

**CITY OF MIDDLETOWN**  
**MINUTES OF THE RETIREMENT BOARD**  
**SPECIAL MEETING**  
**Monday, July 25, 2016 at 9:00 am**

The Special Meeting of the Retirement Board of the City of Middletown  
was held in room 208 of the Municipal Building

**Board Members Present:** Jim Reynolds, John Milardo, Carl Erlacher, Linda Salafia, Mary Bartolotta, Joe Serra (for the record, present until 10:20)

**Board Members Absent:** Mayor Drew, Steve Gomes

**City Employees/Public/Others Present:** Kori Wisneski, Diana Doyle, Bruce Barth (Robinson & Cole), Louis Aresco, Dave Visconti, Hope Kasper, Doug Clark (Local 1361), Angel Valentin, Derek Puorro (Local 1361)

- Meeting Called to Order at 9:18 am
- Public Comments on the Agenda
  - Hope Kasper stated her concern with some language in the Draft Plan Document
  - Dave Visconti stated his favor for an increase for retirees
- Review of Draft Pension Plan Document
  - John questioned language Section 3.04 regarding the City's contributions to the Pension Plan, asked if it is mandatory for Common Council to fund at level recommended; Bruce Barth stated if Ordinance has specific provision (for funding) that the Plan Document does not override the Ordinance; the Ordinance overrides the Plan Document
  - Discussion regarding the meaning of "shall" and if it is interpreted with the same meaning in the Ordinance and Plan Document; Bruce Barth stated that specific language in Ordinance is being reviewed and certain provisions can be changed
  - Carl suggested that John bring Plan Document to the employee unions for review before sending to Ordinance Study; this suggestion is supported by Kori
  - Bruce Barth discussed the purpose of the Plan Document - consolidate the provisions of the CBAs, provisions for employees not covered under a CBA, and the inclusion of IRS mandated language; bring Plan into compliance with laws and update it for all CBAs
  - Linda stated that Library Union is not included in the Plan Document as an Appendix; acknowledged the removal of specific language regarding years of service; noted that Appendix D includes specific language about eligible employees, specifically "employed as a nurse," and wondered about the inclusion of other employees; stated that Local 466 Appendix the benefit is based on the highest 3 years, not 3 consecutive years - asked that current contract to be reviewed to confirm
  - John asked for increase to Death Benefits for child/children of a Member to be increased from 18 yrs to 22 yrs; Mary suggested that because health insurance coverage is provided to 26 yrs that Death Benefits be extended to the same age
  - Linda discussed the removal of QDROs from the Plan Document; Kori stated that input should come first from unions and language can be added regarding the implementation, payments to Actuary's for reviewing, etc

- Diana asked for and received confirmation that Death Benefits default to language in Ordinance
- Mary motioned to increase the age of child/children of Members to receive Death Benefit from 18 yrs to 26 yrs, with possibility of reconsidering based on Actuary findings, and was seconded by John
- All in favor
- Review of Draft Pension Ordinance changes
  - Carl reviewed the amended Ordinance, 74-47 and 74-48; stated that the intent is to give pensioners a 2% increase at July 1, 2016 and July 1, 2017; reviewed the annual pension benefits payout \$13-\$14 million, a 2% increase results in an additional \$260,000 annually; currently a 2.8% COLA is built into the Actuary's model
  - Jim suggested that Common Council make the decision on the 2% increase because some Board members are receiving benefits; Kori suggested that Board members may abstain from voting; Joe and Carl stated that each member of Board has a conflict as all will benefit from an increase eventually
  - Diana asked if an Ordinance needs to be adopted every time pensioners are granted a COLA different from language in the Ordinance; suggested that a Resolution is easier to pass than an Ordinance
  - Discussion regarding the permanency of the annual 2% increases; existing language in the Ordinance states that the annual increase is between 1-3%, with increases to be recommended by the Board and adopted by the Common Council; discussion regarding the interpretation of the language regarding the percentage of recommended increase to be adopted, agreed that more specific language be included

*note: the amended Ordinance still needs to be presented to GCC (General Counsel Commission) for review*

- Kori cautioned against moving away from basing annual increases on the CPI; Diana suggested that the Board make a recommendation for specific language for Ordinance regarding a recommendation for what Board wants Common Council to consider, regarding annual increases; Carl clarified that, at F&G (Finance & Government) meeting, Councilman Serra proposed a 2% increase for 2 years
- Carl motioned to give pensioners a 2% increase, retro-active to July, 1, 2016 and modify Ordinance as deemed necessary by OGC and provide Ordinance to F&G and GCC with changes and was seconded by Linda
- Linda noted that Special Pensioners covered in section 74-48 in amended Ordinance are all deceased; decision to review and remove language at another time
- John made a friendly amendment to increase the 2% increase to 2 years; discussion regarding the possibility of the CPI exceeding 2% in July 2017 and the amended Ordinance holding the increase at 2%; friendly amendment withdrawn after Carl's amended motion (below)

- Carl amended his motion to give pensioners a minimum of 2% increase for July 2016 & July 2017 – unless CPI-U is higher as of March 31, 2017 - and implement an Ordinance that states as much and was seconded by John
- Jim abstained, All others in favor
  
- Executive Session Item: Pursuant to C.G.S. 1-200(6)(A) & (B), discussion of duty disability retirement request by Police Officer Angel Valentin and discussion re: grievance decision
  - Carl motioned to go into Executive Session and was seconded by John
  - All in favor
  
  - Carl motioned to go out of Executive Session and was seconded by John
  - All in favor
  
  - Carl motioned to grant a duty disability pension to Ofc. Valentin, subject to Ofc. Valentin filing forms and signing an affidavit as required by Article 25, Section 1-J and was seconded by John
  - All in favor
  
- Adjournment of Meeting
  - Carl motioned to adjourn and was seconded by John
  - All in favor

Respectfully submitted:

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Carl R. Erlacher, Finance Director  
Track 1002-1006

