

**A virtual special meeting of the Town of West Hartford Pension Board was held on  
Monday, June 13, 2022 at 7:45 a.m.**

Members of the public may view the meeting on YouTube and [www.whctv.org](http://www.whctv.org).

**The meeting was called to order at 7:45 a.m.**

**I. Roll Call/Attendance**

**Pension Board Members:** Chair Lazaro Guzman, Commissioners Alan Lebow, Perry Salonia, Brittany MacGilpin, and Peter Privitera, Director of Financial Services.

**Participants/Guests:** Mayor Shari Cantor, Rick Ledwith, Town Manager, Lori Kearney, Clerk of the Board, Catherine Lombardi, Acting Director of Human Resources, Yelena Pelletier and Becky Sielman, Milliman.

**Absent:** Mary Fay, Town Council

**II. Chair's Opening Comments**

A. Review of rules of decorum and procedure for the virtual meeting in accordance with Governor Lamont's Executive Order #7B permitting municipalities to conduct public meetings virtually during the COVID-19 pandemic.

**III. Lori Kearney, Clerk of the Board**

A. Meeting schedule for 2022  
Remaining meetings in 2022: September 19, October 17, November 14.  
Still to be determined whether those meetings will be in-person or virtual.

**IV. Peter Privitera/Catherine Lombardi/Milliman**

A. Further discussion of MARC pension administration system

With the resignation of Paula Knake, a primary contact person for Town and BOE retirement benefits, Milliman's MARC pension administration system is being reviewed. Considerations include the costs and benefits of implementation, and what if any savings there would be to the Town in staffing or valuation expenses. This has led to a discussion of moving from biennial valuations to annual valuations.

Option 1: \$36,000 base model – system would cover majority of calculations but not COLAs, employee deaths, or disability retirements. Monthly maintenance fee of \$2,500. Town pension staff would use the MARC system to perform pension calculations.

Cost of Option 1:

\$36,000 – one-time implementation fee

\$2,500/mo maintenance x 12 = \$30,000/yr maintenance + cost of employee at the Town

Option 2: \$48,000 – system would cover all calculations including COLAs, employee deaths, and disability retirements. Monthly maintenance fee of \$2,750.

Choice a – Town pension staff would use MARC to perform pension calculations.

Choice b – Milliman staff would use MARC system to perform pension calculations, handle all interactions with members, and operate call center. Cost is based on the number of members in the plan. Additional cost estimated at \$9,250 per month (\$750 per month plus \$4 per member).

Cost of Option 2a:

\$48,000 – one-time implementation fee

\$2,750/mo maintenance x 12 = \$33,000/yr maintenance + cost of employee at the Town

Cost of Option 2b:

\$48,000 – one-time implementation fee

\$2,750/mo + \$9,250/mo = \$12,000/mo maintenance x 12 = \$144,000/yr maintenance

Employees can do individual pension estimates and what-if scenarios under all options. Benefit statements can be produced for members with all options. Refunds of pension contributions would be driven through the MARC system. The implementation period would be approximately 9 months.

Town pension staff performs approximately 400 pension estimates annually. This includes final retirement calculations for approximately 50 – 60 retirees each year. The MARC system would permit employees to perform their own estimates and reduce the number of calculations performed by pension staff to the roughly 50-60 final retirement calculations per year.

Implementing MARC would result in a \$2,000 reduction in Milliman's valuation fee (due to the census data being more readily accessible from the MARC system rather than through the Town's Finance Department). It would also offset some of the cost associated with the data needed for AI's pension dashboard model. Cathy Lombardi indicated that Paula's position is funded this fiscal year. The Town has filled her position with a full time employee to handle those responsibilities for that time period. Depending on the decision by the Pension Board, the role of that full time employee may be developed differently in the future with less emphasis on pension administration. If the Board chooses option 1, for example, there would be one full time employee dedicated to pension administration but part of their salary could be allocated to the general fund. Cathy pointed out that the full time employee's salary is less than the annual maintenance cost of option 2b. If West Hartford implements option 2b, Milliman anticipates hiring an additional full time call center employee to handle the increased volume. Phone calls to the call center are picked up by a live representative. Any increases in fees will be built into the contract. The Town can start off with option 1 and then add on functionality in the future, or start with option 2a and move to 2b later. The cost of the system would be paid from the pension fund. The system is subject to an annual security audit to ensure it is secure. The system can require multi-factor authentication to access. The Town would consult with its IT Director prior to the implementation of this system.

**Motion by Chair Guzman to proceed with adopting the MARC pension administration system option 1.**

**Peter Privitera - Yes**

**Brittany MacGilpin - Yes**

**Al Lebow - Yes**

**Perry Salonia - Yes**

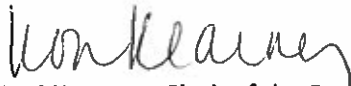
**Lazaro Guzman - Yes**

**All in favor. Motion carried.**

V. **Adjournment**

**Motion by Chair Guzman to adjourn the meeting at 9:32 a.m. It was unanimously voted to adjourn.**

Attest:



Lori Kearney, Clerk of the Board