



TRUMBULL POLICE PENSION FUND BOARD OF TRUSTEES

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PENSION TRUSTEES

RAYMOND G. BALDWIN, JR., CHAIRMAN
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CHRIS TREFZ

Special Trumbull Police Pension Board of Trustee Meeting
Wednesday, March 16, 2022

MINUTES

The Trumbull Police Pension Fund Board of Trustees meeting was called to order at 4:40 p.m.

Members Present: Raymond G. Baldwin, Jr., Chairman
Kathleen Champion (by phone)
Robert Coppola
Michael Lombardo
Angelo Magliocco
Edgar Perez
Mary Beth Thornton

Also Present: First Selectman Vicki Tesoro
Thomas McCarthy, HR Director for the Town of Trumbull
Daniel Schopick, Town Attorney

Absent: Donald Allen
Christian Trefz

Discussion and Consideration of Actuary Quote by Brad Fisher of Findley

Trustee Coppola asked the Chairman if a recap of the March 8th meeting could be done.

Trustee Coppola was tasked to get a special study proposal in regards to reopening the eligibility for the 401K members. A telephone conversation between Mr. Fisher and Trustee Coppola took place and email was sent back from Mr. Fisher with a quote and it included an engagement letter. Trustee Coppola indicated he would get back to Mr. Fisher after the Pension Board determines if they would go forward. This topic was tabled for future discussion. Trustee Coppola indicated there are four bullet points in what the study would entail in which he read.

- Collection of data for Police Department employees currently excluded from the Pension Plan
- Analysis of costs to Town of Trumbull if currently excluded employees had been covered by the Pension Plan since hire date (i.e., perform actuarial valuations as of July 1, 2016, 2018 and 2020 to determine the additional Actuarially Determined Contribution that would have resulted if the employees currently excluded were eligible)
- Analysis of costs to Town of Trumbull if currently excluded employees would be covered by the Pension Plan prospectively only, effective as of July 1, 2022
- Preparation of actuarial report summarizing results of analysis

Chairman Baldwin indicated the cost to get the study would be approximately \$10,000.

Trustee Coppola mentioned the Board receives every even year an Actuarial Analysis from Mr. Fisher. Actuarial Study is due which covers July 1, 2020 to July 1, 2022.

Tom McCarthy, indicated the town is aware that this is an item that needs to be looked into. There are no commitments from the town at this time. He understands there are retention questions and ability to accrue questions. FS Tesoro, himself, Attorney Schopick and others have had discussions. FS Tesoro has tasked Mr. McCarthy to hire a consultant to do the due diligence on behalf of the Town. Mr. McCarthy appreciates the effort but more than an actuarial is needed. They need someone who will do the actuarial work and process, legal and tax implications, etc. Mr. McCarthy went into further detail on the process of approval. Mr. McCarthy indicated they are in the process of bringing in the Segal Group which is the Town of Trumbull Benefit Consultants. The Segal Group is working on the same topic with another municipality. Trustee Lombardo and Mr. McCarthy attended a Zoom call with the Segal Group about a month ago. Mr. McCarthy was very impressed. Mr. McCarthy will then speak with FS Tesoro and then meet with the Union and the Police Pension Trustees to see what the next steps would be after he hears back from the Segal Group.

Chairman Baldwin indicated Mr. McCarthy participated on a call with the Mayor and Director of Finance from Branford regarding the pension plan. Chairman Baldwin asked Mr. McCarthy if that call was of any help to him.

Mr. McCarthy responded it was and he appreciated it. He recalls the Town of Branford created a Plan B.

Chairman Baldwin indicated the Trumbull Police Union along with the Administration worked on a spreadsheet which showed the cost in outfitting a police officers, training cost, etc.

Chairman Baldwin brought up the Board of Finance meeting regarding the Budget, the Board of Finance demanded certain information from Chief Lombardo. The information that is being requested the Police Trustees believe should be provided by the Human Resource office.

Mr. McCarthy indicated he is aware of the meeting and he believes the wires crossed on who would provide what information to the Board of Finance. Mr. McCarthy is meeting with the Board of Finance, he will address the issue with them on what they are looking for.

Trustee Thornton asked, what wires were crossed and what information was supposed to be shared to the Board of Finance.

Mr. McCarthy responded he does not know all of the things that are being requested. Mr. McCarthy thinks the information requested was the reasons why officers were leaving and exit interview information.

Trustee Lombardo indicated that the Board of Finance members asked him to check with other Departments in the Fairfield County area and do an analysis of all benefits, salary and pension that every town offers, compare it to the Trumbull Police Departments. Shortly after that meeting Chief Lombardo saw Chairman McHugh and explained the analysis the Board of Finance member had requested was well beyond his expertise and would be hard for him to gather. Chairman McHugh indicated she understood. Chief Lombardo asked her to please relay message as he did not want the Board of Finance to think he was delaying and he was under the impression Human Resource would be gathering the information.

Mr. McCarthy will reach out to Chairman McHugh to see what the Board of Finance Committee needs.

Trustee Thornton indicated the spreadsheet prepared was just to assist and show the cost it entails to hire an officer. Trustee Thornton believes if an analysis of benefits needs to be done it should come from Human Resources.

Mr. McCarthy indicated it was his understanding that the Board of Finance Committee was looking for exit interview information. Mr. McCarthy indicated he does not do exit interviews.

Chairman Baldwin indicated if the exit interviews was what the Board of Finance Committee needed what could have been provided were the resignation letters the Chief received from the officers. Those letters were also shared with FS Tesoro.

Chairman Baldwin commented the Department lost two officers to the Town of Monroe due to the Pension. The officers have expressed in their letters, they like working for the Trumbull Police Department, they like the Administration and the people they work with. Again, their purpose of leaving the Department is due to the Pension.

Attorney Schopick brought up if other Unions see that the Police Department is having their Pensions brought back they are going to want the same. He understands the Police Department feels there is a reason why the Police Department should be considered differently. The Town of Trumbull will need to negotiate any changes with the Union.

Question was asked, how long it will take to get an analysis.

Mr. McCarthy indicated he does not know the answer.

Trustee Lombardo asked when a company is chosen to do the analysis could they be asked to do study by a certain date so it does not drag out. Can they also be asked that the Police Department be done first?

Mr. McCarthy indicated he can ask.

Trustee Coppola asked if the current Actuary (USI) is asked do the analysis does it need to go through an RFP? Trustee Coppola also asked if there was a purchasing issues why the current Actuary cannot be used for the analysis.

Mr. McCarthy indicated he spoke with Purchasing and they spoke about having the Segal Group expand the scope of the work as they do the Towns benefits. Mr. McCarthy indicated the reasons he is looking to have the Segal Group do the analysis is because he needs a larger scope of the work to be done. He will look into USI as well.

Trustee Coppola offered to reach out to USI and ask if they expand the scope of the work to what Mr. McCarthy is looking to be done.

FS Tesoro indicated it is more than Actuarial services that is being requested to be done. She asked Mr. McCarthy to explain further.

Mr. McCarthy asked, are they Actuarial plus Consultants, etc. Mr. McCarthy indicated he is willing to look into them further.

Trustee Coppola indicated USI is an actuarial and consultant.

Trustee Coppola also mentioned that USI will need to provide all of the information from the Trumbull Police Pension to the company that is chosen by the Town of Trumbull. USI has been reporting to the Board for decades and has been reporting the Actuarial contributions. Trustee Coppola indicated USI already has access to all of the performance reviews and they work closely with Mr. Quirini (Principal) who is the Trumbull Police Pension Advisor and bringing another company up to speed will be more work for Mr. McCarthy. The cost will probably be more than \$10,000.

Mr. McCarthy indicated he is 100% in charge of the analysis and to see what can be done (potential of a Defined Contribution Plan to a Defined Benefit plan).

Chairman Baldwin does not want for Chief Lombardo or the Department to go before the Board of Finance and be questioned on topics that are not within their purview.

Attorney Schopick indicated there have been instances that the Town Council or the Board of Finance has asked for information that is believed not to be appropriate and he cannot ask them to stop asking for information.

Chairman Baldwin asked Attorney Schopick if he could advise them not to ask Chief Lombardo for information out of his purview.

Attorney Schopick indicated this was the first time he has heard of this occurring. Attorney Schopick indicated it would have been helpful if another Board member at the meeting mentioned to the Chair the topic is not appropriate at the moment.

Trustee Champion commented that she would like to welcome the opportunity to sit down with that Board of Finance member and provide him with an education on what is and what is not under the purview of the Police Chief. It is possible he is just not aware. The other item Trustee Champion would like some clarification from Mr. McCarthy on his timeline on when he will address the analysis.

Mr. McCarthy responded that he has been working for the last two weeks with the Segal Group on the scope of the work and cost. Mr. McCarthy will reach out to USI as well. Mr. McCarthy is not able to provide an answer but is hoping within the next few weeks he will have someone working on the analysis. Mr. McCarthy does recognize the urgency on the analysis.

Trustee Champion asked for clarification, since Mr. McCarthy will be expanding the scope of the work to include the other Town Unions, will he be prioritizing the Police Department analysis.

Mr. McCarthy responded it's his intension for the analysis to be done for the entire Town of Trumbull but also his intension is also to prioritize the Police Department Pension issue first.

Trustee Champion asked has Public Works or other Departments ask to return to the Pension.

Mr. McCarthy responded that one of the main representatives from the four unions has reached out to him indicating "we hear you are giving the Pension back to the Police, we want it too".

Chairman Baldwin brought up a few things, the Town of Branford treats the Fire, EMS and Police differently. They are called their Guardian Services. The other point the Chairman brought up was the Police Pension fund is 92% to 93% funded and third and most importantly, the Town of Trumbull is not in need of employees as the much as the Trumbull Police Department. The Police Officers are First Responders for medical calls. Chairman Baldwin commented it is important for Mr. McCarthy to keep in mind the factors he has mentioned in prioritizing who should be first in line for the Pension Fund.

Trustee Coppola asked has there been talks/discussions about the two funds merging in order to get another plan. Trustee Coppola wanted to remind everyone on the Board that they are held to a fiduciary standard to do what is best for the Police Pension plan. This topic came up with the prior administration of merging the funds. The Trumbull Police Union will be against the merging of funds.

FS Tesoro wanted to remind the Board that they are not the prior administration and this is first she has heard of the plans merging.

Chairman Baldwin asked if Mr. McCarthy will report back to the Police Pension Board.

Mr. McCarthy responded he will.

Trustee Lombardo asked to confirm that Mr. McCarthy will have a discussion with the Chair of the Board of Finance regarding the information they are requesting.

Chairman Baldwin thanked Trustee Coppola and other members for the quick turnaround in requesting a quote from USI.

Adjournment

There being no further business to discuss and upon motion made by Trustee Magliocco and seconded by Trustee Coppola the Trumbull Police Pension Board adjourned by unanimous consent at 5:30 p.m.

Respectfully Submitted,

Vivian Munoz
Clerk of the Commission