

PERSONNEL, PENSION AND INSURANCE COMMITTEE
SPECIAL MEETING
The Metropolitan District
555 Main Street, Hartford
Tuesday, July 7, 2020

Present: Commissioners Donald Currey, Byron Lester, Maureen Magnan, Dominic Pane, Bhupen Patel, Raymond Sweezy, Alvin Taylor and District Chairman William A. DiBella (8)

Absent: Commissioner Daniel Camilliere, Alphonse Marotta and Pasquale J. Salemi (3)

Also

Present: Scott W. Jellison, Chief Executive Officer
Christopher Martin, Chief Financial Officer
Christopher Stone, District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Sue Negrelli, Director of Engineering
Robert Zaik, Director of Human Resources
Jamie Harlow, Manager of Labor Relations
Marcy Nelson, Human Resources Manager
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria Escoriza, Executive Assistant
David Lee, Dahab Associates, Inc.
Becky Sielman, Milliman

CALL TO ORDER

Chairman Taylor called the meeting to order at 10:05 PM. A quorum was not present.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

Without objection, agenda item #5 “Pension Update” was moved prior to agenda item #3 “Approval of Meeting Minutes” until a quorum was present.

PENSION UPDATE

David Lee of Dahab Associates, Inc. provided an updated on the pension.

Commissioner Lester entered the meeting at 10:10 AM. A quorum was present.

Commissioner Magnan entered the meeting at 10:15 AM

APPROVAL OF MEETING MINUTES

On motion made by Commissioner Sweezy and duly seconded, the meeting minutes of May 27, 2020 were approved.

Commissioner Magnan exited the meeting at 10:50 AM

OPEB TRUST INVESTMENT ADVISOR

To: Personnel, Pension & Insurance Committee

July 7, 2020

Dahab Associates Inc. is currently the investment advisor for the District's pension fund. In November 2019, the Board of Finance recommended to the District Board commencing a ten (10) year prefunding phase-in of the District's OPEB Trust be included in the 2020 budget. With funding of the OPEB Trust, it is advisable to retain an investment advisor for the trust. Staff recommends that the existing contract for Dahab Associates Inc. be amended to include investment consulting services for the OPEB Trust in addition to the pension fund. Dahab Associates Inc. provided a quote for additional services at a cost of \$2,000 per year.

It is hereby RECOMMENDED that it be:

Resolved: That the Chief Executive Office of The Metropolitan District be authorized to amend the existing contract with the firm of Dahab Associates Inc., to add investment consulting services for the District's OPEB Trust, at a cost not to exceed \$2,000.00 per year.

Respectfully submitted,



Scott W. Jellison
Chief Executive Officer

Without objection Commissioner Sweezy amended the resolution as shown above in redline.

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

PENSION DISCOUNT RATE AND PENSION FUND IMPACT OF HIGH NUMBER OF PENDING RETIREMENTS

Bob Zaik, Director of Human Resources, and Becky Sielman of Milliman provided an update on the pension discount rate and the impact of a high number of pending retirements.

EMPLOYEE LIFE INSURANCE BUYOUT

Bob Zaik, Director of Human Resources, and Jamie Harlow, Manager of Labor Relations, presented on the employee life insurance buyout.

EXECUTIVE SESSION

At 12:19 PM, Chairperson Taylor requested an executive session to discuss agenda items #8, "Disposition of Remaining Land held by PFL LLC Located in Manchester, CT; #9, "Collective Bargaining Negotiations with Local 3717; and #10, "Settlement of Workers' Compensation Claim – Darrell Gilbert".

On motion made by Commissioner Sweezy and duly seconded, the Personnel, Pension and Insurance Committee entered into executive session to discuss agenda items# 8, #9 and #10.

Those in attendance during the executive session: Commissioners Donald Currey, Byron Lester, Maureen Magnan, Dominic Pane, Bhupen Patel, Raymond Sweezy, Alvin Taylor and District Chairman William A. DiBella and Attorneys Christopher Stone and John Mirtle, Chief Executive Officer Scott Jellison, Chief Administrative Officer Kelly Shane, Chief Financial Officer Christopher Martin and Chief Operating Officer Chris Levesque.

RECONVENE

Commissioner Currey exited the meeting at 12:22 PM

At 12:22 PM, due to a lack of quorum, the Personnel, Pension and Investment Committee came out of executive session and reconvened. No discussion was held, and no formal action was taken.

Commissioner Magnan joined the meeting at 12:26 PM

COLLECTIVE BARGAINING NEGOTIATIONS WITH LOCAL 3713

The Personnel, Pension and Insurance Committee discussed collective bargaining negotiations with Local 3713.

WORKERS' COMPENSATION TENTATIVE AGREEMENT

To: Personnel, Pension and Insurance Committee for consideration on July 7, 2020

The Metropolitan District management team has directed its attorney to review long outstanding workers compensation cases to determine, based upon a financial assessment of anticipated costs provided by the Third Party Administrator, Workers' Compensation Trust, if it is feasible and financially beneficial to stipulate to agreements to terminate one or more of these cases. A workers' compensation file typically remains open for the individual's lifetime. In fact, there are cases in which there are significant on-going and future medical costs projected even as the injury occurred several years ago. One such case involves former employee Darrell Gilbert.

As a result of discussions with the claimant, other employers of the claimant, and the Workers' Compensation Commissioner assigned to the case, the parties have agreed to a tentative agreement with the claimant and his attorney to cap the District's exposure for the indemnity portion (weekly benefit) of the claim to \$ 98,100.00 and, at least as to the workers' compensation claim, release the District from all medical claims. If approved by this Committee and the Board of Commissioners, the stipulation would be subject to final approval of the Workers Compensation Commissioner.

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, pursuant to Section B2f of the By-Laws of the Metropolitan District, the Board of Commissioners of The Metropolitan District hereby authorizes District Counsel, or designee, to execute any and all documents necessary to effect settlement of any and all Workers' Compensation claim for Darrell Gilbert in the amount of \$ 98,100.00, subject to the final approval by the Workers Compensation Commission.

Respectfully Submitted,



Scott W. Jellison
Chief Executive Officer

On motion made by District Chairman DiBella and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

**PERSONNEL, PENSION AND INSURANCE COMMITTEE
ACTING IN ITS FIDUCIARY CAPACITY ON BEHALF OF THE TRUST OF THE
RETIREMENT PLAN FOR THE EMPLOYEES OF THE METROPOLITAN DISTRICT,
THE FOUNDING AND SOLE MEMBER OF PENSION FUND LAND, LLC**

To: Personnel, Pension and Insurance Committee for consideration on July 7, 2020
Be it resolved that, pursuant to the Transfer Agreement dated December 14, 2014 by and between The Metropolitan District (the "Transferor" or "the MDC") and Pension Fund, LLC (the "LLC" or "Transferee") ("Agreement"), and specifically as provided in Section 18 of said Agreement, the LLC hereby exercises its Put Right, as defined therein, as to its approximately 27 acres of remaining land located in Manchester, Connecticut ("Remaining Land"), and shall transfer the Remaining Land to the MDC for a cash payment in the amount equal to the Fair Market Value of the Remaining Land, less Approval and Carrying Costs paid to date by the MDC, but in no event less than the Contribution Value of the Remaining Land plus a rate of return of 6.5% per year compounded annually;

And be it further resolved that, for purposes of determining the amount to be paid by the MDC, the LLC finds the following:

- a. the Fair Market Value of the property is \$100,000.00;
- b. the Contribution Value of the Remaining Land is \$53,680.00;
- c. the Contribution Value with a rate of return of 6.5% compounded annually for six years is \$78,326.00; and
- d. the amount paid to date by the MDC for Approval and Development Costs exceeds \$21,674.00.

Based upon the forgoing findings, and pursuant to the formula set forth in the Agreement, the amount to be paid by the MDC for the Remaining Land is \$78,326.00;

And be it further resolved that the Manager of the LLC provide formal notice of this resolution, said notice to include a copy of an appraisal of the Remaining Land and explanation of the Remaining Land's Contribution Value.

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.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 1:06 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date Approved