CALL TO ORDER/ PLEDGE OF ALLEGIANCE
Acting Chairmen Gallo called the Regular Meeting of the Pension Board to order at approximately 5:30 p.m. All those present stood and pledged allegiance to the flag.

ROLL CALL
Mark A. Lauretti, Mayor- Not Present
Paul Hiller, Finance Director- Present
Christopher A. Gallo- Present

ALSO IN ATTENDANCE:
John DiMatteo, Pension Advisor
Kathreen Sibol, ACS, FLMI, Director- Client Services, present by speaker phone
Francis Jonses, Fire Chief
Merle Chase, Record Keeper S.F.D.
Tony DeSarli, Fire Commissioner Co. #5
Justin Sabatino, Fire Commissioner Co. #4

Quorum for the meeting was not met, no motions were made and no votes taken during this meeting.

Agenda Items

Approval of Previous Meeting Minutes

Chris Gallo: Unfortunately we don’t have a quorum tonight. They mayor is out on the road, not near Shelton so we are not going to vote on the minutes tonight. We do have minutes to pass out from our meeting in February, we can’t vote on them tonight though. The other item we would have been discussing tonight is the investment report, but since we don’t have quorum tonight we are not going to go over the report, we will wait for quorum at our meeting in June. Next on our agenda to talk about are the volunteer firemen. We are going to get the professional (Kathreen Sibol) on the phone from VFIS for any questions that we cannot answer.

VFIS – Board of Fire Commissions Members

Chris Gallo: Thank you for meeting with us tonight, we have several members from the fire department here to listen to your presentation on the changes that were made to the plan so they can understand and ask any question they might have. From an overall perspective all the
changes that were made were positive changes; added benefits, and we’re able to do this and save money at the same time.

**John DiMatteo:** Just so we don’t cover ground that’s already been covered, Mike sent a letter asking about changes and if you can respond to it in writing. We invited him to this meeting but he mentioned he would not be able to make it but you all would be here. Did he show you the information that was provided in response to his letter?

**Francis Jonses:** Yes he did.

**John DiMatteo:** Okay so I won’t have her go through that, do any of you have specific questions on that? Kathreen, why don’t you go through the email you sent on March 15th?

*Phone Conversation was in audible, below is the email from Kathreen Sibol to John DiMatteo about the Shelton Volunteer Firemen and the LOSAP changes that she went over.*

Per your request during our phone conversation I have listen below the changes to the Length of Service Awards Program that will result from elimination of the Universal Life Insurance effective 7/1/2017:

- Currently the active participants Insured Death Benefit is the greater of $20,000 (face amount of life insurance) or the present value of the participants Accrued Benefit. Keep in mind this is the benefit available to those who are insured. At the 2016 valuation 11 persons were added to the LOSAP without life insurance, because they did not complete the life insurance application. The active Participants uninsured death benefit is the present value of the Participants Accrued Benefit (only).
- Once the Universal Life Insurance is surrendered, the death benefit will become Present Value of the Participants Accrued Benefit (only).
- Any Universal Life Cash Value will be surrendered and deposited into the LOSAP investment account, as it is an asset of the sponsor.

As coverage separate from the LOSAP, the City intends to secure a Group Term Life Insurance Policy effective 7/1/17. The Group Term Life Insurance proceeds will be issued in addition to the LOSAP Participant Death Benefit for all those covered by the group term policy:

- Face: $20,000
- Accidental death: $40,000
- Line of Duty Accidental Death: $80,000
Proceeds are issued tax free to the beneficiary. No life insurance applications are necessary. Persons can be added/deleted from coverage on a monthly basis.

We discussed administrative needs to keep the Plan running smoothly, and it may be advisable to have a representative from the fire department listed on the Plan Contact Designation Form as an Authorized Party.

- Doing so would allow our office to communicate with those listed as Authorized Parties on day-to-day issues such as death, disability, or entitlement benefit paperwork, questions regarding Plan provisions, etc.
• The authority to direct the Plan remains with the Plan Administrator only.

I also mentioned that the July 1, 2016 actuarially recommended contribution to investment has not been received.

**Tony DeSarli:** Is accidental death defined? We fight fires so god forbid one of us goes down fighting a fire, is that considered accidental death?

**Merle Chase:** That’s line of duty.

**Chris Gallo:** Is there a definition of “line of duty” when they are responding, on their way home, during the event, what is the time frame to “line of duty” vs. an accident?

**Kathreen Sibol:** I’m not completely sure, but it is outlined in the policy, but I will get that answer to you.

**Chris Gallo:** Do we have a copy of that policy? So that any volunteer can come into City Hall and review the documents.

**Kathreen Sibol:** Yes there will be a quality issue, but for now if you wanted to see, I’m pretty sure there is a proposal and an outline.

**John DiMatteo:** If I receive that I will forward it to Mike. Mike is not the contact but we will do that because the Pension Board has the authority and is the planned administrator, so we need to take Mike off of that and Mark can be the designated person.

**Francis Jones:** that’s a discussion for after administration, the fire commissioners and the chiefs office have been out the loop of any of this documentation as to who to contact and go forward with, so I think that’s a discussion the chiefs offices and the board has to have. I think some apprehension and fears that have developed over this process, what’s going on?

**Chris Gallo:** Anymore questions for Kathreen?

**Kathreen Sibol:** Okay the policy should be in place on July 1st, maybe later this year we can talk about that and we can come out once the coverage is in place.

**Chris Gallo:** We meet the third Wednesday of the month, I think they try to come once a year so we can plan when she is going to be here, we can do an informational meeting. We can meet before or after the regular Pension Meeting.

**Justin Sabatino:** This insurance and all that has been signed off on and is going to take affect?

**Chris Gallo:** Yes, It’s all been done.

**Merle Chase:** And we won’t get a pay until July 1?
**John DiMatteo:** Correct. In terms of some of the other changes we made in terms of money invested, we were able to reduce the premium by a third.

**Paul Hiller:** Were getting more than some equity positions, if the market crashes that’s our problem, not ours.

**Francis Jones:** We defiantly appreciate everything you’ve done to approve the plan, it’s the lack of knowledge being put back to the board of Fire Commissioners and then back to the individual companies over this transition period of a year and a half. It’s probably something that needed to be done years ago but there wasn’t a Pension Board until the last few years. We do appreciate how you improved it and the funding part of it but what really needs to be discussed is how were going to continue to administrate it. If the board of Fire Commissioners reprimands some changes I believe they can make recommendations and we come to your board and you can look into it and that stuff. But for a day to day stuff like record keeper, he still needs that, and there needs to be some kind of dialog that the record keeper, the board of Fire Commissioners and Chiefs Office, we have these documents that firefighters come in and want to look at their insurance, god forbid someone passes away, how do ask us that? Currently we have one member under the current policy that’s permanently disabled and if you read the contract now that individual can apply for a disability lump sum, the records keeper not being an administrator, there is no way for him to give those documents anyone, so how does this firefighter comp who’s disabled, who’s the administrator? The Pension Board? The Fire Commissioners?

**Chris Gallo:** Right now it’s the Mayor, we called and we set it up.

**Justin Sabatino:** I gave it to Mike as our chairman, and supervisor and he said he would present to you folks, last month.

**Chris Gallo:** We met in January,

**Justin Sabatino:** But we need an avenue, now people are going to be qualifying for this, we use to do it through mural does that mean they will have to do it through there?

**Chris Gallo:** You’re going to be taking the paperwork

**Merle Chase:** I can’t get it, I called the FIS for information when we came about the disability and she said I can’t talk to her.

**Chris Gallo:** But before you couldn’t talk to her theoretically, Mike was the administrator

**Merle Chase:** No on the blank copy of the contact list and show you what I’m allowed to hear. I’m a volunteer, I’m on the town payroll.

**Chris Gallo:** Then we need to change that form to add five parties.

**John DiMatteo:** We had a conversation about that with the Mayor and I don’t remember the specific reason but he did not think it was necessary.
Justin Sabatino: The problem is that the people are going to be qualified and they can’t get their money.

John DiMatteo: The purpose of what we did is not for any of that stuff to be involved in Pension board, that’s not what we intended and maybe we have to make some adjustments. I think were on the same page.

Justin Sabatino: We set the perimeters to the program which he inputs, usually adjusted different things, day time calls/ night time calls as the years go by but we give points during the day, we are at the point where we will give more points to people who come at night, because people aren’t coming. How do we make those changes?

Paul Hiller: You make recommendations to present to us.

Chris Gallo: The only issue I think that is a fiscal there’s a dollar impact to the city that then has to go before the Board of Alderman, anything that effects the city budget goes to them. We can take your ideas and say that we agree with you and make recommendations to the Board of Alderman, that’s all we can do.

Francis Jonses: I think that would be a better process and even in the investment and how the Pension board should look at the investments, how to max out the benefits, that’s should be the Pension board, the board of our commissioners who reprenate the officers council and the chiefs would be how to better create the calculations to present to you.

Justin Sabatino: The other problems is we have an appeal, when someone does not qualify and there is a miscommunication in records, the board will hear the appeals, now is that going to be you guys? The Mayor? Because sometimes records gets screwed up or paperwork is not filed correctly.

John DiMatteo: We provide the lists

Justin Sabatino: We can’t touch anything

John DiMatteo: Basically your plan is done.

Chris Gallo: Make change over time but that’s what got us here, we updated the plan so to speak, that’s more of what our job is, now if this contact hierarchy was not changed correctly, were not educated on all that stuff, not really a conversation to have with the board, the board cant approve, its really the Mayor, we don’t want to be involved in any of the day to day benefits, appeals, that stuff.

Justin Sabatino: There was someone other than the mayor?

Chris Gallo: Paul Hiller. Well secure this.
Paul Hiller: there are two spots for the properous party/ individual whom is to hear the information and I would think that would be grant

Merle Chase: Just giving you a head sup usually the second week of May we get the evaluation paper for the new year. Since the plan starts July 1st and by I say June 30th, it take about 2-3 weeks for the paper work to come in and verify but in the mean time I do expect to work on the paperwork that we presented, in fact I think they sent an email in the past couple years.

Justin Sabatino: We just want to make sure Merle can administrate it.

Paul Hiller: Merle has access to the information; with that form we had a meeting in January to do that. If we need to have another meeting and sign off on another paper and have a motion and we will do that.

Francis Jonses: We have had handled the day to day operations in the office and have all that information at our fingertips and those individual firefighters.

Chris Gallo: It seems an adversarial type of issue that was going on and you’re doing the best job you can.

Justin Sabatino: The biggest thing about the life insurance, not all our members have it,

Paul Hiller: That’s because they had to fill out the form, now starting July 1 you don’t have to do that, its automatic.

Francis Jonses: Unfortunately some of those forms never made it, they were lost and never made it to the people. There used to be a form every year at the end of the plan they told us where we stood,

Merle Chase: We said no, talking about life insurance, those applications go out every year to the companies with a list of names that they are qualified for and it all comes back.

Chris Gallo: We got the information that we needed, when we spoke to them we were told that’s all done you guys are out of it totally.

Investment Review

John DiMatteo: One thing I mentioned this earlier when we did the investment s reviews, we can do it in my office and save paper, we can pick a time and make sure the Mayor is okay with it,

Paul Hiller: It has to be accessible to the public

Chris Gallo: I think it’s a wonderful idea because I agree.
**John DiMatteo:** I’m going to get the schedule from maintenance as far as how this now might able to get done. This is a project (VFI) that we took on, I personally want to get extra pay myself from day to day and I got emails regarding the funding, we need to be done with it. So when I get stuff, I’ll send it along to Paul.

**Chris Gallo:** Well let finance stuff which should be Paul, doesn’t need the Mayor. We need to take care of the contact person.

**John DiMatteo:** Even with that issue we want to get resolved but we don’t need to be in the middle of it, it’s really the Mayor or Paul. Do we need to vote?

**Paul Hiller:** I don’t think so, I would follow up, and I thought we were going to have it.

**Chris Gallo:** You talking about adding the votes here, on the bottom there someone who is already there.

**John DiMatteo:** We were talking about taking Mikes name off the administrators list,

**Paul Hiller:** The key thing is its real, in Merle knows the plan, he’s got the record keeping that all has.

**Chris Gallo:** For many years, in my business when I was still working there, there were a number of fire fighters there with these kind of benefits, and the retired benefits, and that sort of thing based on the service and I know what the record looked like, a lot of effort goes into keeping track of all that.

**John DiMatteo:** So the two open items that we would like to see come to conclusion, every other month that we meet, easier is 457 migrate to the 401 A, there were some issues with the pay roll and equity

**Paul Hiller:** first of all I think Melissa because of her grandmothers death, but I think I can get it squared away with this week.

**Chris Gallo:** So that is the easy 457 the 401 A remember we proved the planning commissions changes.

**John DiMatteo:** It must go to the board of Alderman, there is a fiscal impact

**Paul Hiller:** There’s a small fiscal impact, it’s not big. The biggest is the change from the semiannual to the quarter. It’s not a big number.

**John DiMatteo:** At some point it needs to be brought to the board of alderman.

**Paul Hiller:** I think they just met, we can attend other meetings. They meet the second Thursday of the month.
**John DiMatteo:** I’ll be around so if you need anything from me let me know about the, I don’t think you’ll need me here.

**Paul Hiller:** Once you get it to me

**Chris Gallo:** I don’t think you’re needed there, we just need to present. We have the documents that we ended up with, those line items. I would a better understanding of what we’re trying to do here. The main thing the mayor said at the meeting we had was we need to identify the items that are going to have fiscal impact, so if you can bring that document saying we don’t have any fiscal impact, they will be good with it, if one of them, number 8A has a fiscal impact, for whatever then that’s the way to approach it.

**John DiMatteo:** The reason why we did not want to do this is I take it,

**Paul Hiller:** People are perpetually waiting depending on when they are hired, they can be waiting over six months, beyond their anniversary date, in other words about 18 months, there is a longer wait period, let’s say some where hired February 15th, they cannot sign up right now until the following September, what we’re saying is they would be able sign the paperwork first, the following year. Now it’s just under 19 months and it would drop to three/ four months max. I had to go through September 7th one year and then wait for the following February 1st, I waited five and a half/ six months. That’s where there is potentially is clusters because levels and contributions and some of that, there is a cost.

**Chris Gallo:** Look at three months impact, understand x percent of someone’s salary for three months, on average can hire a year, or whatever the number is.

**Paul Hiller:** greatest number is the Board of Education because there’s turn there because more people are coming in as paraprofessionals, etc. instead of secretaries, custodians, and those categories.

**John DiMatteo:** Can you prepare an analysis of that? On a worse case basis form, think it’s a repo, I think eight months is refill. The quick variable is how many people they are hiring a year. Figure out how many people you hire a year.

**Chris Gallo:** The Board of Education needs to know how many people are hired in a year I would go for the last ten years and say who has retired, x number of city employees, you don’t use three months in a calculation, you use a month and a half.

**John DiMatteo:** I think you use three months on a worse case, because I think that should cover it. You’re going to handle it? Okay. The only other thing I have is the survey. That’s going to be critical because it’s going to help establish easier communication among participants should we make changes in the future, that was possible the last time we did it, so it appears were kind of in limbo until the survey is done. That’s what I thought we said we’d do, in February was not to do anything with the education plan until we got the survey done.
John DiMatteo: Can we get the survey? I would like to see it out and done. It’s clearly a challenge. You got to these out in the next week or so probably end of April, we have to get people to return it by the end of May. Our next meeting is on Insurance.

When tape was flipped, second side was blank. Last seven minutes of the meeting were not recorded, no motions were made during that time.

**ADJOURNMENT**

The meeting ended at approximately 6:22 p.m. No voice vote was taken due to quorum not being met.

Respectfully Submitted,

Ashley Conklin, Temp Pro Clerk