

**PERSONNEL, PENSION AND INSURANCE COMMITTEE  
SPECIAL MEETING**

**The Metropolitan District**  
555 Main Street, Hartford  
Monday, October 7, 2019

**Present:** Commissioners Daniel Camilliere, Donald Currey, Maureen Magnan, Alphonse Marotta, Dominic Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy, Alvin Taylor and District Chairman William DiBella (10)

**Absent:** Commissioners Byron Lester (1)

**Also**

**Present:** Commissioner Georgiana Holloway  
Commissioner Whit Osgood  
Scott W. Jellison, Chief Executive Officer  
Christopher Martin, Chief Financial Officer  
R. Bartley Halloran, District Counsel  
Christopher Stone, Assistant District Counsel  
John S. Mirtle, District Clerk  
Christopher Levesque, Chief Operating Officer  
Kelly Shane, Chief Administrative Officer  
Robert Schwarm, Director of Information Technology  
Susan Negrelli, Director of Engineering  
Tom Tyler, Director of Facilities  
Robert Zaik, Director of Human Resources  
Marcy Wright-Bolling, Manager of Human Resources  
Kerry E. Martin, Assistant to the Chief Executive Officer  
Carrie Blardo, Assistant to the Chief Operating Officer  
Julie Price, Professional Level Trainee  
James Sandler, Outside Counsel  
Becky Sielman, Milliman  
David Silverstone, Independent Consumer Advocate

**CALL TO ORDER**

Vice Chairman Sweezy called the meeting to order at 3:06 PM

**PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS**

Independent Consumer Advocate David Silverstone spoke on agenda item #5, Retiree Life Insurance.

### **APPROVAL OF MEETING MINUTES**

***On a motion made by Commissioner Pane and duly seconded, the meeting minutes of September 26, 2019 were approved. Commissioner Magnan abstained.***

### **ONE-TIME RETIREE PENSION PAYMENT**

**TO:** Personnel, Pension and Insurance Committee for consideration on October 7, 2019

From time to time, The Metropolitan District (District) receives requests from one or more long-time retirees for an *ad hoc* pension adjustment. The last time such an adjustment was made was 1998. The 1998 adjustment did not incorporate any of the more recent retirements but rather was concentrated upon the individuals who retired years previously.

In consideration of a recent request, the District reviewed various options with its actuary to provide some consideration to the retirees. Based upon the retirement date, staff is recommending a one-time only cash payment based upon the individual's annual gross pension benefit and date of retirement. The monies to fund such action would be taken from the Pension Fund and would be paid only as a one-time cash payment, and therefore not added to the ongoing monthly pension benefit. The specific terms of staff's recommendation are as follows:

One-time only cash payment reflecting 25% of the current gross annual pension benefit, payable on or before December 31, 2019 for:

- Retirees with retirement dates on or before May 1, 1993, or, if deceased, their Spousal Annuitants, receiving a monthly gross pension benefit of \$2,620.00 or less, irrespective of the form of the annuity payment; and
- Domestic Relations files (Alternate Payees) that were originated on or before May 1, 1993, and whose monthly gross pension benefit is \$1,310.00 or less, irrespective of the form of the annuity payment.

One-time only cash payment reflecting 10% of current gross annual pension benefit, payable on or before December 31, 2019 for:

- Retirees with retirement dates after May 1, 1993 but on or before March 1, 2007, or, if deceased, their Spousal Annuitants, receiving a monthly gross pension benefit of \$3,300.00 or less, irrespective of the form of the annuity payment; and

- Domestic Relations files (Alternate Payees) that were originated after May 1, 1993 but on or before March 1, 2007, and whose monthly gross pension benefit is \$1,650.00 or less, irrespective of the form of the annuity payment.

It is therefore **RECOMMENDED** that it be:

**VOTED:** That the Personnel Pension and Insurance Committee recommend to the District Board passage of the following resolution:

**RESOLVED:** That, subject to the adoption of an amendment to the Retirement Plan for Employees of the Metropolitan District (the "Plan"), the Chief Executive Officer be authorized to direct one-time cash payments from the Plan to the retirees, spousal annuitants and/or alternate payees as described below, with said payments made from the trust fund maintained pursuant to the plan

One-time only cash payment reflecting 25% of the current gross annual pension benefit, payable on or before December 31, 2019 for:

- Retirees with retirement dates on or before May 1, 1993, or, if deceased, their Spousal Annuitants, receiving a monthly gross pension benefit of \$2,620.00 or less, irrespective of the form of the annuity payment; and
- Domestic Relations files (Alternate Payees) that were originated on or before May 1, 1993, and whose monthly gross pension benefit is \$1,310.00 or less, irrespective of the form of the annuity payment.

One-time only cash payment reflecting 10% of the current gross annual pension benefit, payable, on or before December 31, 2019 for:

- Retirees with retirement dates after May 1, 1993 but on or before March 1, 2007, or, if deceased, their Spousal Annuitants, receiving a monthly gross pension benefit of \$3,300.00 or less, irrespective of the form of the annuity payment; and
- Domestic Relations files (Alternate Payees) that were originated after May 1, 1993 but on or before March 1, 2007, and whose monthly gross pension benefit is \$1,650.00 or less, irrespective of the form of the annuity payment.

Respectfully Submitted,

Scott W. Jellison  
Chief Executive Officer

***On motion made by Commissioner Pane and duly seconded, the report was received and resolution adopted by a majority vote of those present. Commissioner Currey opposed.***

***Commissioner Taylor entered the meeting at 3:15 PM. Vice Chair Sweezy relinquished the chair to Chairman Taylor.***

### **RETIREE LIFE INSURANCE**

**TO:** Personnel, Pension and Insurance Committee for consideration on October 7, 2019

The District, as part of collective bargaining with its affiliated units of COUNCIL 4, AFSCME, have agreed to buy out the \$5,000 Life Insurance provided to unionized retirees for \$6,000 paid to the retiree. There are some retirees with a lower benefit level so the buyout would be the amount of the benefit plus \$1,000. The retiree will have the option to pay the cost of any additional Life Insurance coverage the retiree currently has elected to purchase. The expected cost to buy-out the base retiree life insurance is \$330,000. The face value of this Life Insurance is paid out in premiums by the District after 15 years of retirement. The cost of "retiree" Life Insurance is five times the cost of active employment.

Staff is recommending that we extend this buy out option to existing retirees. The option would be conditioned upon the retiree also accepting the full group rate of any optional Life Insurance or waiving entirely the continuance of the optional Life Insurance. This action coincides with the action negotiated with the bargaining units.

Staff recommends that the cost of this buy-out be absorbed by the recently achieved debt service savings due to the recent refunding bond issuance and retired bonds from 2010. Through this action, the District will lower this part of future OPEB cost forever. The objective would be to extinguish this cost entirely.

It is therefore **RECOMMENDED** that it be:

**VOTED:** That the Personnel Pension and Insurance Committee recommend to the District Board passage of the following resolution:

**RESOLVED:** That the Chief Executive Officer be authorized to initiate a buy out of the \$5,000 life insurance benefit with existing retirees, conditioned upon the retiree accepting the full group rate of any optional Life Insurance or waiving all optional coverage entirely. The payment made to the retiree will be the amount of the life insurance benefit plus \$1,000. The cost of this buy out would be funded by the recently achieved debt service

savings due to the recent refunding bond issuance and retired bonds from 2010.

Respectfully Submitted,

Scott W. Jellison  
Chief Executive Officer

***On motion made by Commissioner Sweezy and duly seconded, the report was received and resolution adopted by unanimous vote of those present.***

### **PENSION ADMINISTRATION CONTRACT TO THIRD PARTY ADMINISTRATOR**

**TO:** Personnel, Pension and Insurance Committee for consideration on October 7, 2019

The District utilizes an actuarial firm to calculate final pension benefit levels and spousal annuity amounts, as well as to provide OPEB projections and GASB valuation filing information. District staff has approached Milliman with the prospect of providing cost estimates for various pension administration tasks including preliminary pension benefit calculations.

In the effort of decreasing Human Resources personnel time and effort, and thereby, freeing up staff time to perform other functions, staff is recommending that the District enter into an agreement with Milliman to amend and extend current pension services.

Through this proposition, Milliman would provide access to existing retirees and active employees to a pension website. Existing retirees could initiate changes in tax withholdings and address changes. Active employees could request pension estimates and review pension information related to planning and retirement.

Staff recommends that the District amend and extend current pension services provided by Milliman as described above.

It is therefore **RECOMMENDED** that it be:

**VOTED:** That the Personnel Pension and Insurance Committee recommend to the District Board passage of the following resolution:

**RESOLVED:** That the Chief Executive Officer be authorized to enter into an agreement with Milliman Inc. to expand services provided by Milliman including the preliminary pension benefit calculations.

Respectfully Submitted,

Scott W. Jellison  
Chief Executive Officer

***On motion made by Commissioner Sweezy and duly seconded, the report was received and resolution adopted by unanimous vote of those present.***

### **WELLNESS PROGRAM INCENTIVES**

**TO:** Personnel, Pension and Insurance Committee for consideration on October 7, 2019

With assistance and guidance provided by Anthem BC/BS and Lockton representatives, the Human Resources Department has initiated a Wellness Program available to all employees, spouses and dependents. The effort was formulated upon the directions detected by a comprehensive attitudinal employee survey. With the wellness dollars provided by Anthem, healthy snacks are provided to the work areas. The dollars received also support an on-going fitness program. We provide Zumba dance and exercise classes, Pilates and Yoga classes. We have sponsored "Walk/Run" events and have worked with a couple of the Member Towns to incentivize employee annual physical examinations with age and condition specific required tests and screens. We had recognized these efforts by providing incentive dollar rewards to the participating employees.

Through the strong recommendation of Lockton and Anthem, we are now proposing a program geared specifically to employees and spouses or dependents with Diabetes Type 2 and high blood pressure conditions. We have tracked \$ 3.6 million dollars used medication for diabetes, heart disease, high blood pressure control and back issues.

The Livongo Program fashioned for working with diabetic conditions will provide individual test and reporting mechanisms to participants. Livongo will provide immediate test information and personalized support. Livongo offers around-the-clock health professionals to communicate with the participants. The professionals will then interact with the participant with the goal of changing behaviors. The documented Livongo results with other employers will create a more healthy awareness and, in turn, should result in decreased medical costs.

Livongo also provides a blood pressure testing mechanisms to participating employees, spouses and dependents.

We are proposing a \$ 200.00 incentive to the employee participating in either the diabetes or high blood pressure programs. If the employee participates in both programs, the incentive would be \$ 400.00 with the employee engaged in the program for at least six months with more than one interaction per week with the health professional.

Staff recommends that the District augment its Wellness Program by embracing the Livongo Programs and adjusting its incentives to the participating employees.

It is therefore **RECOMMENDED** that it be:

**VOTED:** That the Personnel Pension and Insurance Committee recommend to the District Board passage of the following resolution:

**RESOLVED:** That the Chief Executive Officer be authorized to provide a \$200.00 incentive to the employee participating in either the diabetes or high blood pressure programs through Livongo. If the employee participates in both programs, the incentive would be \$ 400.00 with the employee engaged in the program for at least six months with more than one interaction per week with the health professional.

Respectfully Submitted,

Scott W. Jellison  
Chief Executive Officer

***On motion made by Commissioner Sweezy and duly seconded, the report was received and resolution adopted by unanimous vote of those present.***

### **SALE OF GLASTONBURY LAND**

At 4:04 P.M., Chairman Taylor requested an executive session to discuss the sale of Glastonbury land.

***On motion made by Commissioner Pane and duly seconded, the Personnel, Pension and Insurance Committee entered into executive session to discuss the sale of Glastonbury land.***

Those in attendance during the executive session:

Commissioners Daniel Camilliere, Donald Currey, Maureen Magnan, Alphonse Marotta, Dominic Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy, Alvin Taylor and District Chairman William DiBella; Chief Executive Officer Scott W. Jellison; Chief Financial Officer Christopher Martin; Chief Administrative Officer Kelly Shane; Chief Operating Officer Christopher Levesque; Attorneys R. Bartley Halloran, Christopher Stone, John Mirtle and James Sandler; Becky Sielman of Milliman.

### **RECONVENE**

At 4:21 P.M., on motion made by Commissioner Magnan and duly seconded, the Personnel, Pension and Investment Committee came out of executive session and reconvened.

To: Personnel, Pension and Insurance Committee for consideration on October 7, 2019

Be it resolved that The Metropolitan District Personnel, Pension and Insurance Committee (PPI), acting pursuant to its authority as set forth in Section 4.02(b) of the Operating Agreement of Pension Fund Land, LLC, owner of approximately 570 acres of open space land in the Town of Glastonbury (Property), hereby approves the "Agreement for Sale and Purchase of Real Estate" dated October 1, 2019 by and between PFL, LLC and the Town of Glastonbury, upon the terms and conditions set forth therein, and in doing so further authorizes the Chairman of the Personnel, Pension and Insurance Committee, or his designee, to execute any and all documents reasonable necessary to effect the sale of the property.

Respectfully Submitted,

Scott W. Jellison  
Chief Executive Officer

***On a motion made by Commissioner Sweezy and duly seconded, the report was received and adopted by unanimous vote of those present.***

### **OPPORTUNITY FOR GENERAL PUBLIC COMMENTS**

No one from the public appeared to be heard.

### **COMMISSIONER QUESTIONS AND COMMENTS**

No further questions were heard.



**ADJOURNMENT**

The meeting was adjourned at 4:24 P.M.

ATTEST:

John S. Mirtle, Esq.  
District Clerk

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Date Approved