

To: Chairperson, Ledyard Town Council

From: Chairperson, Ledyard Retirement Board

Subject: Amendment To The Town of Ledyard 401(a) Plan as Amended and Restated January 1, 2014

Attachment(s):

1. Amendment 2015-1 To The Town of Ledyard 401(a) Plan as Amended and Restated January 1, 2014
2. Amendment 2025-1 (DRAFT) To The Town of Ledyard 401(a) Plan as Amended and Restated January 1, 2014

Chairperson Rodriguez,

The Retirement Board has been in discussion regarding Attachment 1 and its impact on retaining skilled/experienced workers in town employment after they have reached Normal Retirement Age under the Defined Benefit Plan. It is the Retirement Board's consensus that Attachment 1 is detrimental to this effort. These individuals have a minimum of 12 years' experience in their positions, which makes them valuable to the town especially in a difficult hiring environment. It should be noted that with their experience, these individuals could easily go to a nearby town where they would get both Ledyard's retirement benefits, compensatory salary/pay and likely a Defined Contribution plan with a Matching Contribution. If we enforce Attachment 1, these individuals might seek employment in a nearby town and/or just retire/leave. In either case, the Town of Ledyard would be the loser.

In remediation, the Retirement Board recommends the Ledyard Town Council adopt Attachment 2, which would allow town employees to receive matching contributions under the Defined Contribution Plan after being retired by the Town.

The Retirement Board feels that adopting Amendment 2025-1 (Attachment 2) is in the best interest of the Town and our valued employees while maintaining the Retirement Board's fiduciary responsibility to the Town.

John Rodolico
Chairperson, Ledyard Retirement Board

Copy: Ledyard Mayor
Director of Human Resources

AMENDMENT 2015-1 TO THE
TOWN OF LEDYARD 401(a) PLAN

Amended and Restated January 1, 2014

WHEREAS, The Town of Ledyard, hereinafter referred to as the "Employer" established a Plan which reserves in Section 6.1, the Employer's right and authority to amend the Plan; and

NOW THEREFORE, effective July 1, 2015, the Employer hereby amends the Plan as follows:

Matching Contributions: Money Purchase Pension Plan is hereby amended to read as follows:

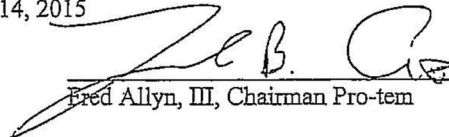
Matching Contributions ARE permitted under the Plan

Employees eligible for Matching Contributions:

All employees hired after July 1, 2009 whose participation in the Town 401(a) Defined Contribution Plan has either been approved by action of the Town Council or is mandated under a collective bargaining agreement between the Town and a collective bargaining unit.

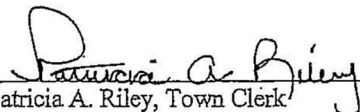
Employees who were participants in or drawing benefits from the Retirement Plan for full-time Employees of the Town of Ledyard (Defined Benefit Plan) who are rehired are NOT eligible for Matching Contributions under the Plan.

Approved by the Ledyard Town Council on October 14, 2015


Fred Allyn, III, Chairman Pro-tem

IN WITNESS WHEREOF, this 2015-1 Amendment is signed this 11th day of
October 2015.

THE TOWN OF LEDYARD

By 
Patricia A. Riley, Town Clerk

**AMENDMENT 2025-1 TO THE
TOWN OF LEDYARD 401(a) PLAN**

Amended and Restated January 1, 2014

WHEREAS, The Town of Ledyard, hereinafter referred to as the "Employer" established a Plan which reserves in Section 6.1, the Employer's right and authority to amend the Plan and

NOW THEREFORE, effective XXX, XX 2025, the Employer hereby amends the Plan as follows:

Amendment 2015-1 To The Town of Ledyard 401(a) Plan is hereby amended as follows:

Delete paragraph 2 under "Employees eligible for Matching Contributions"

Paragraph to be deleted is shown below for clarification purposes:

~~Employees who were participants in or drawing benefits from the Retirement Plan for full-time Employees of the Town of Ledyard (Defined Benefit Plan) who are rehired are NOT eligible for Matching Contributions under the Plan.~~

Approved by the Ledyard Town Council on XXX, XX 2025

Naomi Rodriguez, Chairperson

IN **WITNESS WHEREOF**, this 2025-1 Amendment is signed this ____ day of _____ 2025.

THE TOWN OF LEDYARD

By _____
Patricia A. Riley, Town Clerk