Old Saybrook Pension and Benefits Board Special Meeting
Thursday, February 17, 2022
8:30 a.m.
First-floor Conference Room, Town Hall – Hybrid Meeting

To access the audio from this meeting, please use the following link:
https://youtu.be/iC3o2m_c_M0

Meeting Minutes

Attendees

Members Present:  Others Present:
Darrell Pataska  Lee Ann Palladino, Finance Director & Pension Plan Administrator
Carl Fortuna, First Selectman  Janet Vinciguerra, Pension Board Liaison
Paul Tracey  Jennifer Donahue, Board Secretary
Lynn Dallas  Rebecca Sielman, Milliman
Rowena Moffett  Kai Petersen, Milliman
David Sparrow  Barbara Labriola, Town Treasurer

Suzanne Taylor, Director Emeritus

Welcome and Public Comment

The meeting was called to order at 8:32 a.m. by Mr. Pataska. No members of the public were present.

Approval of the Minutes

The minutes of the January 27, 2022 meeting of the board were reviewed. A motion was made by Mr. Sparrow and seconded by Mr. Fortuna to approve the minutes as submitted. Motion passed unanimously.

Pension Liaison Report

Ms. Vinciguerra provided the Pension Payroll Status Report noting that the Town has 87 retirees and the Fire Department has 35 retirees. Two new retirees have come on board as of February 1 and another will officially retire on March 1; their years of service range from 18+ to 23+ years. A total of 83 active employees, including Board of Ed members, are in the DB plan and a total of 44 active employees, including Board of Ed members, are in the DC plan. Seventy-five percent of DC participants are electing the extra 3% town match (33 of 44).
Annual Actuarial Report – Milliman

Becky Sielman introduced Kai Petersen and reviewed the written report provided to the board detailing the Town’s pension plan membership; valuation highlights including market value vs. actuarial value, asset allocation, and distribution of returns; funded status including accrued liability; and contributions vs. costs. Ms. Sielman then discussed the summary of key results for the Town’s plan and the scenarios provided for funding for the 2022-23 fiscal year. Board members asked questions and reviewed various scenarios and Mr. Pataska made a motion to recommend to the Board of Selectmen that the Town adopt the scenario detailed in column three with a 6.75% interest rate, no reset of the market value and a $788,953 contribution. Mr. Fortuna seconded the motion. Ms. Sielman then presented the scenarios for the Fire Department pension plan. After discussion Mr. Pataska made a motion to use a 6.5% interest rate with no reset of the market value for a contribution of $175,800 in the 2022-23 fiscal year and a contribution of $187,000 in the next fiscal year. Ms. Moffett seconded the motion. Board members then took a vote on the first motion which passed unanimously and then voted on the second motion which also passed unanimously. Ms. Sielman and Mr. Petersen left the meeting at 9:40 am. During discussion Mr. Fortuna and Ms. Palladino noted that it is their goal to have the ADC as a budgeted expense going forward rather than it being reliant on surplus funding at the end of the year. This goal may be able to be realized by the 2023-24 fiscal year. Ms. Moffett expressed her appreciation for this plan.

Investment Advisor Report – Morgan Stanley

Representatives for Morgan Stanley were unable to be present at the meeting. However, they submitted a written report which was reviewed with the board by Mr. Pataska.

Plan Administrator’s Report

Ms. Palladino noted that due to the extensive time it has taken to prepare next year’s budget she has been delayed in completing the IPS for the DC Plan. She will present it in March.

Old Business

There was no old business.

New Business

There was no new business.

Mr. Fortuna made a motion to adjourn seconded by Mr. Pataska. All were in favor and the meeting adjourned at 9:48 a.m.

Respectfully submitted,

Jennifer Donahue

The next meeting will be Thursday, March 24, 2022 at 8:30 a.m. by hybrid meeting format in the Town Hall, first-floor conference room.