So I did a  
21 stop right there. I said, I have no authority or  
22 responsibility other than to try to get you what you  
23 earned as a retiree, and, you know, that's all we're  
24 here about today is just to sign these forms. And this  
25 person said to me, well, do you think if I sign the

1 forms you want me to sign it will have any impact on my  
2 ability to get the other money from the agency? And my  
3 reaction was, because by this time, I feel like this  
4 person is my cousin because I've talked to this person  
5 400 times, I said, we have to stop right here. I am  
6 not a lawyer; I have no responsibility or authority;  
7 you need to - if you think you've got a claim, you need  
8 to go get a lawyer.

9 So I said, and if you're not comfortable  
10 signing these forms to get this money back, then don't  
11 sign the forms. So he decided not to sign the forms.  
12 So I took him back into my office to the audience that  
13 was there and said that this person had changed their  
14 mind and was not going to sign the forms.

15 So that being said, right after that, I sent  
16 an email to this person memorializing our conversation,  
17 you know, and he - oops, I'm sorry - and he sent me  
18 back a letter confirming that he received it, but that  
19 he and his wife had decided that they didn't want to  
20 sign the forms now, that they needed to like look into  
21 it.

22 And then subsequently, so I said, well, let  
23 me know. And then subsequently, I got an email a  
24 couple weeks later in which he indicated that he and  
25 his wife had decided not to sign the forms because they

1 felt that Kevin Lembo and Marti Carlson had such good  
2 relationships in the State with that agency that we  
3 could act on their behalf to resolve the problem. So,  
4 you know, based on my, you know, once-in-a-lifetime  
5 attack on my integrity by you-know-who, I went into  
6 overdrive, and I said to Kevin, I'm not doing this.

7 So I sent him an email and I said, this is  
8 the last conversation you and I are going to have about  
9 this until you contact me for an appointment to sign  
10 the forms, goodbye. And I called, you know, with  
11 Peter's permission, I just called Mike and said, you  
12 know, what do you think? Mike didn't really have an  
13 answer without, you know, obviously going deep into it.

14 MS. CIESLAK: Marty?

15 MS. CARLSON: Yeah.

16 MS. CIESLAK: I was just going to say, don't  
17 go into legal advice.

18 MS. CARLSON: Okay. Anyway, so that's the  
19 end of the story. I did consult, you know, with Office  
20 of Protection. I think this is okay to say. And there  
21 is no one on the planet that thinks there's anything we  
22 either need to do or should do. I can tell you that I  
23 reached out to this person's hometown to someone who I  
24 knew knew this person, and in a just a very high-level  
25 way said, you know, we're a little concerned; a couple

1 of checks haven't been cashed. And this person said to  
2 me, oh, God, you're fine; we had dinner with them like  
3 last week.

4 So there is more obviously - you know, more  
5 to this that is more of a legal matter, so I'll stop  
6 there. I just wanted to update you guys on what is  
7 happening or not happening, and our administrative  
8 approach is to just sit on it.

9 MR. ADOMEIT: Thank you, Marty.

10 MS. CARLSON: Once-in-a-lifetime story.

11 MR. ADOMEIT: Yeah, I've not heard that  
12 recently. That's unique.

13 MS. CARLSON: Yeah. And there's, you know -  
14 I mean, there's no harm to the fund because it's all  
15 sitting - all the money is sitting in the fund earning  
16 interest. So I don't - you know, I struggled with, you  
17 know, what's our fiduciary responsibility here, and  
18 Kevin and I are like, you know, the person won't cash  
19 the checks.

20 MR. ADOMEIT: Yep. Okay. Well, thank you  
21 for the report. It's very interesting. And I'm glad  
22 you came forward and alerted everyone as to what's  
23 happening.

24 MS. CARLSON: Right. And if there - I'm  
25 assuming that if there is, at some point, Cindy or Mike

1       deems it necessary to go into executive session on any  
2       legal matters surrounding it, that you would invite me.

3               MR. ADOMEIT:   Okay.   Thank you.

4               We now need a motion to go into executive  
5       session on the issue of MERS enrollment.

6               MR. O'BRIEN:   So moved.

7               MR. COFFEY:    Second.

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

10              MR. COFFEY:    Aye.

11              MR. ADOMEIT:   It's unanimous.   We're now in  
12       executive session.

13              MS. CIESLAK:   Before we go into executive  
14       session, I just want to confirm that Mike O'Brien's  
15       motion included the invitation to Martha Carlson,  
16       Michael Rose, Bruce Barth, and Alicia Sullivan, and  
17       myself, Cindy Cieslak to attend the executive session  
18       discussion on this matter.

19              MR. O'BRIEN:   You read my mind.

20              MS. CIESLAK:   Thank you.   I will note for the  
21       record that John Herrington dropped off the call.   To  
22       the extent that he comes back into the waiting room  
23       during our executive session discussion, Mr. O'Brien,  
24       would you like me to invite him in for the discussion  
25       as well?

1 MR. O'BRIEN: Yes.

2 MR. ADOMEIT: Okay. Okay. I guess the final  
3 issue on the agenda is closing the hearing and  
4 adjournment.

5 MR. O'BRIEN: So moved.

6 MS. CIESLAK: Mike O'Brien moved.

7 MR. COFFEY: Bob seconds.

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

10 MR. O'BRIEN: Aye.

11 MR. COFFEY: Aye.

12 MR. ADOMEIT: Once again, we have unanimity.  
13 Thank you all very much.

14 (Adjourned at 9:03 a.m.)

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I, Karin A. Empson, do hereby  
certify that the preceding pages are an accurate  
transcription of the Connecticut State Employees  
Retirement Commission, Legal & Personnel Subcommittee  
meeting held electronically via Zoom, conducted at 8:43  
a.m. on July 7, 2021.

Karin A. Empson

Karin A. Empson

8/16/2021

Date