DRAFT

A meeting of the Trustees of the Classified Employees Retirement Fund was held on Thursday, April 11, 2013, in the Mayor's Conference Room, Tenth Floor of the Stamford Government Center, 888 Washington Boulevard, Stamford, Connecticut.

Those in attendance were:

Michael Briscoe
Joseph Caruso
Burt Rosenberg
Randy Skigen

Clemon Williams– Human Resources
Mary Beth Troy – Human Resources

Acting Chairperson Randy Skigen called the meeting to order at 9:03 a.m.

The March 28, 2013 minutes were tabled to make the following changes on Page 3 add "Burt Rosenberg's name" and change the word "settle" " to use."

I. Public Participation – Rhea Colleman, David Franco, Audrey Greer, Rick Peterson and Alvin Siegartel were present, on behalf of the retirees.

Rick Peterson – l. The Auditors report uses 1983 Group Annuity Mortality Table. Why don't they use Measuring Mortality Standards from 2011?

2. Auditors report used projected salary increases of 4.50%. I don't believe any unions have received this high of a raise increase. How would changes in salary effect the schedule of funding.

3. On page 7 of the auditors report they have a net obligation of $4,000.00. Where did this amount come from?

Alvin Siegartel – Awarding of pension benefits for people who are not covered by the Classified Service. Mr. Williams went and got the actuarial value on Debra Katz. Another application was by Beverly Aveni. I don't think the trustees knew what the impact was on the fund. She was buying 14 years for about $29,000.00. I think this Board has a responsibility that if it wants to award pension benefits when they were not covered by employment. The City should kick in what those actuarial benefits are.

You had clerk of the works applications. Somebody has to pay for it. The fund is in a deficit position at the present time. Malloy's cabinet participated in the 457 Retirement Plan since they were not eligible for the City's retirement plan. I don't know if Ms. Aveni participated in the 457 Plan. If she was, there appears to be some double dipping.

Clemon Williams – Ms. Aveni did not participate in the 457 Plan. There is a pension issue and a retiree medical benefit issue.

Alvin Siegartel – Where does this Board get the authority to give pensions to people who are not covered under the Classified Service?

Clemon Williams – The Board can vote to amend the plan. In negotiations the union contracts can amend the CERF documents which have been done in the past. Buy-backs for service credit.

Alvin Siegartel – Ms. Aveni's buy-back for $29,000.00 when she retires she'll get back that amount in less than two (2) years. The present value is a quarter million dollars. How can the Trustees vote on it without knowing the present value?

Clemon Williams – Her buy-back was at least four years ago.

Alvin Siegartel – If you want to let someone buy time when they were not under Classified Service I think the City should kick in the present value of the time the employee is buying. The difference between the present value and how much they are paying in. An exoficio member of this Board is Chairman of the Board of Finance. I think he's been at one (1) meeting out of the last six (6).

Tim Beeble - Burt Rosenberg has brought up the issue of funds that were converted by an employee of the Human Resources Office who is no longer with the City. The monies were recovered by the City and the funds should be put back in the CERF fund.

Burt Rosenberg – Clemon I think you said you were going to get us an accounting of that.

Clemon Williams – We are clearing up the funds from the Custodian Fund that should be returned to the CERF fund. Once this is finalized we will work on the monies that the City received from the insurance company and what monies are owed CERF for buy-backs.

Randy Skigen – The Board would like the Human Resources Department to work with Hooker and Holcombe and O'Connor Davies to answer the retirees question. If the Human Resources Department could have a written report for the May 16th meeting.

II. Old Business

A. Wells Fargo Report – Joseph DePalma gave the monthly report.

B. MAA Buy-back agreement – Tim Beeble – My understanding is there is a discussion going on between Emmet and Mr. Capalbo.

C. Interest on $611,000. Working on the final check.

III. New Business

A. Return of Contributions - None

B. Retirements

Jeffrey Friedrichs $ 2,240.45 per month

Michael Briscoe made a motion to approve Jeffrey Friedrichs retirement. The motion was seconded by Burt Rosenberg. The vote was 4 – 0 unanimous.

Claudia Hylton $ 2,549.71 per month

Clemon Williams – On page one of her sheet the years of service should be 31.06.

Michael Briscoe made a motion to approve Claudia Hylton's retirement. The motion was seconded by Joseph Caruso. The vote was 4 – 0 unanimous.

Debra Katz (form previously submitted) $ 3,800.88 per month

Clemon Williams - The City and the MAA Union have provided the Board with their positions on how Ms. Katz time was calculated.

Joseph Caruso – When her employment status was changed I don't think anyone sat down with her about the changes. I don't think she understood the result.

Joseph Caruso – When a job status changes that somebody sit down and explain what the ramifications were.

Burt Rosenberg – Ms. Katz has stated that to this Board that she did not understand

Clemon Williams – I could not find any document that addressed that issue. The only documents in her file were from part-time to full-time and from full-time

to part-time. All the union contracts have specific language on how the pensions are calculated if you are part-time and full-time.

Burt Rosenberg - In retrospect rather than reducing her hours, H.R. could have reduced her rate of pay and accomplish the same objective.

Clemon Williams – We don't have the ability to adjust salaries as they are negotiated items. We would have had to go to the union to negotiate a new salary level.

Burt Rosenberg – As I see it H.R. took the easy way out by reducing her hours rather than negotiate the salary.

Clemon Williams – There are a number of references in the MAA contract that refer to permanent part-time employees. There are three (3) MAA employees who are permanent part-time.

Randy Skigen – Neither side addressed the authority of this Board to make this change. Is there any dispute between the parties that the Board has the authority to make the change?

Clemon Williams – This Board has the authority to rule on pension plans. You can interpret things differently.

Randy Skigen – The City relies on PAF's that apply to determining what her hours were.

Clemon Williams – We have to that is the only official records that we have of time. Otherwise I am in a position where anyone can come to me and say that they have worked more hours.

Randy Skigen – Does the employee or the union see the PAF's and or sign off on them.

Clemon Williams – They do not see the PAF's and in Ms. Katz's case she did see the number of hours. She had access to KRONOS and she signed off on KRONOS for other people and on at least two (2) occasions signed off on her own KRONOS. The number of hours shows on your pay stub it shows how many hours you are being paid for.

Randy Skigen – On the City's March 25th paper on page 4 there is a reference to

a January 26, 2011 e-mail between Ms. Katz and Ann Carpiniello.

Clemon Williams – Ann Carpiniello worked in the Human Resources Department there were a number of e-mail exchanges. The crux of the issue was how many hours did you need to be credited for a year of service. Ms. Katz replied in an e-mail that she understood that she needed to work 1700 hours a year to receive one (1) year of pension credit.

Randy Skigen – We don't have the full e-mail of January 26, 2011. This is a question to Tim Beeble. Is this an acknowledgement that she was paid on a 30/32 hour week basis from July 1999 to the date of January 2011 e-mail?

Tim Beeble – I would say that Debra Katz did not know this was an issue until she first met with Ann Carpiniello. We do have permanent part-time positions in the MAA none of them are salaried. Both our original position statement and rebuttal focus in on the fact that she is exempt from being paid overtime. She swipes in only once a day for KRONOS and we have evidence that she was working more than 35 hours per week. Clemon, Randy, the Mayor and I had a sidebar about this whole issue. Clemon suggested that Joe Capalbo is a salaried person who is part-time. I went over and took a look at his KRONOS and when he swipes in once a day he gets credited for 37 ½ hours per week and 7 ½ hours a day. She should not be considered a part-time person if she is salaried. The City can't treat someone as an hourly employee for certain benefit purposes and an exempt employee for other purposes.

Clemon Williams – Mr. Capalbo swipes in once a day and is credited with 21 hours per week as a part-time position. The Fair Labor Standards Act has people who are exempt they are not eligible for overtime who are regularly scheduled to work less than thirty hours a week or thirty-two hours a week. This is a federal issue. The Fair Labor Standards Act specifically provides that you can have an exempt person who is less than full-time who is paid on a salary basis and they are not eligible for overtime.

Tim Beeble – The MAA has salaried exempt employees they are all considered full-time. Our position is that Debby Katz who is listed in the same chart in our contract along with all the exempt employees is full-time just like the rest of them.

Clemon Williams – You also have an agreement between the MAA and the City where the union and the City agreed that that position would be salaried and work less than full-time.

Tim Beeble – No. The agreement with the union does not say that she will be working less than 35 hours a week.

Joseph Caruso – When an employee status changes they should know what the ramifications are.

Clemon Williams – The current pension plan is based on the salary at time of retirement. No one should retire before July 1st, you get your salary increase July 1st. By waiting to retire July 1st you are getting the benefit of having your pension calculated on a salary that you never worked under. You are getting a huge windfall.

Burt Rosenberg made a motion that Ms. Katz be credited with additional service on the basis that she worked as a full-time employee for the entire duration of her employment. The additional credit should be retroactive to the date of her retirement. This additional service credit be granted on the condition that Ms. Katz pay into the CERF for the additional hours of work based upon calculations to be provided by the Human Resources Department.

Randy Skigen – That she would be credited for .68 of a year and that she also be required to pay in the equivalent payment. It was approximately $114.00 a month additional that she would be receiving and somewhere in the ballpark of $3,200.

Clemon Williams – You want me to calculate her time based upon the salary at the time she retired and what it would cost for that period of time.

Burt Rosenberg amended his motion to include Randy Skigen's comments.

The motion was seconded by Joseph Caruso. The vote was 4 – 0 unanimous.

Marlene Magalnick	$ 723.11 per month

Joseph Caruso made a motion to approve Marlene Magalnick's retirement. The motion was seconded by Burt Rosenberg. The vote was 4 – 0 unanimous.

C. Disability Retirements - None

D. Vested

Patrick Pirro $ 847.82 per month

Michael Briscoe made a motion to approve Patrick Pirro's vested retirement. The motion was seconded by Joseph Caruso. The vote was 4 – 0 unanimous.

E. Bills

Fiduciary Investment Advisors 1st Quarter $ 9,000.00

Michael Briscoe made a motion to approve payment of Fiduciary Investment Advisor's bill. The motion was seconded by Joseph Caruso. The vote was 4 -0 unanimous.

State Street Global Advisors $ 672.81
(already debited)

Burt Rosenberg made a motion to approve payment of State Street Global Advisors bill. The motion was seconded by Joseph Caruso. The vote was 4 – 0 unanimous.

Wells Fargo February 2013 $ 4,863.52

Burt Rosenberg made a motion to approve payment of the Wells Fargo bill. The motion was seconded by Joseph Caruso. The vote was 4 – 0 unanimous.

The meeting was adjourned at 10:05 a.m.

The next regularly scheduled CERF Trustees meeting is scheduled for Thursday, May 16, 2013 at 9:00 a.m.

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Emmet P. Hibson, Jr.
CERF Secretary

cc: Town Clerk