



TOWN OF LEDYARD

741 Colonel Ledyard Highway
Ledyard, Connecticut 06339

Retirement Board Meeting Minutes

Chairman
John Rodolico

Regular Meeting

Tuesday, December 17, 2024

10:00 AM

Council Chambers - Hybrid Format

I. CALL TO ORDER

The meeting was called to order by Chairman Rodolico at 10:00 a.m.

II. ROLL CALL

Present Board Member William Thorne
Alternate Member Roger Coddington
Board Member Roger Coddington
Alternate Member Sharon Wadecki
Board Member Sharon Wadecki
Chairman John Rodolico
Alternate Member John Rodolico
Alternate Member Minna DeGaetano

Also in attendance:

Naomi Rodriguez, Town Council Chairperson
Frederica Daniels, USI Actuaries was present via Zoom

Staff Present:

Mayor Fred Allyn III
Christine Dias, Human Resource Director
Matt Bonin, Finance Director
Ian Stammel, Assistant Finance Director
Christina Hostetler, Town Hall Assistant

Minna DeGaetano was appointed as a voting member.

III. PRESENTATIONS

1. Frederica Daniels, USI Actuaries will be presenting the GASB Disclosure Report for the fiscal year ending June 30, 2024.

Frederica Daniels, USI Actuaries started the meeting by stating that there were positive returns from the last fiscal year leading to great improvements in the funded ratio of the plan and a slight decrease in expenses over the year.

The net liability has improved significantly over the past two years.

The Town contributed \$950,000 for the fiscal year. The minimum recommendation is approximately 7% - 7.25%. The contributions the Town put into the plan helps improve the investment performance and dollar for dollar helps with the funded ratio and decreases the unfunded liabilities.

Approximately half of the plan's population consists of retirees. The inactive group is larger than the active group.

The investment return was just over 9%, beating the expected return of 6.5%.

The Town is committed to funding the pension plan.

Years 2023/2024 showed a clear rebound from the losses in 2022.

For the measurement period ended June 30, 2024, the Plan recognized pension expense of \$707,436.

This year is unique in that the expense is about \$700,000 and is very similar with the actuarially determined contribution. In the future the GASB expense may be less than the actuarially determined contribution because of the accumulated gains over the past few years. The takeaway is that the report shows some years coming off losses to be deferred out and gains are starting to take more effect.

Chairman Rodolico asked where the Town stands regarding the 88% status compared to other Towns in the State, good, better or best? Ms. Daniels answered that the Town would be in the "better" status, she explained that there are Towns that are at 100% ratio but very few of those and added that the Town is definitely doing better than the State level. Ms. Daniels said on average most Town's ratios are at a low to mid 80s level. Ms. Daniels said the Town is "right in the middle of the pack, if not slightly ahead of the curve".

Ms. Daniels said at this time last year the Board voted to contribute \$950,000, which is above the minimum of \$700,000 and a bit below the 1.1 million contributed in the past few years. She then asked if the Board wanted to continue with the contribution of \$950,000 for Fiscal year 25/26. Mr. Thorne suggested contributing \$950,000 plus 3%. Mayor Allyn III said that there are a few things on the new year fiscal year horizon that will need attention such as the Veterans exemption which could possibly cost the Town half a million per year and the taxation issue that comes up each year which may cost between \$500,000 - \$600,000. Chairman Rodolico asked Mayor Allyn III when the Board needs to give the final figures. It was answered that the department heads are working on the budgets now. Chairman Rodolico asked Christina Hostetler, Town Hall Assistant to put an item on the January 21, 2025, agenda to discuss this further. Ms. Wadecki asked Ms. Daniels if she had recommendations on the FY 25/26 contribution. Ms. Daniels said that if the budget allowed it would make sense to increase 3% on the current contribution level.

Mr. Thorne asked Ms. Daniels if she was able to talk to her legal team regarding assisting the Board with the Town Defined Benefit Plan update. She answered that she had and that they are willing to carry out the plan restatement if the Board is interested. She said the process

usually entails adopting a plan with any amendments and recommended adopting any new updates to date coming out of both the CARES Act and the Secure Act and Secure 2.0 Act. Ms. Daniels said that currently the legal team is in the process of performing restatements for prototype plans due on March 31, 2025, and would not be able start the Town's restatement until early Spring. She added that from a legislative standpoint the Town has until 2029 to adopt the recent law changes. Lastly Ms. Daniels said the approximate cost would be \$12,000 - \$15,000 for an individually designed plan.

IV. REVIEW AND APPROVAL OF MINUTES

1. Motion to APPROVE Regular Meeting Minutes from November 19, 2024, as written.

Chairman Rodolico mentioned that the Board needs to find another member after Mr. Panosky's resignation. Chairman Rodolico said he would like the Board to recommend to the Town Council that Ms. DeGaetano is moved to from an Alternate Member to a Regular Member.

RESULT: APPROVED AND SO DECLARED

MOVER: John Rodolico

SECONDER: Sharon Wadecki

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ABSTAIN 1 DeGaetano

V. DIRECTOR OF HUMAN RESOURCES UPDATE

1. Director of Human Resources update.

No report.

VI. FINANCE DIRECTOR'S REPORT

1. Finance Director's Report.

Mr. Bonin reported that the changes to the trade strategies voted on during the November meeting were executed.

RESULT: DISCUSSED

VII. OLD BUSINESS

1. Discuss Amendment 2015-1 to the Retirement Plan for Full-Time Employees of the Town of Ledyard continued.

Ms. DeGaetano suggested that the amendment is changed to read "re-employed" not "continues employment". Chairman Rodolico and Mayor Allyn III agreed it should read either "re-employed" or "re-hired". Mr. Thorne said he would incorporate this change.

Motion to APPROVE a recommendation to Town Council to adopt proposed amendment 2024-1 to the Retirement Plan for Full-Time Employees of the Town of Ledyard, as presented in

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DeGaetano

4. Any Other New Business to come before the Board.

None.

IX. ADJOURNMENT

Motion to ADJOURN the Regular Meeting at 10:44 a.m.

RESULT: APPROVED AND SO DECLARED

MOVER: Sharon Wadecki

SECONDER: John Rodolico

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Town.