



TOWN OF LEDYARD

741 Colonel Ledyard Highway
Ledyard, Connecticut 06339

Retirement Board

Meeting Minutes

Chairman
John Rodolico

Regular Meeting

Tuesday, September 17, 2024

10:00 AM

Council Chambers - Hybrid Format

I. CALL TO ORDER

The meeting was called to order by Chairman Rodolico at 10:04 a.m.

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

II. ROLL CALL

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

Minna DeGaetano was present via Zoom.

Staff Present:

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

Staff Excused:

Matt Bonin, Finance Director

III. PRESENTATIONS

- 1.** Chris Rowllins, Fiducient Advisors - Fee Structure and Performance History of Recommended Managers.

Chris Rowllins, Fiducient Advisors presented an August 2024 Flash report with an International Equity Allocation Analysis as a follow up to last month's recommended changes to the

International underlying manager structure.

Mr. Rowlins started with a quick market summary:

- Fixed income is one of the better performing asset classes.
- The Feds will most likely have a rate cut later this month probably around 25 basis points, anything larger than that may suggest that the economy is weaker than the market suggested which could cause some turbulence.
- The yield on the 10-year dropped from 4.09 to 3.91.
- Mixed performance amongst capitalizations. US Large cap companies performed a bit better than small cap.
- International markets had a good month. Developed markets such as Europe and Japan were up about 3.3% while emerging markets such as India, China and Latin America were up about 1.6%.
- Real Assets gained some nice traction after a slow start.
- Portfolio in August, performance was up about 1.6%, which equates close to \$500,000.00.
- Asset allocation snapshot - fixed income is targeted at 41% and came in at 41.3%.
- Black Rock has been a great addition to the portfolio.

International market - no recommendation to change the overall allocation since it should remain at 21.5% but rather a change to the underlying manager structure. Specifically, to move away from T. Rowe and replace with Dodge & Cox which adds a value tilt and to replace Invesco with John Hancock which adds a growth tilt. Lastly recommendation to reduce passive allocation in favor of active management given historical return advantage. Currently Vanguard Total International is at 8.1% allocation the recommendation is to change it to 3.5%, redeploying this money to Dodge & Cox and John Hancock.

After a Board discussion it was decided to close out T.Rowe Price Overseas and move to John Hancock (6%) and the remanding 1.4% move to the Vanguard Index fund. Any residual will go to the cash fund (which is a money market account used for benefit payments). The Board will hold out on investing in the other recommended managers for now. Mr. Rowlins said he will return to the Board with some other manager recommendations that have a longer history and lower expense ratios.

IV. REVIEW AND APPROVAL OF MINUTES

1. Motion to APPROVE the Regular Meeting Minutes from June 18, 2024, as written.
*This vote was tabled during the August 20, 2024, meeting.

RESULT: APPROVED AND SO DECLARED

MOVER: John Rodolico

SECONDER: Roger Coddling

AYE 5 Thorne Coddling Rodolico Panosky DeGaetano

EXCUSED 1 Wadecki

2. Motion to APPROVE the Regular Meeting Minutes from August 20, 2024, as written.

RESULT: APPROVED AND SO DECLARED

MOVER: John Rodolico

SECONDER: Roger Coddling

AYE 5 Thorne Coddling Rodolico Panosky DeGaetano

EXCUSED 1 Wadecki

V. DIRECTOR OF HUMAN RESOURCES UPDATE

1. Director of Human Resources update.

Mayor Allyn, III introduced Christine Dias, Human Resource Director to the Board, he said that Ms. Dias has a Master's degree in Public Administration with a Finance background and really enjoys the Human Resource aspect. He added that Ms. Dias is a great addition to the Town. The Board welcomed Ms. Dias and said they look forward to working with her.

VI. FINANCE DIRECTOR'S REPORT

1. Finance Director's Report.

Matt Bonin, Finance Director was not present since he was attending a New England States Government Finance Officers Association (NESGFOA) conference. Mr. Bonin had a couple of items which were passed to Ms. Dias which in turn she gave to Chairman Rodolico to be voted on during Any Other New Business. Mr. Thorne asked Mayor Allyn about the CMERS meeting. He answered that the meeting will need to happen before the end of the year, and he will put it on Ms. Dias radar.

VII. OLD BUSINESS

1. Discussion on a review of applicable labor contracts and retirement documents for Town of Ledyard employee groups with applicability to retirement eligibility and benefits continued.

Chairman Rodolico said this is an ongoing project which Mr. Thorne is still working on. Mr. Thorne recommended holding a separate meeting dedicated to discussing all the proposed changes. Chairman Rodolico agreed.

RESULT: DISCUSSED

2. Any Other Old Business to come before the Board.

None.

VIII. NEW BUSINESS

1. Motion to APPROVE payment of death benefit for David Browning's accumulated balance with interest in the amount of \$35,485.68 as a cash disbursement.

Chairman Rodolico said this is the first time he has seen a death benefit like this. Mayor Allyn explained that Mr. Browning was employed by Public Works from 1989-2002 and contributed to his retirement. He suddenly passed away in 2022. His wife, Tammy Browning recently reached out to the Town to inquire if Mr. Browning had a retirement plan with Ledyard which he did. Marisa Iannella Rodriguez, the Human Resource Director at the time requested calculations from USI. Mr. Thorne said he is not sure how calculations were performed since he has never seen one of these death benefits before and suggested that the Board gets more details before voting. The Board said the calculation looks completely different than the typical benefit calculation the Board is used to seeing from USI. Mayor Allyn pointed out that there are some next step recommendations from Frederica Daniels, USI Actuaries such as a finalizing letter, sending it to Ms. Browning, a follow up phone call to be sure she received the letter and applications, and elections for payment from the plan trust which would be in the form of a check or an EFT. Chairman Rodolico asked Ms. Dias to review the death benefit before moving forward. The motion was withdrawn.

RESULT: WITHDRAWN

MOVER: John Rodolico

SECONDER: Roger Coddington

AYE 5 Thorne Coddington Rodolico Panosky DeGaetano

EXCUSED 1 Wadecki

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

Mr. Thorne said he interprets amendment 201501 to read that when an employee retires but stays employed with the Town their defined benefit payments are suspended unless they are employed in another department. He added that a couple of employees recently retired but stayed in the same department and this amendment would imply that they should not be paid benefit plans, he doesn't believe that is what anybody on the Board would want. Two of the three recent retirees who returned to work are employed in the same department the other is not. Mr. Thorne's recommendation is to do away with the amendment. Mr. Thorne said he will write up something to recommend to the Town Council and to submit to the Unions.

RESULT: DISCUSSED

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

Approved payment of invoice #609_09302024, to Fiducient Advisors, dated September 16, 2024, in the amount of \$12,475.39, for consulting costs for the Town of Ledyard Defined Benefit Pension Plan for the billing period July 1, 2024, to September 30, 2024.

RESULT: APPROVED AND SO DECLARED

MOVER: John Rodolico

SECONDER: William Thorne

AYE 5 Thorne Coddington Rodolico Panosky DeGaetano

EXCUSED 1 Wadecki

Approved payment of USI invoice #90100392, dated August 30, 2024, in the amount of \$1,200.00, for benefit calculations for Mark Yeulls, Tammy Browning (death benefit) and one benefit calculation for Brian Pepin, (the second calculation will be paid by the employee).

RESULT: APPROVED AND SO DECLARED

MOVER: John Rodolico

SECONDER: William Thorne

AYE 5 Thorne Coddington Rodolico Panosky DeGaetano

EXCUSED 1 Wadecki

IX. ADJOURNMENT

The Regular meeting was ADJOURNED at 11:16 a.m.

RESULT: APPROVED AND SO DECLARED

MOVER: John Rodolico

SECONDER: William Thorne

AYE 5 Thorne Coddington Rodolico Panosky DeGaetano

EXCUSED 1 Wadecki

DISCLAIMER: Although we try to be timely and accurate these are not official records of the Town.