

**South Central Connecticut Regional Water Authority
Pension & Benefit Committee**

Minutes of the May 16, 2019 Meeting

A special meeting of the South Central Connecticut Regional Water Authority Pension & Benefit Committee took place on Thursday, May 16, 2019, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut. Chairman Sack presided.

Present: Committee – Ms. Sack and Messrs. Borowy, Cermola, Curseaden (via teleconference) and DiSalvo
Management – Mss. Discepolo, Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman and Norris
RPB – Mr. Jaser
Janney Montgomery Scott LLC – Ms. Miller and Mr. Tortorici
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:01 p.m.

On motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, the Committee approved the minutes of its meeting held on April 18, 2019, as presented.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 12:01 p.m., on motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, the committee voted to go into executive session to discuss strategy. Present in executive session were Authority members, Mss. Discepolo, Kowalski, Miller, Nesteriak, Reckdenwald, Slubowski and Messrs. Bingaman, Jaser, Norris and Tortorici.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 12:35 p.m., the committee came out of executive session and Ms. Miller and Mr. Tortorici withdrew from the meeting.

Ms. Kowalski, RWA's Vice President of Finance and Controller, reported on management's request for the FY 2020 contributions to the South Central Connecticut Regional Water Authority's Retirement Plans and Retired Employees' Contributory Welfare Trust and Actuarial Assumptions as discussed at last month's meeting. After discussion, it was the consensus of the Committee:

- 1) to recommend to the Authority an increase of \$2,207,798 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2019; and
- 2) to recommend to the Authority a change to the mortality table for the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust from

the RP-2014 Employee and Healthy Annuitant with Scale MP-2017 generational improvements from 2006 (Male/Female) to the PubG.H.-2010 Employee and Healthy Annuitant with Scale MP-2018 generational improvements from 2006 (Male/Female), effective as of the actuarial valuation of January 1, 2019.

3) recommend to the Authority a contribution of \$3,301,077 to the South Central Connecticut Regional Water Authority's Salaried Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2019 and

4) a change to the mortality table for the South Central Connecticut Regional Water Authority's Salaried Employees' Retirement Plan from the RP-2014 White Collar Tables (M/F) with MP-2017 Generational Projection (Projected from 2006) to the RP-2014 White Collar Tables (M/F) with MP-2018 Generational Projection (Projected from 2006), effective as of the actuarial valuation of January 1, 2019; and

5) recommend to the Authority a contribution of \$1,314,032 to the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2019 ; and

6) a change to the mortality table for the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan from the RP-2014 Blue Collar Tables (M/F) with MP-2017 Generational Projection (Projected from 2006) to the RP-2014 Blue Collar Tables (M/F) with MP-2018 Generational Projection (Projected from 2006), effective as of the actuarial valuation of January 1, 2019.

Ms. Kowalski also reported on management's request for an increase to the FY 2019 Pension Contribution in the amount of \$1,000,000 to be partially funded through the Revenue Fund and partially funded through the General Fund, to the combined contribution of the South Central Connecticut Retirement Plan and the South Central Connecticut Regional Water Authority Salaried Employees' Retirement Plan during fiscal year 2019. On motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, the committee voted to recommend management's request to the Authority for approval.

Ms. Discepolo, RWA's Vice President and Chief Financial Officer, and Ms. Kowalski reviewed the RWA's draft Investment Policy Statement with committee members for RWA's Salaried and Union Employees' Retirement Plans and RWA's Retired Employees' Contributory Welfare Trust.

Ms. Reckdenwald reported on a Fourth Amendment to the Authority Voluntary Investment Plan (401K) (the "Amendment") to address eligibility for new employees to participate in the plan and to allow for an automatic enrollment at 6% deferral of compensation for the Salaried and Police Union Pension Plans. On motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, it was the consensus of the Committee to recommend the Amendment to the Authority.

At 1:24 p.m., on motion by Mr. DiSalvo, seconded by Mr. Cermola, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Suzanne C. Sack, Chairman