

TOWN CLERK
HAMDEN, CT

2020 JUL 14 P 12:48

REC'D AND FILED BY

AGENDA
HAMDEN EMPLOYEES RETIREMENT BOARD
Wednesday, July 15, 2020 @ 2:30 PM
ELECTRONIC SPECIAL MEETING
Electronic Meeting pursuant to Paragraph 1 of Executive Order 7B.
This will be a 100% Electronic Meeting.
Public Questions can be emailed to rmorgan@hamden.com
Click on the link below to join the meeting.

<https://zoom.us/j/97527325379?pwd=eFBXMHBmMmQ4cUxDMESrYVB3eHpzUT09>

Password: 745677

1. Approval of Minutes:

- A. Review and approval of the minutes of the June 10, 2020 meeting.
- B. Review and approval of the minutes of the June 17, 2020 special meeting.

2. Financial:

- A. Presentation from Dahab Associates.

3. Administrative:

- A. Invoices from Brenner, Saltzman & Wallman LLP totaling \$30,766.37 – professional services rendered through May 31, 2020, \$12,103.73 and professional services rendered through June 30, 2020, \$18,662.64.
- B. Invoices from Segal Consulting totaling \$4,830.00 – benefit calculation fees for the period April 1, 2020 through June 30, 2020 \$1,080.00 and retainer fee for the month of June \$3,750.00.

4. Retirements:

- A. Correspondence from Clerk 7/BOE Joan Landino requesting a normal retirement effective retroactive back to June 30, 2020.
- B. Correspondence from Police Chief John Cappello requesting a normal retirement effective retroactive back to June 30, 2020.
- C. Correspondence from Police Officer Joshua S. Cameron requesting a normal retirement effective retroactive back to June 30, 2020.
- D. Correspondence from Superintendent John Torgerson requesting a normal retirement effective retroactive back to June 30, 2020.
- E. Correspondence from Police Officer Dennis Ryan requesting a normal retirement effective retroactive back to June 30, 2020.

5. Correspondence:

- A. Correspondence from the Hamden Guardian Services Retirees Association, LLC.

6. Old Business:

- A. Correction of overpayments to Retirees.
- B. Discussion of legal opinion memo re: Board members Fiduciary responsibilities (executive session).

7. Adjourn:

MINUTES
Hamden Employees Retirement Board
Wednesday, June 10, 2020 @ 3:00 P.M.

Electronic Meeting pursuant to Paragraph 1 of Executive Order 7B.
This will be a 100% Electronic Meeting.

Public Questions were emailed to rmorgan@hamden.com

Panelists and attendees used the link below to join the meeting:
<https://zoom.us/j/93836709991?pwd=MHhjVGFtL3dVcWlVMkNXajBpd3NLZz09>
Password: 534814

Minutes of the Hamden Employees Retirement Board regular meeting held Wednesday, June 10, 2020 @ 3:00 P.M.

**IN ACCORDANCE WITH A DECISION OF THE HAMDEN EMPLOYEES
RETIREMENT BOARD, MINUTES WILL REFLECT INDIVIDUALS
IN ATTENDANCE, MOTIONS MADE AND VOTES TAKEN.**

Finance Director Curtis Eatman called the meeting to order at 3:04 PM with Board members Attorney Carl Porto, Benefits Clerk/BOE Kathleen Kordek, Fire Captain Gregory Bannon, Police Detective William Onofrio and Public member Henry Dove in attendance. Also in attendance were Board Attorney Marc Wallman, Personnel Director Ken Kelley, Administrative Secretary Renee Palumbo-Morgan, Henry Nearing of Segal Consulting, David Lee and Thomas Donegan of Dahab Associates. Retiree attendees were Robert Mordecai, David Johnson, William Sikorsky, Arthur Cohen, Lewis Perry, William Marak and Robert Mulhurn. Payroll Administrator Irene Keniry and Sam Gurwitt from the New Haven Independent also attended.

Item 1.A. under **Approval of Minutes** was the review and approval of the minutes of the May 13, 2020 meeting. On a motion by Board member Porto, seconded by Board member Dove it was the unanimous decision of the Board to approve the minutes.

Item 2.A. under **Financial** was a presentation by David Lee of Dahab Associates. Mr. Lee informed the Board that the markets have rebounded very strongly despite the COVID-19. He went on to say that the plan structure stabilized the corpus on the way down and it has recovered very nicely. Mr. Lee remarked that the portfolio balance is at the same level as it was in the beginning of the year and the managers have done a nice job. Mr. Lee stated that funds are needed to be raised to make disbursements and he suggested moving \$2,400,000.00 from Vanguard Index Fund to cash. On a motion by Board member Porto, seconded by Board member Dove, it was the unanimous decision of the Board to approve the transfer.

Item 3.A. under **Administrative** were invoices from Segal Consulting in the amount of \$7,500.00 – retainer fees for the months of April and May 2020. On a motion by Board member Porto, seconded by Board member Dove, it was the unanimous decision of the Board to pay the invoices.

Minutes (Continued)
Hamden Employees Retirement Board
June 10, 2020

Page 2.

Item 4.A. under **Retirements** was correspondence from Assistant Building Official James Gagliardi requesting a normal retirement effective June 15, 2020. On a motion by Board member Bannon, seconded by Board member Porto, it was the unanimous decision of the Board to grant his request with an amended date of June 30, 2020.

Item 4.B. under **Retirements** was correspondence from Police Lieutenant Lyle Bennett requesting a normal retirement effective June 20, 2020. On a motion by Board member Porto, seconded by Board member Bannon, it was the unanimous decision of the Board to grant his request.

Item 4.C. under **Retirements** was correspondence from Police Officer Anthony Popolizio requesting a normal retirement effective June 20, 2020. On a motion by Board member Onofrio, seconded by Board member Bannon, it was the unanimous decision of the Board to grant his request.

Item 4.D. under **Retirements** was correspondence from Assistant Building Official Joseph Cirillo requesting a normal retirement effective June 30, 2020. On a motion by Board member Bannon, seconded by Board member Dove, it was the unanimous decision of the Board to grant his request.

Item 4.E. under **Retirements** was correspondence from Payroll Administrator Irene Keniry requesting a normal retirement effective June 30, 2020. On a motion by Board member Bannon, seconded by Board member Dove, it was the unanimous decision of the Board to grant her request.

Item 4.F. under **Retirements** was correspondence from Executive Assistant Wendy Ocone requesting a normal retirement effective June 30, 2020. On a motion by Board member Bannon, seconded by Board member Dove, it was the unanimous decision of the Board to grant her request.

Item 4.G. under **Retirements** was correspondence from Parks Maintainer Michael Benitez Ortega requesting an early retirement effective June 30, 2020. On a motion by Board member Porto, seconded by Board member Dove, it was the unanimous decision of the Board to grant his request.

Item 4.H. under **Retirements** was correspondence from Police Detective John Inglese requesting a normal retirement effective June 30, 2020. On a motion by Board member Onofrio, seconded by Board member Dove, it was the unanimous decision of the Board to grant his request.

Item 4.I. under **Retirements** was correspondence from Benefits Clerk/BOE Kathleen Kordek requesting a normal retirement effective June 30, 2020. On a motion by Board member Bannon, seconded by Board member Dove, it was the decision of the Board to grant her request. Board member Kordek abstained from the vote.

Minutes (Continued)
Hamden Employees Retirement Board
June 10, 2020

Page 3.

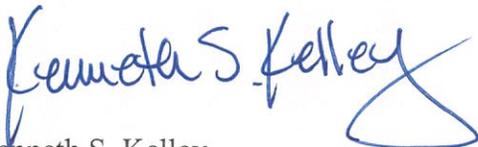
Item 4.J. under **Retirements** was correspondence from Clerk 11/BOE Carol Teodosio requesting a normal retirement effective June 30, 2020. On a motion by Board member Porto, seconded by Board member Bannon, it was the unanimous decision of the Board to grant her request.

Under **Old Business** Board Attorney Wallman informed the Board that the Segal COLA Analysis report will be discussed at a special meeting of the Board on June 17, 2020 @ 1:00 PM. He also stated that the report will be distributed to the Board members prior to the special meeting. Attorney Wallman also stated that the Board should request an executive session to allow him to present his legal opinion regarding the issues before the Board and the standards to be considered regarding the Segal COLA Analysis report. Attorney Wallman urged all Board members to attend the special meeting on June 17, 2020 @ 1:00 PM.

Under **New Business** Mr. Kelley addressed the Board and explained that Police Officer Steven DeGrand has requested a normal retirement effective June 30, 2020. His written request will be distributed to the Board as part of next meeting agenda documents. On a motion by Board member Porto, seconded by Board member Onofrio, it was the unanimous decision of the Board to add Officer DeGrand's request to the agenda. On a motion by Board member Porto, seconded by Board member Onofrio, it was the unanimous decision of the Board to grant his request.

On a motion by Board member Porto, seconded by Board member Dove, it was the unanimous decision of the Board to **Adjourn** at 3:40 PM.

Respectfully submitted,



Kenneth S. Kelley
Personnel Director

TOWN CLERK
HAMDEN, CT
2020 JUN 12 P 2:51
REC'D AND FILED BY

**MINUTES
HAMDEN EMPLOYEES RETIREMENT BOARD
SPECIAL MEETING
Wednesday, June 17, 2020 @ 1:00 PM**

Electronic Meeting pursuant to Paragraph 1 of Executive Order 7B.

This was a 100% Electronic Meeting.

Public Questions were emailed to rmorgan@hamden.com

Panelists and attendees used the link below to join the meeting:

<https://zoom.us/j/94722904374?pwd=cXZ6aWhBTGJNVWtLTWlHY0hjNzlvZz09>

Password: 876620

Minutes of the Hamden Employees Retirement Board special meeting held
Wednesday, June 17, 2020 @ 1:00 P.M.

**IN ACCORDANCE WITH A DECISION OF THE HAMDEN EMPLOYEES
RETIREMENT BOARD, MINUTES WILL REFLECT INDIVIDUALS
IN ATTENDANCE, MOTIONS MADE AND VOTES TAKEN.**

Chairperson Mayor Leng called the meeting to order at 1:13 PM with Board members Benefits Clerk/BOE Kathleen Kordek, Fire Captain Gregory Bannon, Police Detective William Onofrio, Superintendent Joseph Colello, Fire Chief Gary Merwede and Public members Henry Dove, Attorney Carl Porto and Robert Freeman in attendance. Also in attendance were Board Attorney Marc Wallman, Personnel Director Ken Kelley, Administrative Secretary Renee Palumbo-Morgan, Henry Nearing and Deborah Brigham of Segal Consulting. Retired attendees were Robert Mordecai, David Johnson, Arthur Cohen, Lewis Perry, William Marak, Robert Mulhern, James Leddy, Robert Slater, Michael Luzzi, David Ciarlelli, Fred Manware, Helen Gilbert, William Coppola, Keith Benway, Donald LaBanca, David Strawhince, Richard Reutenauer, Edward Badamo, Thomas Regan, Raymond Dobbs, Joseph Ruggiero, Greg Natcher, Brian Anderson, and Harold Mangler. Sam Gurwitt from the New Haven Independent and Attorney Bill Ward also attended. Finance Director Curtis Eatman joined the meeting a few minutes late.

Item 1.A. under **Administrative** was a presentation of the Segal COLA Analysis report made by Actuary Deborah Brigham. Ms. Brigham explained to the Board the means by which the figures were compiled and suggested several ways that the COLA overpayment might be recouped. On a motion by Board member Porto, seconded by Board member Colello, it was the unanimous decision of the Board to go into Executive Session at 2:14 PM to review and discuss Board Attorney Wallman's written legal opinion regarding the Retirement Boards's fiduciary responsibilities to the plan. On a motion by Board member Porto, seconded by Board member Bannon, it was the unanimous decision of the Board to come out of Executive session and to return to regular session at 3:45 PM.

On a motion by Board member Bannon, seconded by Board member Dove, it was the unanimous decision of the Board to **Adjourn** at 3:46 PM.

Respectfully submitted,



Kenneth S. Kelley
Personnel Director

REC'D AND FILED BY
2020 JUN 19 A 11:42
TOWN CLERK
HAMDEN, CT

HAMDEN EMPLOYEES RETIREMENT PLAN

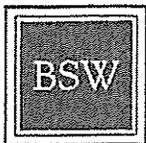
PRELIMINARY PERFORMANCE SUMMARY AS OF JUNE 2020

Portfolio	Previous Month Market Value	MTTD	QTTD	FYTTD	Current Month Market Value	%
Total Portfolio	\$166,986,278	1.4	10.9	6.2	\$167,120,063	100%
<i>Shadow Index</i>		<i>1.5</i>	<i>10.0</i>	<i>4.5</i>		
Brown Advisory	\$34,863,915	1.7	24.8	12.2	\$35,442,614	21.2%
Vanguard 500 Index	\$13,612,635	2.0	20.5	7.5	\$11,382,549	6.8%
S&P 500		2.0	20.5	7.5		
Vanguard Mid Cap	\$8,349,601	2.0	25.0	-0.2	\$8,483,654	5.1%
CRSP US Mid Cap Index		2.0	25.0	-0.2		
Great Lakes	\$6,814,766	2.6	19.4	-17.8	\$6,988,558	4.2%
Russell 2000		3.5	25.4	-6.7		
Aberdeen International Equity	\$8,958,452	4.0	16.9	4.0	\$9,310,127	5.6%
MFS International	\$9,348,780	4.4	14.9	0.0	\$9,752,599	5.8%
MSCI ACH1 ex-US		4.6	16.3	-4.4		
Intercontinental*	\$11,152,943	0.0	0.0	6.1	\$11,152,943	6.7%
JP Morgan Special Property*	\$10,116,404	0.0	0.0	5.7	\$10,116,404	6.1%
Sentinel*	\$11,490,920	0.0	0.0	5.6	\$11,490,920	6.9%
NCREIF NFI-ODCE ¹		0.0	0.0	3.8		
PIMCO Total Return Fund	\$26,026,132	1.1	4.0	8.9	\$26,300,589	15.7%
TCW	\$26,024,056	1.0	3.9	9.4	\$26,282,787	15.7%
Barclay's Aggregate		0.6	2.9	8.7		
Cash	\$227,674	-----	-----	-----	\$416,319	0.2%

All returns are gross of fees

*The market value seen was carried forward from the previous quarter; a return of 0.0% was assumed for the current month's return.

¹ The NCREIF NFI-ODCE Index is reported quarterly. A 0% return was assumed.



Brenner, Saltzman & Wallman LLP

Attorneys at Law - Established 1963

271 Whitney Avenue
 New Haven, CT 06511
 Website: www.bswlaw.com
 Telephone: 203.772.2600
 Facsimile: 203.562.2098

June 11, 2020

Hamden Retirement Board
 Hamden Government Center
 2750 Dixwell Avenue
 Hamden, CT 06518
 Attn: Personnel Office

Statement No. 63089

RE:Hamden Retirement Fund

Our File No. 00285 - 001

FOR PROFESSIONAL SERVICES RENDERED Through 5/31/2020 in connection with the following:

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
05/01/20	MAW	Begin review of draft correspondence	1.00	\$ 265.00
05/01/20	JJR	Review email and voice mail from M.Wallman re: Hamden overpayments	0.25	\$ 70.00
05/02/20	MAW	Review draft and draft representative examples; telephone call with C.Kone; telephone call with J.Rendeiro	2.50	\$ 662.50
05/02/20	CWK	Telephone conference with M.Wallman re: overpayment and FOIA issues	0.75	\$ 318.75
05/03/20	MAW	Review draft examples; review IRS guidance; review notes	1.50	\$ 397.50
05/04/20	MAW	Review draft summary; analyze options; correspondence with J.Rendeiro; telephone call with W.Aniskovich; telephone call with B.Daniels; telephone call with H.Winger; review proposed attorney cooperation agreement; review Segal actuarial report	4.25	\$ 1,126.25
05/04/20	JJR	Review draft summary from actuary re: COLA overpayments; initial research re: recoupment from retirees and beneficiaries	2.25	\$ 630.00

Continued . . .

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
05/05/20	MAW	Telephone call with Renee; correspondence with Ken Kelley; correspondence with Mayor; review audit reports; review possible COLA scenarios; review statutory framework and trustee's duties; review Segal Company issues	4.00	\$ 1,060.00
05/05/20	JJR	Telephone conference with M.Wallman to discuss options to correct current payments and past overpayments	1.00	\$ 280.00
05/06/20	MAW	Review CT statute on FOIA; review language of retirement plan; telephone conference with Deb Brigham and Henry Nearing of Segal Co. re information and options, and cost to complete the study; telephone call with Mayor's office; telephone call with Ken Kelley	3.00	\$ 795.00
05/07/20	MAW	Telephone conference with Ken Kelley; review procedures for COLA and history; telephone conference with J.Rendeiro; review legal issues; review Board meeting requirements; review ordinance	2.00	\$ 530.00
05/07/20	JJR	Telephone conference with M.Wallman re: statute of limitations impact on recovery of overpayments	0.25	\$ 70.00
05/08/20	MAW	Telephone call with J.Rendeiro; discuss San Diego case and other applicable law; review case; telephone call with G.Ronayne; telephone call with Mayor's office; review Dahab report	2.00	\$ 530.00
05/08/20	JJR	Research on fiduciary duties relating to overpayments	2.00	\$ 560.00
05/11/20	MAW	Review summary of COLA facts; telephone conference with Mayor; telephone call with Ken Kelley re agenda; telephone conference with Deb Brigham and Henry Nearing re plan for COLA report completion and options to present; telephone call with Grace Ronayne re research; review memo and cases	3.00	\$ 795.00
05/11/20	GMR	Research on administrative adjustments to pension plans and possible affirmative defenses	2.25	\$ 225.00
05/12/20	MAW	Correspondence with Renee Morgan; review preliminary information for meeting	0.50	\$ 132.50

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
05/13/20	MAW	Review new draft summary of COLA study received from Segal; correspondence with Mayor; telephone call with J.Rendeiro; attendance at HRB meeting, make presentation	4.00	\$ 1,060.00
05/14/20	MAW	Review notes of meeting; review provisions of Segal summary and possible additional information; prepare list of questions; correspondence with J.Rendeiro re Board options and obligations, different approaches; telephone conference with Deb Brigham and Henry Nearing	3.25	\$ 861.25
05/15/20	MAW	Telephone call with J.Rendeiro; review needed legal memos on Board fiduciary obligations; review correspondence from Deborah to Ken; review memos re legal requirements	1.50	\$ 397.50
05/18/20	MAW	Review memos re due diligence and reasonable solutions	0.75	\$ 198.75
05/19/20	MAW	Review correspondence from Deb Brigham; work on file	0.25	\$ 66.25
05/20/20	MAW	Correspondence with Deb Brigham and Ken Kelley; review correspondence from Renee	0.50	\$ 132.50
05/22/20	MAW	Review legal guidelines for Board decision	1.00	\$ 265.00
05/23/20	MAW	Review law re fiduciary responsibility, comparable IRS guidelines	1.00	\$ 265.00
05/27/20	MAW	Telephone call with Ken Kelley re approving retirement and then withdrawing retirement before effective date; correspondence with Deb Brigham re COLA study status	0.50	\$ 132.50

Current Fees Total 11,826.25

Disbursements:

<u>Description</u>	<u>Amount</u>
Legal Research Westlaw	\$ 277.48

Current Disbursements \$ 277.48

TOTAL AMOUNT DUE \$ 12,103.73



Brenner, Saltzman & Wallman LLP

Attorneys at Law - Established 1963

271 Whitney Avenue
New Haven, CT 06511
Website: www.bswlaw.com
Telephone: 203.772.2600
Facsimile: 203.562.2098

July 10, 2020

Hamden Retirement Board
Hamden Government Center
2750 Dixwell Avenue
Hamden, CT 06518
Attn: Personnel Office

Statement No. 63466

RE:Hamden Retirement Fund

Our File No. 00285-001

FOR PROFESSIONAL SERVICES RENDERED Through 6/30/2020 in connection with the following:

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
06/01/20	MAW	Correspondence with J.Rendeiro; review correspondence from Renee re agenda; correspondence with Deb Brigham re timing of COLA report; review legal issues	0.75	\$ 198.75
06/01/20	JJR	Research fiduciary duties cases	1.25	\$ 350.00
06/02/20	MAW	Review drafts of COLA report; suggest edits to report; request additional information to be included; several telephone calls with Deb Brigham; telephone call and correspondence with Mayor; telephone call with Ken Kelley; telephone call with J.Rendeiro re Board responsibilities	4.50	\$ 1,192.50
06/02/20	JJR	Telephone conference with M.Wallman and continue research on fiduciary duties	2.25	\$ 630.00
06/03/20	MAW	Telephone call with Ken Kelley; telephone call with Renee re report status; correspondence with Mayor; correspondence with Deb Brigham; review report; send draft out; telephone call with J.Rendeiro; review two cases involving municipal plan overpayments and Board action; review legal guidelines for municipal plans	3.00	\$ 795.00

Continued . . .

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
06/03/20	JJR	Research and analysis or correction procedures; telephone conference with M.Wallman re Portland VCP to correct overpayments	2.75	\$ 770.00
06/04/20	MAW	Review and analysis of Portland decision; review Seattle for current update; review J.Strother memo; review report options and prepare list of issues; correspondence with Mayor; telephone call with Ken Kelley; telephone call with J.Strother re updated memo on Board duties	3.25	\$ 861.25
06/04/20	JFS	Confer with M.Wallman re: overpayments to pensioners	0.25	\$ 81.25
06/04/20	JJR	Research on overpayment corrections and related fiduciary duties	2.50	\$ 700.00
06/05/20	MAW	Correspondence with Mayor; telephone call with Rose L.; telephone call with Renee re agenda; telephone call Ken Kelley; correspondence with Deb Brigham; review and outline report	1.75	\$ 463.75
06/07/20	JFS	Review file re: overpayments; prepare advice on fiduciary considerations	1.50	\$ 487.50
06/08/20	MAW	Correspondence with Mayor's office; telephone call with Ken Kelley; review key elements of report; review memo from J.Strother re action option for Board; telephone call with J.Strother and discuss need for additional information	2.00	\$ 530.00
06/08/20	JFS	Complete comments on fiduciary considerations in choosing remedies for COLA-based overpayments; send to M.Wallman	2.25	\$ 731.25
06/08/20	JJR	Research and analysis re: sources of fiduciary duties for municipal plan trustees	2.25	\$ 630.00
06/09/20	MAW	Telephone call with Renee re schedule of meeting and Special Meeting next week; telephone call with Deb Brigham re Special Meeting; telephone call J.Rendeiro re memo on fiduciary obligation of Board and how to structure; review memo from Jack re options for Board	1.50	\$ 397.50
06/09/20	JFS	Study alternatives prepared by actuaries; comment to M.Wallman	0.75	\$ 243.75
06/09/20	JJR	Drafting legal opinion memo re: correction of overpayments	2.75	\$ 770.00

Continued . . .

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
06/10/20	MAW	Review draft of J.Rendeiro memo on Board responsibilities; provide edits; telephone call with J.Rendeiro re additional information; discuss issues; review J.Strother memo; attend HRB Zoom meeting; telephone call with Ken Kelley	3.00	\$ 795.00
06/10/20	JJR	Draft memo re overpayments; email memo to M.Wallman; telephone conference with M.Wallman; revisions to memo; additional research	2.50	\$ 700.00
06/11/20	MAW	Review actuarial report and provisions regarding COLA; send relevant portions to J.Rendeiro; telephone call with Renee Morgan re meeting; review different scenarios	1.25	\$ 331.25
06/11/20	JJR	Review email re: Town's obligation under state law to contribute to pension fund	0.25	\$ 70.00
06/12/20	MAW	Telephone call with Ken Kelley; telephone call with Rose; telephone call with Renee; review Portland case	0.50	\$ 132.50
06/15/20	MAW	Telephone call with Ken Kelley; telephone call with Renee re special meeting and notices/agenda; telephone call with Mayor re meeting and distribution of report; telephone call with Deb Brigham re report update; research of legal (FOIA) issue; dictate memo; call Ken re meeting notice	2.75	\$ 728.75
06/16/20	MAW	Telephone call with Deb Brigham re additional exhibit; review report; telephone call with J.Rendeiro; review research and draft memo; revise memo and finalize; review new exhibit	2.00	\$ 530.00
06/16/20	JJR	Drafting of legal opinion memo	2.75	\$ 770.00
06/17/20	MAW	Finish work on legal advice memo and meeting preparation; review report summaries; request additional exhibit for Deborah Brigham; telephone call with Deborah pre-meeting; correspondence with Dave Garretson and Renee; attend meeting; attend executive session; telephone call with Deb Brigham post meeting re additional information requested	4.75	\$ 1,258.75

<u>Date</u>	<u>Time-keeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
06/18/20	MAW	Dictate memo re special meeting and requests for additional computations; telephone call with Ken Kelley; telephone calls with Deb Brigham; correspondence with Deb Brigham; correspondence with Ken Kelley re privileged communication	1.75	\$ 463.75
06/19/20	MAW	Work on possible resolution for administrative correction at next meeting; telephone call with J.Rendeiro re need to contract Deborah on issue of calculations; telephone call with Ken Kelley re administrative questions	1.25	\$ 331.25
06/20/20	JJR	Verify sample retiree COLA calculations and email to D.Brigham re: COLA bank calculations	1.25	\$ 350.00
06/22/20	MAW	Telephone call with Renee; telephone call with Deb Brigham re additional information required and administrative capacities; telephone call with Ken Kelley re administrative issues regarding possible actions to be considered by Hamden Retirement Board; telephone call with Deb Brigham; draft resolution for Board	2.00	\$ 530.00
06/23/20	MAW	Correspondence with Ken Kelley and Deb Brigham re administrative issues on COLA matter	0.50	\$ 132.50
06/24/20	MAW	Telephone call with Deb Brigham and Ken Kelley; review administrative issues regarding possible adjustment; review alternative options; review correspondence from Deb Brigham to Jason Rudnick re computation of bank methodology; work on resolution and possible letter to retirees	2.00	\$ 530.00
06/25/20	MAW	Review proposed adjustments and different options	0.50	\$ 132.50
06/29/20	MAW	Telephone call with Deb Brigham; correspondence with Ken Kelley; leave message, coordination getting updated information from Segal	0.50	\$ 132.50
06/30/20	MAW	Work on difference options, possible correspondence to retirees, resolution	0.50	\$ 132.50
Current Fees Total				17,883.75

Disbursements:

<u>Description</u>	<u>Amount</u>
Legal Research Westlaw	\$ 778.89

Statement No. 63466
July 10, 2020
Page 5

Current Disbursements

\$ 778.89

TOTAL AMOUNT DUE

\$ 18,662.64



30 Waterside Dr
Suite 300
Farmington, CT 06032-3069
Phone: (860) 678-3000
Fax: (860) 371-3429

July 01, 2020

Ms. Renee Morgan
TOWN OF HAMDEN
rmorgan@hamden.com
Hamden Government
Center
2750 Dixwell Ave.
Hamden, CT 06518

Invoice #: 388661
Reference #: 00991 - 016 - 202006

For actuarial and consulting services rendered to the Town of Hamden during the period April 1, 2020 through June 30, 2020 in connection with the following:

- Six (6) Benefit Calculations at \$180.00 per calculation (Please see attached listing) - \$1,080.00

Total Invoice:

\$1,080.00

EMPLOYEES RETIREMENT PLAN OF THE TOWN OF HAMDEN
BENEFIT CALCULATIONS

<u>Name</u>	<u>Type of Calculation</u>	<u>Date Mailed</u>
Donald Cleary	Disability Retirement	4/17/2020
Robert Villano	Normal Retirement	5/8/2020
Stephen Baris	Vested Pension	5/8/2020
Pasquale Arserio	Surviving Spouse	6/11/2020
Ann Rosello	Surviving Spouse	6/11/2020
Howard Straight	Surviving Spouse	6/11/2020



30 Waterside Dr
Suite 300
Farmington, CT 06032-3069
Phone: (860) 678-3000
Fax: (860) 371-3429

July 01, 2020

Ms. Renee Morgan
Town of Hamden
rmorgan@hamden.com
Memorial Town Hall
Hamden, CT 06518

Invoice #: 387374
Reference #: 00991 - 034 - 202006

For Actuarial and Consulting services rendered :

Retirement Retainer

In the period June 1, 2020
through June 30, 2020..... 3,750.00

Total Invoice: \$3,750.00

TOWN OF HAMDEN
PERSONNEL/CIVIL SERVICE
DEPARTMENT

Hamden Government Center 4 . A .
2750 Dixwell Ave
Hamden, CT 06518
Tel: (203) 287-7130
Fax: (203) 287-7135
www.hamden.com



Kenneth S. Kelley
Director of Personnel

June 15, 2020

Joan Landino
41 Westminster St.
Hamden, CT 06518

Dear Ms. Landino:

I have received your letter requesting a normal retirement from Town Service effective retroactive back to June 30, 2020.

I will place your correspondence on the agenda for the meeting of the Hamden Employees Retirement Board to be held on Wednesday, July 8, 2020 at 3:00 P.M. The meeting is held via ZOOM teleconference. You may attend if you so choose. Please email Renee Morgan at rmorgan@hamden.com and she will send you an invite to the ZOOM meeting.

If you have any questions or concerns, please feel free to contact me.

Sincerely,

Kenneth S. Kelley
Personnel Director

DOB: 05/29/1953
DOH: 03/11/1996

cc: Gary Highsmith, Human Resources Director
Hamden Employees Retirement Board

June 15, 2020

Hamden Employees Retirement Board
Hamden Government Center
2750 Dixwell Avenue
Hamden, Ct 06519

PERSONNEL/CIVIL SERVICE

2020 JUN 15 PM 1:34

TOWN OF HAMDEN

To whom it may concern:

Please accept this letter as notice of my resignation from my position as Clerk 7 at the Hamden Middle School. My last day will be June 30, 2020.

It is with a heavy heart that I submit this letter of resignation. It was my intent to complete 25 years of service with the Town of Hamden. The uncertainty of the Corona Virus is concerning and how it will impact the work environment. Not to mention, I am in the Senior Citizen category. All things considered, I feel it is the right time to retire.

I would like to take this opportunity to say how much I've enjoyed my years working for the Town, both as a paraprofessional for 18 years, and most recently as a clerk at the Hamden Middle School.

Thank you again for your time and consideration.

Sincerely,



Joan Landino
41 Westminster Street
Hamden, Ct 06518
203-464-5258

TOWN OF HAMDEN
PERSONNEL/CIVIL SERVICE
DEPARTMENT

Hamden Government Center 4.B.
2750 Dixwell Ave
Hamden, CT 06518
Tel: (203) 287-7130
Fax: (203) 287-7135
www.hamden.com



Kenneth S. Kelley
Director of Personnel

June 16, 2020

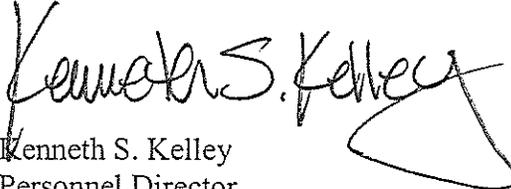
John Cappiello
105 Highland Ave.
Wallingford, CT 06492

Dear Chief Cappiello:

I have received your letter requesting a normal retirement from Town Service effective June 30, 2020.

I will place your correspondence on the Agenda for the meeting of the Hamden Employees Retirement Board to be held on Wednesday, July 8, 2020 at 3:00 PM. If you have any questions or concerns, please feel free to contact me.

Sincerely,


Kenneth S. Kelley
Personnel Director

DOB: 11/28/1963

DOH: 02/21/1984

cc: Mayor Curt Leng
Hamden Employees Retirement Board

Ken Kelley

From: John Cappiello <jcappiello@hamdenpd.com>
Sent: Thursday, June 11, 2020 1:57 PM
To: Ken Kelley
Subject: Retirement

This email originated from outside of the organization. Do not click links or open any attachments unless you recognize and contact the sender to verify the content is safe.

Good afternoon Ken, I have informed the Mayor I will be retiring as of June 30, 2020. Please let me know what you need from me. I want to take this opportunity to thank you for your support over the pasted 2 years.

John Cappiello
Chief of Police
Hamden Police Department
2900 Dixwell Ave.
Hamden, CT. 06518
(203) 230-4015
jcappiello@hamdenpd.com

TOWN OF HAMDEN
PERSONNEL/CIVIL SERVICE
DEPARTMENT

Hamden Government Center^{4.C.}
2750 Dixwell Ave
Hamden, CT 06518
Tel: (203) 287-7130
Fax: (203) 287-7135
www.hamden.com



Kenneth S. Kelley
Director of Personnel

June 16, 2020

Joshua S. Cameron
94 Tavern Circle
Middletown, CT 06457

Dear Officer Cameron:

I have received your letter requesting a normal retirement from Town Service effective June 30, 2020.

I will place your correspondence on the Agenda for the meeting of the Hamden Employees Retirement Board to be held on Wednesday, July 8, 2020 at 3:00 PM. If you have any questions or concerns, please feel free to contact me.

Sincerely,



Kenneth S. Kelley
Personnel Director

DOB: 05/01/1979

DOH: 02/02/2004

cc: Mayor Curt Leng
Police Chief John Cappiello
Hamden Employees Retirement Board

Renee Morgan

From: Cameron, Joshua S. <Joshua.S.Cameron@usdoj.gov>
Sent: Tuesday, June 16, 2020 3:52 PM
To: Ken Kelley; John Cappiello; John Sullivan
Cc: Renee Morgan; Irene Keniry; Soraya Antonini
Subject: Retirement

CAUTION: This email originated from outside of the organization. Do not click links or open any attachments unless you recognize and contact the sender to verify the content is safe.

To whom it may concern,

I have formally informed the Hamden Police Department of my intentions to retire on June 30, 2020. I do not know the process going forward but I am available via email or by cell phone at any time to discuss further. My date of hire is February 2, 2004 and coupled with my purchased military time (4 years) and three years of bought sick time results in a total amount of time with the Town of Hamden and the Hamden Police Department is 23 years and 4 months. Thank you for your time in advance.

Josh Cameron

Drug Enforcement Administration
New Haven District Office
Office - 203-497-5225
cell phone- 203-996-3544



Hamden Government Center 4.D.
2750 Dixwell Ave
Hamden, CT 06518
Tel: (203) 287-7130
Fax: (203) 287-7135
www.hamden.com

TOWN OF HAMDEN
PERSONNEL/CIVIL SERVICE
DEPARTMENT



Kenneth S. Kelley
Director of Personnel

June 30, 2020

John Torgerson
19 Park Lane
Woodbridge, CT 06525

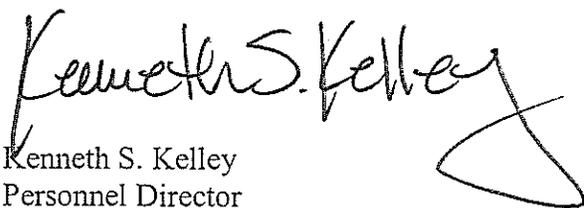
Dear Mr. Torgerson:

I have received your letter requesting a normal retirement from Town Service effective June 30, 2020.

I will place your correspondence on the agenda for the meeting of the Hamden Employees Retirement Board to be held on Wednesday, July 8, 2020 at 3:00 PM. The meeting will be held via Zoom teleconference. You may attend if you so choose.

If you have any questions or concerns, please feel free to contact me.

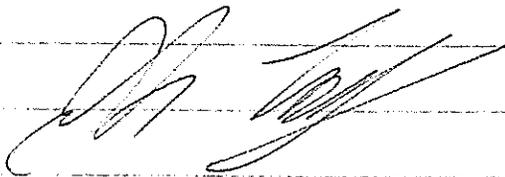
Sincerely,


Kenneth S. Kelley
Personnel Director

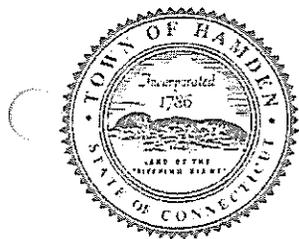
DOB: 11/04/1960
DOH: 09/08/1997

cc: Director of Public Works and Parks Craig Cesare
Hamden Employees Retirement Board

I John Torgerson am retiring
effective 6/30/2020



PERSONNEL ADMIN. SERVICE
2020 JUN 30 PM 2:33
TOWN OF HANDEN



**TOWN OF HAMDEN
PERSONNEL/CIVIL SERVICE
DEPARTMENT**

Hamden Government Center
2750 Dixwell Ave
Hamden, CT 06518
Tel: (203) 287-7130
Fax: (203) 287-7135
www.hamden.com

Kenneth S. Kelley
Director of Personnel

June 16, 2020

Dennis Ryan
178 Bayard Ave.
North Haven, CT 06473

Dear Officer Ryan:

I have received your letter requesting a service related disability retirement from Town Service effective June 30, 2020.

I will place your correspondence on the Agenda for the meeting of the Hamden Employees Retirement Board to be held on Wednesday, July 8, 2020 at 3:00 PM. If you have any questions or concerns, please feel free to contact me.

Sincerely,

Kenneth S. Kelley
Personnel Director

DOB: 02/19/1974

DOH: 08/12/1998

cc: Mayor Curt Leng
Police Chief John Cappiello
Hamden Employees Retirement Board

Renee Morgan

From: Dennis Ryan <dryan@hamdenpd.com>
Sent: Tuesday, June 16, 2020 9:02 PM
To: Ken Kelley
Cc: Renee Morgan
Subject: Disability retirement

CAUTION: This email originated from outside of the organization. Do not click links or open any attachments unless you recognize and contact the sender to verify the content is safe.

I am writing to notify the Town of Hamden that I Dennis Ryan will retire on June 30th 2020. I would like to apply for a disability retirement from a hip injury that occurred while working at the Hamden Police Department. I had hip replacement surgery in 2017.

7/9 - Per a conversation w/ officer Ryan - he is now requesting a normal retirement effective June 30, 2020.



Hamden Guardian Services Retirees Association, LLC
P.O. Box 185605
Hamden, CT 06518-0605



Robert Maturo, President
David Johnson, Secretary

Charles Watts, Vice President
Robert Mordecai, Treasurer

Robert Anthony, Asst. Secretary/Treasurer

May 29, 2020

Mayor Curl Balzano-Leng, Chairman
Hamden Retirement Board
2750 Dixwell Avenue
Hamden, CT 06518

Dear Mayor Leng,

The Hamden Guardian Services Retirees Association is comprised of retired Hamden police officers and firefighters of the Town of Hamden. Our association was formed in 2012 and presently has over 200 members. As guardian service retirees, we formed this association in response to the financial crisis associated with the Hamden Pension Fund. Since that time, we have continued to monitor the pension plan including its recent decision to study the possible overpayments to many retirees.

The Hamden Retirement Board has authorized a study of the overpayments through the Segal Consulting firm. This study is going to be presented to the Retirement Board in the very near future. Our association is of the opinion that the Board should be made aware of certain facts that ought to be considered prior to any decision on how the Board will proceed.

As we all are aware, the cost of living enhancement for retirees had been improperly applied for many years. It appears that this improper application had been occurring since the inception of the cost of living article. How this occurred appears to be unknown. This misapplication was ended in 2012 and since that time it has been properly applied.

It is important that the Retirement Board is made aware of several facts that should be reviewed and considered before any decision is made on the proper action to be taken on the overpayments. Our association feels that the Board should be made aware of the following facts:

1) In March 2002, at the monthly Retirement Board meeting, Frank Connolly the Civil Service Director for the Town of Hamden made a presentation to the Board. He advised the Retirement Board members that the cost of living article had been misapplied. All retirees had been given a guaranteed 3% cost of living every May since the inception of the COLA article. He along with Mr. Woolcott, the representative of Segal Consulting, explained to the Board that the cost of living article in the Town pension agreement with all Town employees dictated a COLA of up to 3%. This increase was tied to the yearly Federal consumer price index. The guaranteed 3% pay increase was a misapplication of the COLA article.

Marc Wallman, attorney for the Hamden Retirement Board, and Ken Kelley, who is presently the Civil Service Director, were both present at that March 2002 meeting. Discussions on this issue continued during the March, April, and May 2002 meetings. The end result, which is stated in the meeting minutes, was that this issue would be reviewed by Town officials and the employee unions representatives. (The minutes of the Retirement Board meetings of March, April, and May 2002 are available for your review at the Hamden Town Clerk's Office.)

A decision on how to resolve this issue was anticipated prior to the May 2003 scheduled COLA increase. This decision appears to never have occurred. **Town officials and the Retirement Board have been aware of the misapplication of the COLA since 2002. This misapplication continued for ten more years.** It was finally corrected in 2012 by then Mayor Scott Jackson, who realized this misapplication and correctly applied the COLA article from 2013 forward.

2) All Hamden Town employees hired prior to 2006-07 are in the Hamden Town pension plan. Hamden's guardian employees are not entitled to Social Security benefits through their employment with the Town of Hamden. Municipal guardian employees in the State of Connecticut are exempt from participating in the Federal Social Security system. All other Town employees participate in the Social Security system. Therefore, the only pension income Hamden's guardian employees have is from their employment with the Town of Hamden. All other town employees receive both a pension from the Town pension plan along with their Social Security benefits.

If the Hamden Retirement Board reduces pension benefits equally across the board to all retirees due to the overpayments, this action would profoundly affect guardian retirees as their only income is from their pension. All other Town retirees will still receive their social security income to offset this reduction of Town pension income.

Retirement Board attorney Marc Wallman has stated numerous times that the Board has a fiduciary responsibility to make a reasonable effort to recoup the overpayments. Our association does not dispute that responsibility. As previously stated in this letter, the Retirement Board, Attorney Wallman, and Segal Consulting were all advised of the overpayment issue in 2002. No action was taken at that time to rectify this overpayment. Now, 18 years later, the Board is not only considering the possibility of attempting to recoup these overpayments, but also including an interest charge to the overpayments. The retirees are not only being asked to shoulder the complete financial cost of 18 years of inaction but are also being made to pay a financial penalty through an interest charge.

Our association is of the opinion that an interest charge is not only unreasonable but also punitive in nature, as the Board should have rectified this issue in 2002 saving the pension plan thousands if not millions of dollars.

The average age of retirees cited in the Segal Consulting actuarial valuation as of 2019 is 72.7 years. There are numerous retirees that are in their 80's and 90's. The retirees had no idea that their yearly pension increases violated the COLA article. They were advised by Town officials upon retirement that they would receive a fixed 3% COLA for life. They based their retirement decision on these "guaranteed" increases. Now, due to no fault of their own, retirees are being asked to financially reduce their incomes.

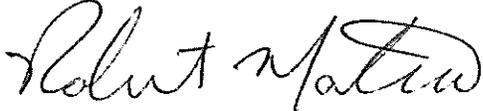
Attorney Wallman cited the IRS Employee Compliance Resolution System (EPCRS) which allows sponsors of qualified plans to correct qualification defects as the authorization to demand overpayments from retirees. **Section 2.02 of Procedure 2015-27 states in part:**

“The Service has been informed that some plans have demanded recoupment of large amounts from plan participants and beneficiaries on account of plan administration errors made over lengthy periods of time, and that plan participants and beneficiaries, particularly those who are older individuals, may have financial difficulty meeting some corrective actions that have been sought by plan administrators, including the return of Overpayments with substantial accumulated interest.”

Further, **Section 2.02 (2) states: Flexibility in correction of Overpayment failures.** Some plans may be interpreting the correction rules in Rev. Proc. 2013-12 as requiring a demand for recoupment from plan participants and beneficiaries in all cases. However, depending on the facts and circumstances, correcting an Overpayment under EPCRS may not need to include requesting that an Overpayment be returned to the plan by plan participants and beneficiaries.

At the May 2020 Retirement Board meeting, Attorney Wallman advised the members that the overpayment issue financially affects over 630 retirees. Many of these retirees are not aware of the overpayment issue. Our association feels that it would be fair, prudent, and reasonable that the Board advise all affected retirees of this issue and give them an opportunity to speak on this prior to a Board decision. We are requesting that the Board have a public session meeting affording the retirees the opportunity to speak.

Sincerely,



Robert Maturo, President
Hamden Guardian Services Retirees Assn., LLC

cc: Hamden Retirement Board members



30 Waterside Drive, Suite 300
Farmington, CT 06032-3069
860.678.3000
segalco.com

Memorandum

To: Retirement Board
Employees Retirement Plan of the Town of Hamden

From: Deborah Brigham, FCA, ASA, MAAA, EA,
Henry Nearing, FCA, MAAA, EA

Date: June 15, 2020

Re: COLA Recoupment Analysis

Segal is pleased to submit this analysis of potential savings to the Town of Hamden and to the Employees Retirement Plan, should future benefits be adjusted to recoup the overpayment of past cost-of-living adjustments (COLAs).

Background

The provisions of the Employees Retirement Plan of the Town of Hamden provide an inflation-based COLA to retired participants. The COLA for each individual is capped at 3% per year, but any excess inflationary increase for the individual is carried over to succeeding years.

Until the early 1990s inflation was generally above 3%, and the excess was carried forward. However, since 1993 the Consumer Price Index (CPI-U) has averaged 2.22%, and has exceeded 3% only four times, most recently in 2008. Meanwhile, retirees continued to receive 3% annually through 2012. In 2013, most retired participants ceased receiving the annual 3% increase, and participants have received increases since then based solely on the annual CPI, with a floor of 0%. However, participants who retired in 1982 or earlier have continued to receive 3% increases, with the assumption that this group still had a carryover balance (sometimes referred to as a "bank") due to high inflation in the early years following their retirement.

The majority of retirees and surviving spouses currently in pay status retired from Hamden between 1983 and 2012, and have received higher adjustments than permitted under the provisions of the Plan. In addition, although there are still carryover balances for participants with retirement dates in 1980 and earlier, those who retired in 1981 and 1982 have used up their banks and should be receiving CPI-based COLAs rather than the maximum 3%. Also, the CPI was less than 0% in 2015, and benefits for all retirees from 2014 and earlier should have been reduced by 0.09% rather than being held flat.

The Board is considering an administrative correction to reduce current benefits to the Plan-based amounts, and secondarily recoup the excess benefits paid to pre-2015 retirees and surviving spouses who remain in pay status. It is Segal's understanding that no attempt will be made to recoup overpayments from estates where there is no longer anyone in active pay status from the Retirement Plan.

Process

Segal gathered retirement information for 415 retirees and 95 surviving spouses who retired between 1981 and 2012. In addition, there are 100 retirees and 10 survivors with original retirement dates between 2012 and 2014 whose benefits should be 0.09% less due to the negative CPI in 2015. Thus there are 620 total annuitants who have been overpaid at some level. These counts include known deaths through May 10, 2020.

There are two steps for the Board to consider to realign the actual benefits being paid to the provisions of the Plan. The first involves either freezing or reducing the current monthly benefits of the retirees until the amounts align with the plan, and the second freezes future COLAs until the overpaid amounts are recouped.

The Board has asked for several options to be evaluated to realign the benefits with the Plan provisions. The most assertive action would be to reduce each person's benefit to the appropriate level under the Plan as soon as possible. Benefit reductions would range from 0.09% for 2012-2014 retirees to 11.03% for 1982 retirees. As shown in the chart below, the reductions are not linear, but rather are dependent on the inflation patterns since retirement.

Year of Retirement	Number of Individuals	Adjustment to Current Benefit	Year of Retirement	Number of Individuals	Adjustment to Current Benefit
1981	1	-6.37%	1997	12	-8.64%
1982	5	-11.03%	1998	20	-7.35%
1983	3	-1.74%	1999	37	-6.14%
1984	8	-2.86%	2000	27	-5.90%
1985	2	-3.36%	2001	12	-6.57%
1986	6	-4.19%	2002	35	-4.85%
1987	7	-2.73%	2003	28	-4.48%
1988	9	-3.71%	2004	15	-3.47%
1989	6	-5.25%	2005	35	-3.44%
1990	12	-7.23%	2006	36	-4.36%
1991	12	-9.56%	2007	10	-3.49%
1992	16	-9.21%	2008	17	-4.68%
1993	28	-9.43%	2009	20	-1.85%
1994	10	-9.01%	2010	22	-1.49%
1995	15	-8.84%	2011	22	-0.16%
1996	22	-8.60%	2012-2014	110	-0.09%

Other options for the Board to consider that would have less immediate impact on the retirees include: (1) freezing current benefits and providing no annual increases until inflation catches up, or (2) capping the reduction in benefit at the lesser of the percentage shown in the above table or a fixed amount, and for those who hit the cap, providing no annual increases until inflation catches up. For example, if the maximum reduction was set at 5%, all retirees noted above needing an adjustment of 5% or less would have their benefit reduced to the plan amount

immediately, whereas others needing an adjustment above 5% would have their benefit reduced by 5% immediately, but would also not receive any future increases until inflation catches up.

It could take anywhere from a few months to five years for CPI to catch up to the benefits being paid, assuming 2.25% annual inflation, if benefits are not immediately reduced to plan levels. During that period, overpayments will continue to accumulate.

In the second step of the process, the Plan would be made whole for past overpayments, to the extent possible. Segal has completed this analysis assuming that overpayments are accumulated with 4% interest. Based on preliminary guidance given by the Town, the method to accomplish recoupment includes a freeze on prospective COLAs until each participant has repaid their accumulated overpayment. The actual period without a COLA cannot be precisely determined because the annual CPI fluctuates. However, if future inflation matches the valuation assumption of 2.25%, benefits for some retirees would be frozen for as little as a few months, and others for more than two decades. It is possible that many of the retirees will never receive another COLA prior to death. However, for those who do repay the full amount, their benefits thereafter would jump up to the amount they would have been paid had COLAs been made throughout the freeze period.

Analysis and Results

The accumulated amount that has been overpaid to those who are still living and in pay status, or who have a survivor in pay status, is \$12.3 million. If 4% interest is charged on the overpayments, the total amount is \$16.5 million.

Total benefit payments from the Plan for the 2020-2021 fiscal year are projected to be \$30.4 million if no changes are made. These payments could be reduced to \$29.4 million immediately if the full reduction is implemented, or by a lesser amount if the benefits are modified more gradually.

The Town's expected required contribution for 2020-2021 is \$23.6 million if all assumptions for the year ended June 30, 2020 are met, including a 7% return on assets. This contribution requirement could be reduced by anywhere from \$0.64 million (2.8%) to \$1.20 million (5.2%), depending on the action taken.

For reference, the scenarios included in the analysis are as follows:

1. Valuation Baseline – No changes from the July 1, 2019 actuarial valuation
2. Reduce Benefits, No Recoupment – Benefits are immediately reduced to the levels they would be under Plan language, but COLAs continue prospectively.
3. Reduce Benefits, Full Recoupment - Benefits are immediately reduced to the levels they would be under Plan language, and no COLAs are paid until past overpayments are recouped in full, with 4% interest.
4. 0% Reduction, Full Recoupment - Benefits are frozen at current levels, and no COLAs paid until past overpayments are recouped in full, with 4% interest.

5. 3% Reduction, Full Recoupment - Benefits are reduced by lesser of 3% or the amount necessary to reach the appropriate level under Plan language, and no COLAs paid until past overpayments are recouped in full, with 4% interest.
6. 5% Reduction, Full Recoupment - Benefits are reduced by lesser of 5% or the amount necessary to reach the appropriate level under Plan language, and no COLAs paid until past overpayments are recouped in full, with 4% interest.
7. 7% Reduction, Full Recoupment - Benefits are reduced by lesser of 7% or the amount necessary to reach the appropriate level under Plan language, and no COLAs paid until past overpayments are recouped in full, with 4% interest.

In all scenarios, benefit changes are assumed to be effective July 1, 2020.

The attached exhibits and graphs summarize the key findings. Exhibit A provides average benefits and reductions by year of retirement for each scenario. Exhibit B shows the ranges of possible recoupment periods, during which COLAs would be frozen. Exhibits C1 and D1 display the projected annual benefit payments under the various options, while C2 and D2 give the annual savings compared to the current baseline. Exhibit E provides the Town's contributions for each scenario.

2020 COLA

As an initial step, the Board might consider rescinding the COLA that was granted on May 1, 2020, which was equal to 2.49% for all retirees with dates of retirement in 1983 and later, and 3% for earlier retirees. Exhibit F displays the average impact that the recent COLA had on individuals.

Data and Assumptions

This study is based on the methods and assumptions outlined in the July 1, 2019 actuarial valuation for the Plan. No changes in plan provisions have been implemented since the valuation date. The census data utilized is the valuation data as of June 30, 2019, with updates for subsequent deaths, and with monthly benefits increased for the May 1, 2020 COLA. A small number of revisions were made to separate the records of individuals who are both a retiree and a surviving spouse. In cases where there were corrective adjustments made by the Town at some point in a participant's retirement period, it was assumed that the actual stream of payments was actuarially equivalent to the stream of payments had the correct benefits been paid from the date of retirement.

The calculations included in this presentation were completed under the supervision of Deborah K. Brigham, FCA, ASA, MAAA, EA. Ms. Brigham is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

We are available to discuss this report at the June 2020 Board meeting.

cc: Marc Wallman, Esq.

COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
EXHIBIT A: Average Reductions in Monthly Benefits

Retirement Year	Adjustment	Avg. Benefit	Plan Reduction	0% Reduction	3% Reduction*	5% Reduction*	7% Reduction*
1981	-6.37%	\$2,306.78	-\$146.94	\$0	-\$69.20	-\$115.34	-\$146.94
1982	-11.03%	\$1,073.22	-\$118.38	\$0	-\$32.20	-\$53.66	-\$75.13
1983	-1.74%	\$1,195.08	-\$20.79	\$0	-\$20.79	-\$20.79	-\$20.79
1984	-2.86%	\$1,056.69	-\$30.22	\$0	-\$30.22	-\$30.22	-\$30.22
1985	-3.36%	\$686.52	-\$23.07	\$0	-\$20.60	-\$23.07	-\$23.07
1986	-4.19%	\$1,864.16	-\$78.11	\$0	-\$55.92	-\$78.11	-\$78.11
1987	-2.73%	\$1,376.94	-\$37.59	\$0	-\$37.59	-\$37.59	-\$37.59
1988	-3.71%	\$2,250.71	-\$83.50	\$0	-\$67.52	-\$83.50	-\$83.50
1989	-5.25%	\$1,589.99	-\$83.47	\$0	-\$47.70	-\$79.50	-\$83.47
1990	-7.23%	\$1,210.99	-\$87.55	\$0	-\$36.33	-\$60.55	-\$84.77
1991	-9.56%	\$3,233.71	-\$309.14	\$0	-\$97.01	-\$161.69	-\$226.36
1992	-9.21%	\$2,444.72	-\$225.16	\$0	-\$73.34	-\$122.24	-\$171.13
1993	-9.43%	\$2,372.09	-\$223.69	\$0	-\$71.16	-\$118.60	-\$166.05
1994	-9.01%	\$3,123.35	-\$281.41	\$0	-\$93.70	-\$156.17	-\$218.63
1995	-8.84%	\$2,606.74	-\$230.44	\$0	-\$78.20	-\$130.34	-\$182.47
1996	-8.60%	\$3,281.56	-\$282.21	\$0	-\$98.45	-\$164.08	-\$229.71
1997	-8.64%	\$2,823.26	-\$243.93	\$0	-\$84.70	-\$141.16	-\$197.63
1998	-7.35%	\$3,789.11	-\$278.50	\$0	-\$113.67	-\$189.46	-\$265.24
1999	-6.14%	\$3,428.92	-\$210.54	\$0	-\$102.87	-\$171.45	-\$210.54
2000	-5.90%	\$2,951.75	-\$174.15	\$0	-\$88.55	-\$147.59	-\$174.15
2001	-6.57%	\$3,576.62	-\$234.98	\$0	-\$107.30	-\$178.83	-\$234.98
2002	-4.85%	\$4,029.63	-\$195.44	\$0	-\$120.89	-\$195.44	-\$195.44
2003	-4.48%	\$3,663.48	-\$164.12	\$0	-\$109.90	-\$164.12	-\$164.12
2004	-3.47%	\$4,062.41	-\$140.97	\$0	-\$121.87	-\$140.97	-\$140.97
2005	-3.44%	\$4,572.24	-\$157.29	\$0	-\$137.17	-\$157.29	-\$157.29
2006	-4.36%	\$4,980.59	-\$217.15	\$0	-\$149.42	-\$217.15	-\$217.15
2007	-3.49%	\$3,017.64	-\$105.32	\$0	-\$90.53	-\$105.32	-\$105.32
2008	-4.68%	\$2,736.58	-\$128.07	\$0	-\$82.10	-\$128.07	-\$128.07
2009	-1.85%	\$2,928.96	-\$54.19	\$0	-\$54.19	-\$54.19	-\$54.19
2010	-1.49%	\$2,806.84	-\$41.82	\$0	-\$41.82	-\$41.82	-\$41.82
2011	-0.16%	\$2,382.18	-\$3.81	\$0	-\$3.81	-\$3.81	-\$3.81
2012-2014	-0.09%	\$3,102.86	-\$2.79	\$0	-\$2.79	-\$2.79	-\$2.79

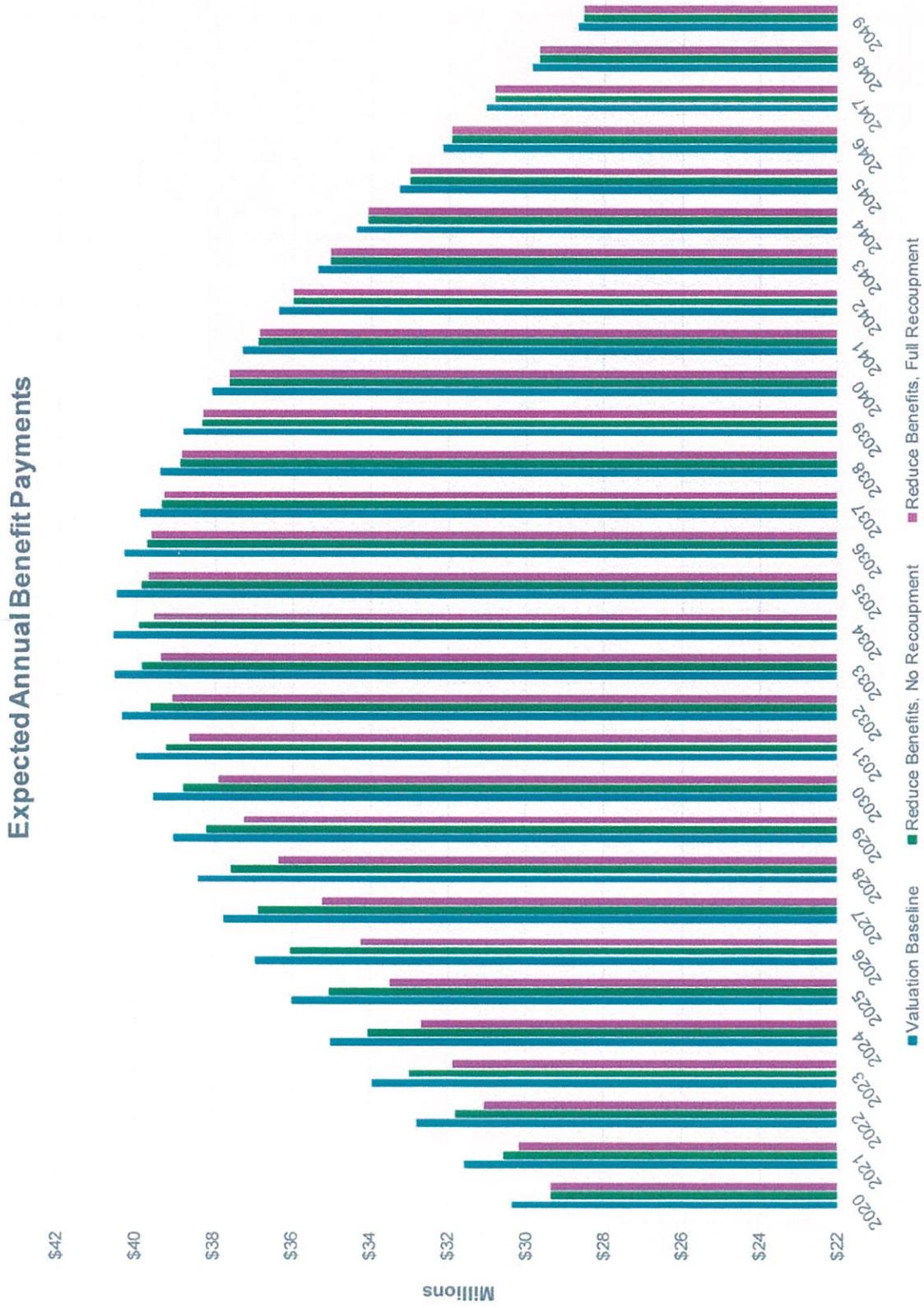
*Or plan reduction, if less

COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
EXHIBIT B: Recoupment Periods (Years)*

Retirement Year	Plan Reduction		0% Reduction		3% Reduction		5% Reduction		7% Reduction	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
1981	6	6	10	10	8	8	6	6	6	6
1982	9	9	17	17	15	15	13	13	11	11
1983	5	6	6	7	5	6	5	6	5	6
1984	7	7	8	8	7	7	7	7	7	7
1985	7	8	9	10	8	9	7	8	7	8
1986	9	11	11	14	9	12	9	11	9	11
1987	7	7	8	8	7	7	7	7	7	7
1988	8	10	10	12	8	10	8	10	8	10
1989	10	14	13	18	11	16	10	14	10	14
1990	13	17	18	22	16	20	14	19	13	18
1991	17	25	23	32	21	30	20	28	18	27
1992	16	24	22	30	20	28	19	26	17	25
1993	16	25	23	32	21	29	19	28	18	26
1994	16	21	22	27	20	25	18	24	17	22
1995	15	22	21	28	19	26	18	24	17	23
1996	15	21	21	27	19	25	17	23	16	22
1997	15	15	21	21	19	19	17	17	16	16
1998	13	19	18	24	16	22	15	21	13	19
1999	11	16	15	20	13	18	12	16	11	16
2000	11	15	14	19	12	17	11	16	11	15
2001	12	12	16	16	14	14	13	13	12	12
2002	9	13	12	16	10	14	9	13	9	13
2003	9	9	11	11	9	10	9	9	9	9
2004	7	10	9	12	8	10	7	10	7	10
2005	7	9	9	11	8	10	7	9	7	9
2006	8	11	11	14	9	12	8	11	8	11
2007	7	10	9	12	8	10	7	10	7	10
2008	9	10	12	13	10	11	9	10	9	10
2009	5	7	6	8	5	7	5	7	5	7
2010	5	5	6	6	5	5	5	5	5	5
2011	2	2	2	2	2	2	2	2	2	2

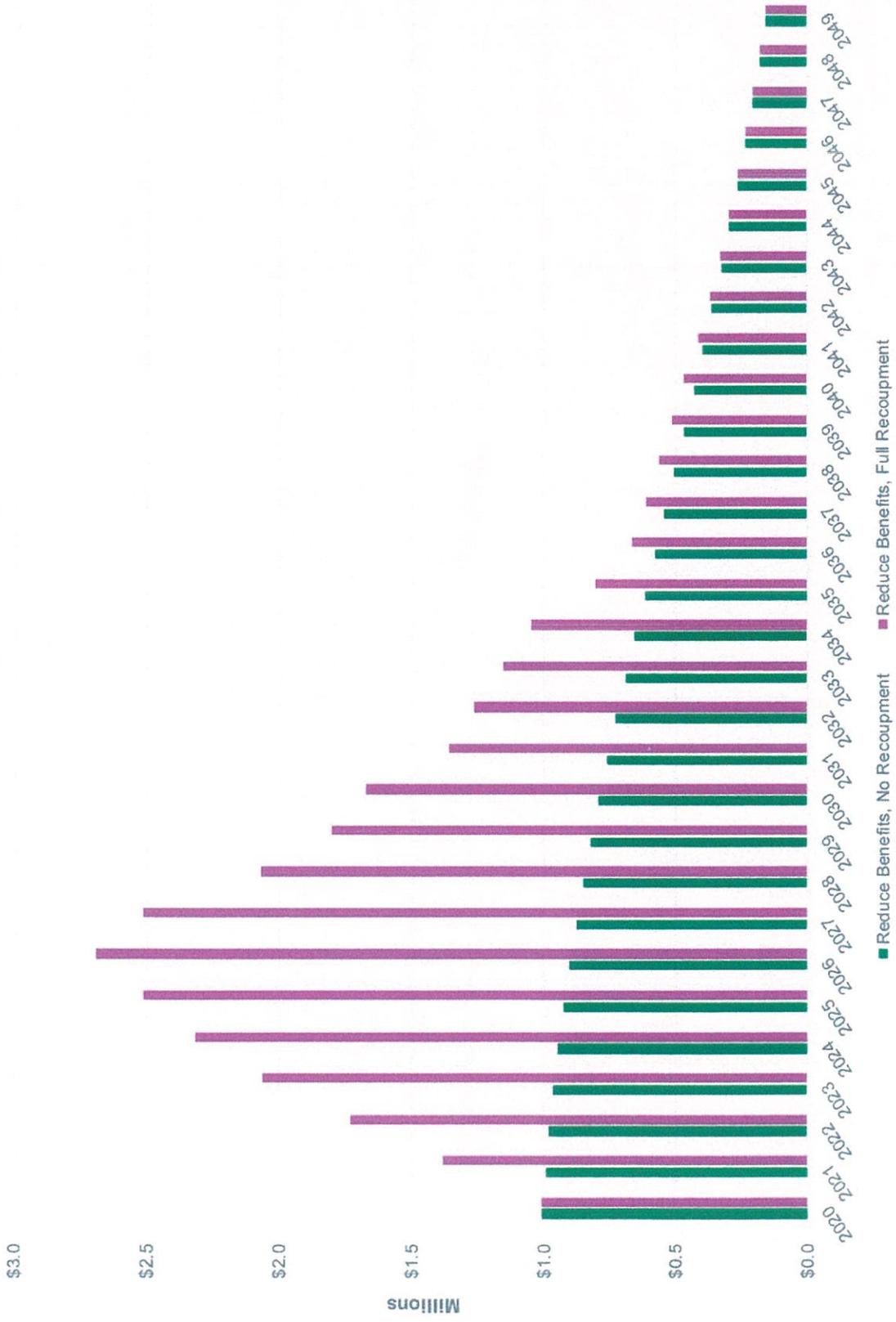
*Varies because data includes survivors, whose benefits are lower and will take longer to pay back the overpaid amounts. Future retiree deaths could also extend the periods.

COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
EXHIBIT C1: Projected Benefit Payments with Reductions to Plan Levels



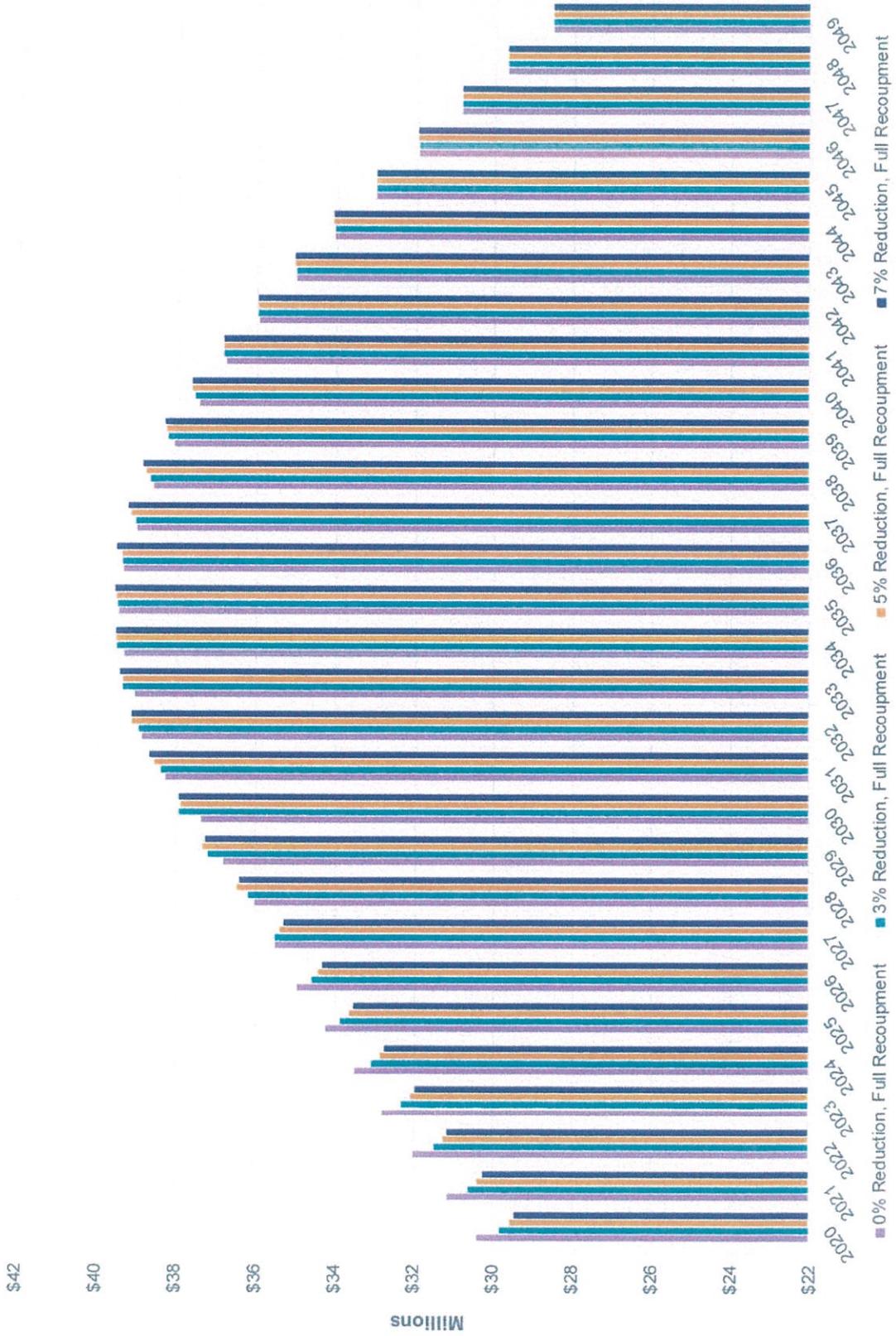
COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
Exhibit C2: Projected Annual Benefit Savings with Reductions to Plan Levels

Expected Reduction in Annual Benefits Paid from Plan



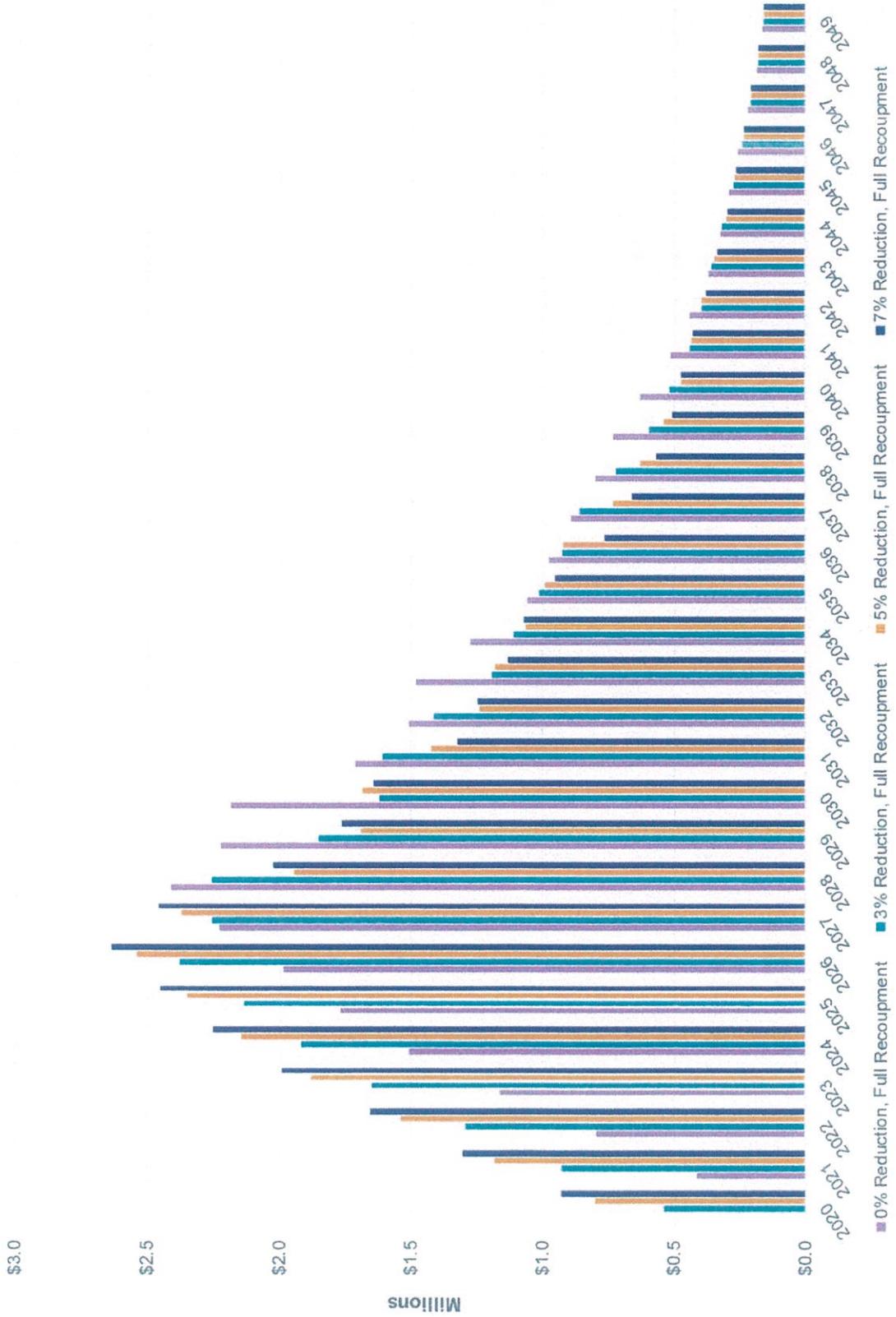
COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
Exhibit D1: Projected Benefit Payments with Capped Reductions

Expected Annual Benefit Payments



COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
EXHIBIT D2: Projected Annual Benefit Savings with Capped Reductions

Expected Reduction in Annual Benefits Paid By Plan



COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
EXHIBIT E: Impact on Town Contribution Requirements

The charts below show the impact of the various benefit reduction and recoupment options on the Town's contributions, using the July 1, 2019 actuarial valuation as a baseline. Since the unfunded liability is amortized, savings should continue over the next 25 years.

	Valuation Baseline	Reduce Benefits, No Recoupment	Reduce Benefits, Full Recoupment	0% Reduction, Full Recoupment
Employer Normal Cost	\$2,400,049	\$2,400,049	\$2,400,049	\$2,400,049
Actuarial Accrued Liability	464,399,881	\$455,174,812	447,059,371	450,242,688
Actuarial Value of Assets	<u>165,099,558</u>	<u>\$165,099,558</u>	<u>165,099,558</u>	<u>165,099,558</u>
Unfunded Actuarial Accrued Liability (UAAL)	\$299,300,323	\$290,075,254	\$281,959,813	\$285,143,130
Payment on UAAL	20,045,294	19,427,456	18,883,933	19,097,132
Adjustment for Timing	<u>785,587</u>	<u>763,963</u>	<u>744,939</u>	<u>752,401</u>
Recommended Contribution	\$23,230,930	\$22,591,467	\$22,028,922	\$22,249,583
Impact	--	-\$639,463	-\$1,202,008	-\$981,347

	Valuation Baseline	3% Reduction, Full Recoupment	5% Reduction, Full Recoupment	7% Reduction, Full Recoupment
Employer Normal Cost	\$2,400,049	\$2,400,049	\$2,400,049	\$2,400,049
Actuarial Accrued Liability	464,399,881	448,730,258	447,949,961	447,423,773
Actuarial Value of Assets	<u>165,099,558</u>	<u>165,099,558</u>	<u>165,099,558</u>	<u>165,099,558</u>
Unfunded Actuarial Accrued Liability (UAAL)	\$299,300,323	\$283,630,700	\$282,850,403	\$282,324,215
Payment on UAAL	20,045,294	18,995,839	18,943,580	18,908,339
Adjustment for Timing	<u>785,587</u>	<u>748,856</u>	<u>747,027</u>	<u>745,794</u>
Recommended Contribution	\$23,230,930	\$22,144,744	\$22,090,656	\$22,054,181
Impact	--	-\$1,086,186	-\$1,140,274	-\$1,176,749

COLA Recoupment Analysis for the Employees Retirement Plan of the Town of Hamden
EXHIBIT F: Impact of 2020 COLA

Retirement Year	Avg. April 30, 2020 Benefit	Avg. May 1, 2020 Benefit	COLA Percentage	Dollar Change
1981	\$2,239.59	\$2,306.78	3.00%	\$67.19
1982	\$1,041.96	\$1,073.22	3.00%	\$31.26
1983	\$1,166.04	\$1,195.08	2.49%	\$29.04
1984	\$1,031.01	\$1,056.69	2.49%	\$25.68
1985	\$669.84	\$686.52	2.49%	\$16.68
1986	\$1,818.87	\$1,864.16	2.49%	\$45.29
1987	\$1,343.49	\$1,376.94	2.49%	\$33.45
1988	\$2,196.03	\$2,250.71	2.49%	\$54.68
1989	\$1,551.36	\$1,589.99	2.49%	\$38.63
1990	\$1,181.56	\$1,210.99	2.49%	\$29.43
1991	\$3,155.15	\$3,233.71	2.49%	\$78.56
1992	\$2,385.32	\$2,444.72	2.49%	\$59.40
1993	\$2,314.46	\$2,372.09	2.49%	\$57.63
1994	\$3,047.47	\$3,123.35	2.49%	\$75.88
1995	\$2,543.41	\$2,606.74	2.49%	\$63.33
1996	\$3,201.83	\$3,281.56	2.49%	\$79.73
1997	\$2,754.67	\$2,823.26	2.49%	\$68.59
1998	\$3,697.05	\$3,789.11	2.49%	\$92.06
1999	\$3,345.61	\$3,428.92	2.49%	\$83.31
2000	\$2,880.04	\$2,951.75	2.49%	\$71.71
2001	\$3,489.73	\$3,576.62	2.49%	\$86.89
2002	\$3,931.73	\$4,029.63	2.49%	\$97.90
2003	\$3,574.48	\$3,663.48	2.49%	\$89.00
2004	\$3,963.71	\$4,062.41	2.49%	\$98.70
2005	\$4,461.16	\$4,572.24	2.49%	\$111.08
2006	\$4,859.59	\$4,980.59	2.49%	\$121.00
2007	\$2,944.33	\$3,017.64	2.49%	\$73.31
2008	\$2,670.09	\$2,736.58	2.49%	\$66.49
2009	\$2,857.80	\$2,928.96	2.49%	\$71.16
2010	\$2,738.65	\$2,806.84	2.49%	\$68.19
2011	\$2,324.30	\$2,382.18	2.49%	\$57.88
2012-2014	\$3,027.48	\$3,102.86	2.49%	\$75.38

HAMDEN EMPLOYEES RETIREMENT PLAN

Adjustment Necessary to Benefits if May 2020 COLA is Backed Out (Assumes No Recoupment)

Year of Retirement	Number of Individuals	Adjustment to Current Benefit	Adjustment to April 2020 Benefit
1981	1	-6.37%	-3.56%
1982	5	-11.03%	-8.36%
1983	3	-1.74%	+0.71%
1984	8	-2.86%	-0.45%
1985	2	-3.36%	-0.96%
1986	6	-4.19%	-1.80%
1987	7	-2.73%	-0.31%
1988	9	-3.71%	-1.32%
1989	6	-5.25%	-2.89%
1990	12	-7.23%	-4.92%
1991	12	-9.56%	-7.31%
1992	16	-9.21%	-6.94%
1993	28	-9.43%	-7.18%
1994	10	-9.01%	-6.75%
1995	15	-8.84%	-6.57%
1996	22	-8.60%	-6.32%

Year of Retirement	Number of Individuals	Adjustment to Current Benefit	Adjustment to April 2020 Benefit
1997	12	-8.64%	-6.36%
1998	20	-7.35%	-5.05%
1999	37	-6.14%	-3.80%
2000	27	-5.90%	-3.56%
2001	12	-6.57%	-4.24%
2002	35	-4.85%	-2.48%
2003	28	-4.48%	-2.10%
2004	15	-3.47%	-1.07%
2005	35	-3.44%	-1.04%
2006	36	-4.36%	-1.98%
2007	10	-3.49%	-1.09%
2008	17	-4.68%	-2.30%
2009	20	-1.85%	+0.60%
2010	22	-1.49%	+0.96%
2011	22	-0.16%	+2.32%
2012-2014	110	-0.09%	+2.40%

AUGUST 1, 2020 IMPLEMENTATION

Employees Retirement Plan of the Town of Hamden
Adjustments to Benefits to Plan Levels

Year of Retirement	Number of Individuals	Average Benefit	Adjustment Necessary to Get to "Plan Level"	Average Total Reduction	Initial Reduction, August 2020 (2020 COLA Reversal)	Eight Monthly Reductions, September 2020 Thru April 2021	Three Quarterly Reductions, October 2020 Thru April 2021	Twenty Monthly Reductions, September 2020 Thru April 2022	Seven Quarterly Reductions, October 2020 Thru April 2022
1981	1	\$2,306.78	-6.37%	-\$146.94	-\$67.19	-\$9.97	-\$26.58	-\$3.99	-\$11.39
1982	5	\$1,073.22	-11.03%	-\$118.38	-\$31.26	-\$10.89	-\$29.04	-\$4.36	-\$12.45
1983	3	\$1,195.08	-1.74%	-\$20.79	-\$20.79	\$0.00	\$0.00	\$0.00	\$0.00
1984	8	\$1,056.69	-2.86%	-\$30.22	-\$25.67	-\$0.57	-\$1.52	-\$0.23	-\$0.65
1985	2	\$686.52	-3.36%	-\$23.07	-\$16.88	-\$0.80	-\$2.13	-\$0.32	-\$0.91
1986	6	\$1,864.16	-4.19%	-\$78.11	-\$45.29	-\$4.10	-\$10.94	-\$1.64	-\$4.69
1987	7	\$1,376.94	-2.73%	-\$37.59	-\$33.45	-\$0.52	-\$1.38	-\$0.21	-\$0.59
1988	9	\$2,250.71	-3.71%	-\$83.50	-\$54.68	-\$3.60	-\$9.61	-\$1.44	-\$4.12
1989	6	\$1,589.99	-5.25%	-\$83.47	-\$38.63	-\$5.61	-\$14.95	-\$2.24	-\$6.41
1990	12	\$1,210.99	-7.23%	-\$87.55	-\$29.42	-\$7.27	-\$19.38	-\$2.91	-\$8.30
1991	12	\$3,233.71	-9.56%	-\$309.14	-\$78.56	-\$28.82	-\$76.86	-\$11.53	-\$32.94
1992	16	\$2,444.72	-9.21%	-\$225.16	-\$59.39	-\$20.72	-\$55.26	-\$8.29	-\$23.68
1993	28	\$2,372.09	-9.43%	-\$223.69	-\$57.63	-\$20.76	-\$55.35	-\$8.30	-\$23.72
1994	10	\$3,123.35	-9.01%	-\$281.41	-\$75.88	-\$25.69	-\$68.51	-\$10.28	-\$29.36
1995	15	\$2,606.74	-8.84%	-\$230.44	-\$63.33	-\$20.89	-\$55.70	-\$8.36	-\$23.87
1996	22	\$3,281.56	-8.60%	-\$282.21	-\$79.73	-\$25.31	-\$67.49	-\$10.12	-\$28.93
1997	12	\$2,823.26	-8.64%	-\$243.93	-\$68.69	-\$21.92	-\$58.45	-\$8.77	-\$25.05
1998	20	\$3,789.11	-7.35%	-\$278.50	-\$92.06	-\$23.30	-\$62.15	-\$9.32	-\$26.63
1999	37	\$3,428.92	-6.14%	-\$210.54	-\$83.31	-\$15.90	-\$42.41	-\$6.36	-\$18.18
2000	27	\$2,951.75	-5.90%	-\$174.15	-\$71.71	-\$12.81	-\$34.15	-\$5.12	-\$14.63
2001	12	\$3,576.62	-6.57%	-\$234.98	-\$86.89	-\$18.51	-\$49.36	-\$7.40	-\$21.16
2002	35	\$4,029.63	-4.85%	-\$195.44	-\$97.90	-\$12.19	-\$32.51	-\$4.88	-\$13.93
2003	28	\$3,663.48	-4.48%	-\$164.12	-\$89.00	-\$9.39	-\$25.04	-\$3.76	-\$10.73
2004	15	\$4,062.41	-3.47%	-\$140.97	-\$98.70	-\$5.28	-\$14.09	-\$2.11	-\$6.04
2005	35	\$4,572.24	-3.44%	-\$157.29	-\$111.08	-\$5.78	-\$15.40	-\$2.31	-\$6.60
2006	36	\$4,980.59	-4.36%	-\$217.15	-\$121.00	-\$12.02	-\$32.05	-\$4.81	-\$13.74
2007	10	\$3,017.64	-3.49%	-\$105.32	-\$73.31	-\$4.00	-\$10.67	-\$1.60	-\$4.57
2008	17	\$2,736.58	-4.68%	-\$128.07	-\$66.49	-\$7.70	-\$20.53	-\$3.08	-\$8.80
2009	20	\$2,928.96	-1.85%	-\$54.19	-\$54.19	\$0.00	\$0.00	\$0.00	\$0.00
2010	22	\$2,806.84	-1.49%	-\$41.82	-\$41.82	\$0.00	\$0.00	\$0.00	\$0.00
2011	22	\$2,382.18	-0.16%	-\$3.81	-\$3.81	\$0.00	\$0.00	\$0.00	\$0.00
2012-2014	110	\$3,102.86	-0.09%	-\$2.79	-\$2.79	\$0.00	\$0.00	\$0.00	\$0.00
Total	620								

Notes:
 Partial reversal of the May 2020 COLA is sufficient to get back to Plan Level for the 177 retirees who retired in either 1983 or 2009-2014 (28.5% of total number).
 The COLA for May 2021 will offset the reduction amounts for the scenarios that carry through 2022. Depending on the level of CPI for 2021, some retirees may not need reductions beyond May 2021.

Employees Retirement Plan of the Town of Hamden
Adjustments to Benefits to Plan Levels

SEPTEMBER 1, 2020 IMPLEMENTATION

Year of Retirement	Number of Individuals	Average Benefit	Adjustment Necessary to Get to "Plan Level"	Average Total Required Reduction	Initial Reduction, September 2020 (2020 COLA Reversal)	Seven Monthly Reductions, October 2020 Thru April 2021	Three Quarterly Reductions, October 2020 Thru April 2021	Nineteen Monthly Reductions, October 2020 Thru April 2022	Seven Quarterly Reductions, October 2020 Thru April 2022
1981	1	\$2,306.78	-6.37%	-\$146.94	-\$67.19	-\$11.39	-\$26.58	-\$4.20	-\$11.39
1982	5	\$1,073.22	-11.03%	-\$118.38	-\$31.26	-\$12.45	-\$29.04	-\$4.59	-\$12.45
1983	3	\$1,195.08	-1.74%	-\$20.79	-\$20.79	\$0.00	\$0.00	\$0.00	\$0.00
1984	8	\$1,056.69	-2.86%	-\$30.22	-\$25.67	-\$0.65	-\$1.52	-\$0.24	-\$0.65
1985	2	\$686.52	-3.36%	-\$23.07	-\$16.68	-\$0.91	-\$2.13	-\$0.34	-\$0.91
1986	6	\$1,864.16	-4.19%	-\$78.11	-\$45.29	-\$4.69	-\$10.94	-\$1.73	-\$4.69
1987	7	\$1,376.94	-2.73%	-\$37.59	-\$33.45	-\$0.59	-\$1.38	-\$0.22	-\$0.59
1988	9	\$2,250.71	-3.71%	-\$83.50	-\$54.68	-\$4.12	-\$9.61	-\$1.52	-\$4.12
1989	6	\$1,589.99	-5.25%	-\$83.47	-\$38.63	-\$6.41	-\$14.95	-\$2.36	-\$6.41
1990	12	\$1,210.99	-7.23%	-\$87.55	-\$29.42	-\$8.30	-\$19.38	-\$3.06	-\$8.30
1991	12	\$3,233.71	-9.56%	-\$309.14	-\$78.56	-\$32.94	-\$76.86	-\$12.14	-\$32.94
1992	16	\$2,444.72	-9.21%	-\$225.16	-\$59.39	-\$23.68	-\$55.26	-\$8.72	-\$23.68
1993	28	\$2,372.09	-9.43%	-\$223.69	-\$57.63	-\$23.72	-\$55.35	-\$8.74	-\$23.72
1994	10	\$3,123.35	-9.01%	-\$281.41	-\$75.88	-\$29.36	-\$68.51	-\$10.82	-\$29.36
1995	15	\$2,606.74	-8.84%	-\$230.44	-\$63.33	-\$23.87	-\$55.70	-\$8.80	-\$23.87
1996	22	\$3,281.56	-8.60%	-\$282.21	-\$79.73	-\$28.93	-\$67.49	-\$10.66	-\$28.93
1997	12	\$2,823.26	-8.64%	-\$243.93	-\$68.59	-\$25.05	-\$58.45	-\$9.23	-\$25.05
1998	20	\$3,789.11	-7.35%	-\$278.50	-\$92.06	-\$26.63	-\$62.15	-\$9.81	-\$26.63
1999	37	\$3,428.92	-6.14%	-\$210.54	-\$83.31	-\$18.18	-\$42.41	-\$6.70	-\$18.18
2000	27	\$2,951.75	-5.90%	-\$174.15	-\$71.71	-\$14.63	-\$34.15	-\$5.39	-\$14.63
2001	12	\$3,576.62	-6.57%	-\$234.98	-\$86.89	-\$21.16	-\$49.36	-\$7.79	-\$21.16
2002	35	\$4,029.63	-4.85%	-\$195.44	-\$97.90	-\$13.93	-\$32.51	-\$5.13	-\$13.93
2003	28	\$3,663.48	-4.48%	-\$164.12	-\$89.00	-\$10.73	-\$25.04	-\$3.95	-\$10.73
2004	15	\$4,062.41	-3.47%	-\$140.97	-\$98.70	-\$6.04	-\$14.09	-\$2.22	-\$6.04
2005	35	\$4,572.24	-3.44%	-\$157.29	-\$111.08	-\$6.60	-\$15.40	-\$2.43	-\$6.60
2006	36	\$4,980.59	-4.36%	-\$217.15	-\$121.00	-\$13.74	-\$32.05	-\$5.06	-\$13.74
2007	10	\$3,017.64	-3.49%	-\$105.32	-\$73.31	-\$4.57	-\$10.67	-\$1.68	-\$4.57
2008	17	\$2,736.58	-4.68%	-\$128.07	-\$66.49	-\$8.80	-\$20.53	-\$3.24	-\$8.80
2009	20	\$2,928.96	-1.85%	-\$54.19	-\$54.19	\$0.00	\$0.00	\$0.00	\$0.00
2010	22	\$2,806.84	-1.49%	-\$41.82	-\$41.82	\$0.00	\$0.00	\$0.00	\$0.00
2011	22	\$2,382.18	-0.16%	-\$3.81	-\$3.81	\$0.00	\$0.00	\$0.00	\$0.00
2012-2014	110	\$3,102.86	-0.09%	-\$2.79	-\$2.79	\$0.00	\$0.00	\$0.00	\$0.00
Total	620								

Notes:
Partial reversal of the May 2020 COLA is sufficient to get back to Plan Level for the 177 retirees who retired in either 1983 or 2009-2014 (28.5% of total number).
The COLA for May 2021 will offset the reduction amounts for the scenarios that carry through 2022. Depending on the level of CPI for 2021, some retirees may not need reductions beyond May 2021.



333 West 34th Street New York, NY 10001-2402
T 212.251.5000 F 212.251.5490 www.segalbenz.com

July 7, 2020

Kenneth S. Kelley
Personnel / Civil Service Director
Town of Hamden
Hamden Government Center
2750 Dixwell Avenue
Hamden, CT 06518

Re: **Proposal to Provide Retirement Plan Statements to Retirees of the Town of Hamden, CT**

Dear Ken:

We want to thank you for your interest in Segal Benz's communications services. We are pleased to provide you with this project scope for Segal Benz to develop Retirement Plan statements for retirees of the Town of Hamden.

Our actuarial team shared with us the Town of Hamden's need to provide statements that notify current retirees of the upcoming adjustment to their pension benefits. These statements will inform retirees of the changes to their pension benefits and the background on the decision to adjust benefits.

Project Scope

We propose a two-page statement that will identify the amount of their current pension and the schedule of pension benefits for the upcoming year on a month by month basis, as needed. Statements would be issued to approximately **620** retirees of the Employees' Retirement Plan of the Town of Hamden, CT. The statement would be printed either on the Town's letterhead or have a similar design.

Estimated Fees

Our fees include:

- Project management of the communications process, which includes coordination with you and your staff, preparation of the project schedule, status calls as required, and day-to-day project oversight.

- Developing the statement content, managing the data supplied by our actuarial team and Zenith, compiling the statement.
- Oversight of print production, which includes coordination with the printer and fulfillment operations as required.

NOTE:

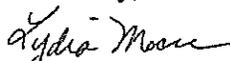
- Content development includes internal review, technical review and up to two drafts for client review. We anticipate receiving your approval on the second draft. Additional drafts will be out of scope.
- Professional fees include managing one data file from our actuarial team and one data file from Zenith. If it is necessary for Segal Benz to process more than two data files, the work will be considered out of scope.
- If the scope changes during the project, additional fees may be charged at our standard hourly rates; we will notify you of the impact on fees as soon as possible.
- Production fees include window envelopes with return address imprint in black, duplex statement printing, fulfillment, and distribution costs. The fees do not include postage, tax, or shipping costs.

Services	Estimated Fees
Professional Fees:	\$14,000-\$16,000
Production Fees:	\$1,100-\$1,200

In Closing

Thank you again for the opportunity to work with you. We look forward to answering any questions you may have regarding our proposal. If this proposal is acceptable, please sign the authorization on the next page and send it back to us.

Sincerely,



Lydia Moore

Vice President and Personalized Communications

cc: Deborah Brigham
Henry Nearing
Linda Wolven

Client Authorization

I accept the project fees quoted and understand and agree that additional fees will be charged if the project scope changes or is not as stated in the proposal letter. As stipulated in this proposal, I authorize and request that Segal Benz begin work on developing the retirement plan statement.

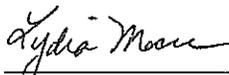
Agreed to on behalf of the Town of Hamden, CT.

Signed on behalf of the Town of Hamden, CT

Date

Print Name/Title

Agreed to on behalf of Segal Benz by:



Signature

July 7, 2020

Date

Lydia Moore, VP, Personalized Communications

Print Name/Title

The project will start once this proposal is accepted and signed and will not terminate until the project outlined in this proposal is completed, or a decision to terminate the project is reached by either party.

Ken Kelley

From: Steve Degrand <stevedegrand@comcast.net>
Sent: Sunday, June 14, 2020 8:42 AM
To: Ken Kelley
Subject: Work related

CAUTION: This email originated from outside of the organization. Do not click links or open any attachments unless you recognize and contact the sender to verify the content is safe.

Mr Kelly, after careful thought and caring for my community, I will not be retiring this year. Most likely I will be working another full year in my capacity as a Hamden Police Officer. Thank you for your time. SD

Sent from my iPhone