



## Legislation Text

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**File #:** 22-991, **Version:** 1

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### AGENDA REQUEST GENERAL DISCUSSION ITEM

**Subject:**

Discussion and possible vote on updates to the Investment Policy Statement - continued.  
Motion to UPDATE the Town of Ledyard Defined Benefit Pension Plan Investment Policy Statement (IPS) with the recommended changes and comments displayed in the final draft.

**Background:**

Mr. Thorne had a few suggestions:

The most current date change should be replacing the March 2012 date on the Cover page.

Change the name from "Pension Board" to "Retirement Board" throughout the document.

Add the vote that was taken on October 18, 2022, to extend the amortization period of the unfunded liability from four years to ten years (i.e. FY 33-34) to the Objectives. Mr. Codding pointed out that the fiscal year should read FY 32-33 not FY 33-34, the Board agreed.

The 6.25% return assumption that the Board uses for actuarial calculations should be in the document, possibly even add an assumption section in the document.

**Additional comments:**

The authority given to the Finance Director to sign off on equity sales (to maintain sufficient liquidity for near-term benefit payments) should be formalized. Specifically, the Board should put something in writing similar to "The Finance Director has the authority when necessary to evaluate cash-on-hand and sell stocks to acquire extra revenue based on recommendations from the Town's Investment Consulting firm".

If the Board wants the Finance Director to decide how the yearly town funds are handled, that authority should be stated in writing.

Mr. Thorne will make a draft IPS copy containing all of the discussed changes/additions to the Board for review and vote during the April meeting.

**Department Comment/Recommendation:**

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