

**MINUTES
BOARD OF FINANCE
REGULAR MEETING
CITY HALL AUDITORIUM / ZOOM
March 19, 2024**

A **REGULAR MEETING** of the Board of Finance was held on Tuesday, March 19, 2024. Attendance was by Zoom and in person. Present at City Hall were Mayor Elinor Carbone, Manager of Budgets and Planning Erika Johnson, Treasurer Dan Farley, and Board of Finance Members Deborah Iannacito, Laurene Pesce, and James Wright. Board of Finance Members Chris Beyus and Wendy Traub joined via Zoom. Board of Finance member Christopher Anderson was absent.

Mayor Carbone called the meeting to order at 6:07 p.m.

APPROVE MEETING MINUTES

On a motion by Mr. Wright, seconded by Mrs. Iannacito, the Board voted unanimously to accept the Regular Meeting Minutes from February 20, 2024.

JULY 1, 2022, ACTUARIAL VALUATIONS REVIEW

On a motion by Mr. Wright, seconded by Mrs. Pesce, the Board voted unanimously to review the City of Torrington Employees' Retirement Fund, the Police and Firemen's Pension Fund, and OPEB by Steve Lemanski of Hooker and Holcombe. Mr. Lemanski presented a review of the July 1, 2022, Actuarial Valuation Report, including the purpose of the valuation, a summary of results, and an overview of the OPEB plans. He informed the Board of the funded status, the City's contribution, and projected benefit payments and explained the investment return assumptions that will come into play in FY 24/25. Mr. Lemanski explained that they will continue to monitor investment return assumptions, based on emerging capital market assumptions, long-term inflation expectations, and the plan's liquidity needs. Mrs. Pesce asked why one of the plans is funded at a higher ratio than the other, Mr. Lemanski said that the asset return on both plans is the same. Mrs. Traub asked why the funding was so low, and if there was a catch-up plan, Mr. Lemanski said that he wasn't sure of the entire history of the plan, he would have to do historical research on how that happened, but he did say that eventually both plans will be at 100%. Mrs. Pesce asked how Torrington compares to other communities, Mr. Lemanski told her that we are funded at 74%, which other communities are not as high. Mayor Carbone added that the assumption ratios are recommended to not change it, however, if they were to increase annual contributions it could chip away at unfunded liability. Mrs. Pesce asked if there was any talk of giving pensions back to the Police and Fire, Mr. Lemanski told her that he hadn't heard anything about that.

Mr. Lemanski provided an update on the period through July 1, 2022, for the OPEB Post-Retirement Medical Plan. He said that the overall market environment has been favorable, averaging 12.9% on actuarial liability. He said that the OPEB benefits are funded via a trust. Mr. Lemanski said they are going to review the current investment return assumption of 6.75% based on emerging capital market assumptions and long-term inflation expectations. Mrs. Pesce asked if the plan assumes that healthcare costs would be going down, Mr. Lemanski said that the rate of increase would be lower in future years versus the current.

BUSINESS BY DEPARTMENT HEADS

On a motion by Mr. Wright, seconded by Mrs. Pesce, the Board voted unanimously to consider business by department heads. There was no business to be discussed.

Mrs. Traub left at 6:50 p.m. and Mr. Beyus joined via Zoom at 6:50 p.m.

Mayor Carbone took a moment to introduce Erika Johnson to the Board, who is the new Manager of Budgets and Planning.

BUSINESS BY MAYOR & MEMBERS

On a motion by Mr. Wright, seconded by Mrs. Iannacito, the Board voted unanimously to consider business by the Mayor and members of the Board of Finance.

Mr. Wright said that he was very happy with the bonding results for the City.

ADJOURNMENT

On a motion by Mrs. Iannacito, seconded by Mrs. Pesce, the Board voted unanimously to adjourn at 6:54 p.m.

*Respectfully submitted by
Heather Abraham, Asst. City Clerk*

ATTEST:

Carol L. Anderson
CAROL L. ANDERSON, CITY CLERK