

**JOINT GENERAL EMPLOYEE PENSION PLAN BOARD,
POLICE PENSION RETIREMENT COMMITTEE,
AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) BOARD**

A Joint Meeting of the General Employee Pension Plan Board, Police Pension Retirement Committee, and Other Post-Employment Benefits (OPEB) Board was held on May 8, 2025, at 1:03 p.m. with Mr. Gedney presiding. Members present were Mr. Rocha, Dr. Pillsbury, Ms. Kober, Ms. Green (via WebEx), Ms. Marney, Police Chief Johnson (left at 1:07 p.m.), and Ms. Poole. Mr. Welch, Mr. Gray, Mr. Mullaney, Mr. Rogers, and Mr. Hugg were absent.

ADOPTION OF AGENDA

Mr. Rocha moved for adoption of the agenda, seconded by Dr. Pillsbury, and unanimously carried.

**ADOPTION OF MINUTES - JOINT GENERAL EMPLOYEE PENSION PLAN BOARD,
POLICE PENSION RETIREMENT COMMITTEE, AND OTHER POST-EMPLOYMENT
BENEFITS (OPEB) BOARD MEETING OF JANUARY 29, 2025**

Ms. Kober moved for adoption of the minutes of the Joint General Employee Pension Plan Board, Police Pension Retirement Committee, and Other Post-Employment Benefits (OPEB) Board Meeting of January 29, 2025. The motion was seconded by Dr. Pillsbury.

Responding to Mr. Rocha, Ms. Wheeler stated that the board can make a motion to adopt the General Employee Pension Plan Board and the Other Post-Employment Benefits (OPEB) Board minutes from January 29, 2025.

Responding to Police Chief Johnson, Ms. Wheeler stated that it would not be inappropriate if he left the meeting since the Police Pension Plan did not have a quorum to make a motion.

Responding to Police Chief Johnson, Ms. Wheeler stated that they would table all business regarding the Police Pension Plan to the next meeting on August 7, 2025.

Responding to Ms. Marney, Ms. Wheeler stated that they would need to make an amendment to the agenda to table the Police Pension Plan reports from Bolton Group and Millman, Inc. until the August 7, 2025, meeting. She asked if that would be acceptable since there was no quorum to make a motion and accept the Quarterly Performance Reviews from Millman, Inc., and the Actuary Report from Bolton Group.

Responding to Police Chief Johnson, Ms. Wheeler stated that reports from Millman, Inc. and Bolton Group could not be consolidated for two (2) quarters, but for each quarter.

Responding to Police Chief Johnson, Mr. Perry clarified that separating the reports would be easier than merging the two (2) reports into one (1). He noted that they would have to add a six (6) month column for everything.

Ms. Wheeler stated that an amendment to the agenda was needed to table the Police Pension Plan Reports and the minutes till the August 8, 2025, meeting.

Mr. Rocha made a motion to table the Police Pension Plan Quarterly Reports and the minutes till August 7, 2025. The motion was seconded by Dr. Pillsbury and unanimously carried.

Ms. Marney moved for adoption of the minutes of the General Employee Pension Plan Board and Other Post-Employment Benefits (OPEB) Meeting of January 29, 2025. The motion was seconded by Mr. Rocha and unanimously carried.

MARKET COMMENTARY

Mr. Alan Perry, Principal and Consulting Actuary, Milliman, Inc., reviewed the Market Commentary for the Quarter Ending March 31, 2025.

**QUARTERLY PERFORMANCE REVIEWS (QUARTER ENDING MARCH 31, 2025)
(MILLIMAN, INC.)**

Mr. Alan Perry, Principal and Consulting Actuary, Milliman, Inc., reviewed the Quarterly Performance Review for the Quarter Ending March 04, 2024, for the General Employee Pension Plan, Police Pension Plan, and the Other Post-Employment Benefits (OPEB) Plan.

Ms. Marney stated that, although no motions could be made, her only comment regarding the Police Pension Plan was that it was projected to be over 100% funded at the start of Fiscal Year 2026, which she noted was not necessarily a bad position.

Responding to Mr. Rocha, Ms. Marney clarified that the money would go back to the city, specifically into the General Fund, not the General Pension Fund. *(City Clerk's Office Note: During the Joint General Employee Pension Plan Board, Police Pension Retirement Committee, and Other Post-Employment Benefits (OPEB) Board meeting of August 7, 2025, Mr. Mullaney noted a discrepancy in the written minutes of May 8, 2025 of a statement made by Ms. Marney. She indicated that if the Police Pension Plan were projected to be over 100% funded in the Fiscal Year 2026, any monies exceeding that amount would revert to the city. Mr. Mullaney stated that it was a false statement and corrected the statement that any Police Pension Plan funds exceeding 100% funding do not revert to the city; the funds belong to the Police Pension Plan.)*

Mr. Tom Vicente, Senior Consulting Actuary, Bolton Group, noted that, in some cases, once the legalities are addressed, entities may consider combining those two (2) pension plans. While each plan may have different dynamics when managed separately, merging them would result in one (1) less plan to manage. He also mentioned that he was unsure whether the history of the plans would be feasible.

Ms. Marney stated that the terms may have been established when the trust funds were created, likely outlined in the code, since both plans started back in the 1960s. She noted that they could review the code from 1967 and provide clarity.

Responding to Mr. Rocha, Mr. Perry acknowledged that certain funds had not met their benchmarks and that a decision needed to be made regarding those funds. He emphasized that it was always a tough decision. He explained that when they hire an active manager, they also have access to an index fund that charges only five (5) basis points, which are always available for use. In some cases, having both an index fund and an active fund can be beneficial. He also pointed out that while top-performing active managers are often hired with the hope that they will outperform, it is unrealistic to expect strong results every quarter or even every year, as it usually takes a full market cycle to evaluate performance. He acknowledged that the Investment Policy Statement (IPS) includes several guidelines, but it can be somewhat confusing about what to focus on. He suggested that if a manager underperforms both their benchmark and/or their peers for four (4) consecutive quarters, it might be time to consider replacing them. He explained that if they decide to put a manager on watch, it would involve closer monitoring, discussions, and possibly phone calls. For larger plans, they might bring

in a manager to explain the situation to the board, though he noted that may not happen with this board. If performance does not improve quickly, the managers would begin searching for a better fund.

Responding to Mr. Rocha, Mr. Perry clarified that no managers were currently on watch.

Mr. Rocha moved for acceptance of the Quarterly Performance Review for the General Employee Pension Plan, seconded by Dr. Pillsbury, and unanimously carried.

Ms. Marney moved for acceptance of the Quarterly Performance Review for the Other Post-Employment Benefits (OPEB) Plan, seconded by Dr. Pillsbury, and unanimously carried.

There was no quorum to make a motion for the Police Pension Plan. This report will be brought back at the August 7, 2025 meeting.

ACTUARY UPDATE FROM BOLTON GROUP

Mr. Tom Vicente, Senior Consulting Actuary, Bolton Group, reviewed the Actuary Report for the General Employee Pension Plan, Police Pension Plan, and the Other Post-Employment Benefits (OPEB) Plan. (**Attachment #1**)

Responding to Ms. Kober, Mr. Vicente stated that there was a page of the full report that details the number of retired members and disabled members. He explained that there were 174 regular retirements and 42 beneficiaries.

Responding to Mr. Vicente, Ms. Marney stated that they recently discussed the breakdowns for retired and disabled members. She emphasized the importance of ensuring that, when the information is sent, the newer retirees are accurately designated as either disabled or regular retirement.

Responding to Ms. Kober, Mr. Vicente stated that they only had one (1) disabled member, and historically, there were probably more than that, but the numbers were not tracked. He explained that they started tracking because individuals would become disabled for all sorts of reasons, but there were not a lot of other reasons that were detrimental to their longevity. Some individuals would die sooner because they have a bad condition of some sort, as well as other conditions that could be worse. He also mentioned that 13 individuals were left who are waiting to be old enough to elect to retire, and two (2) individuals who are due a refund. Since they were terminated, they have made their employee contributions to the fund, even though they are not entitled to a benefit or annuity. He noted that they were entitled to get their money back that they put into the plan.

Responding to Ms. Kober, Mr. Vicente clarified that the individuals who were terminated had each been employed for less than 10 years. He noted there were only two (2) cases where individuals had not withdrawn their funds upon leaving the job, which he viewed as a positive indication that the organization has been effective in encouraging departing employees to do so.

Responding to Ms. Kober, Mr. Vicente stated that there are a wide range of reasons why an individual would not take their money, such as if they moved and did not consider getting the money, frustration with the city due to termination, leaving the city, or mail being thrown out by the city.

Responding to Ms. Kober, Mr. Vicente clarified that the interest was being credited to the accounts, and that could account for individuals who have not retired yet.

Responding to Mr. Rocha, Mr. Vicente clarified that no matter how small that money may be, the money was still growing in the fund.

Responding to Ms. Kober, Mr. Vicente stated he was unaware between adults and children who are receiving the benefits. He explained that he would need to look at the data and surmise based on ages, but the average age of the beneficiary was 78. The vast majority of beneficiaries were spouses or former spouses of retirees.

Responding to Ms. Kober, Ms. Marney stated that she believed that there were no children under 25 receiving benefits. She noted that some retirees were paying child support.

Dr. Pillsbury moved for acceptance of the Actuary Report Review for the General Employee Pension Plan and the Other Post-Employment Benefits (OPEB) Board, seconded by Mr. Rocha, and unanimously carried.

There was no quorum to make a motion for the Police Pension Plan. This report will be brought back at the August 7, 2025 meeting.

POLICE PENSION PLAN RETIREMENT COMMITTEE

There was no quorum to make a motion for the Police Pension Plan. This report will be brought back at the August 7, 2025, meeting.

FUTURE MEETING DATE

The next Joint General Employee Pension Plan Board, Police Pension Plan Retirement Committee, and the Other Post-Employment Benefits (OPEB) Board Meeting will be on August 7, 2025, at 9:00 a.m.

GENERAL EMPLOYEE PENSION PLAN BOARD

Ms. Patricia Marney, Controller/Treasurer, reviewed the General Employee Pension Plan for the Quarter Ending March 31, 2025, for the General Employee Pension Plan. (**Attachment #2**)

Mr. Gedney opened the floor for discussion of the Quarterly Expenditures Report.

Responding to Ms. Kober, Dr. Pillsbury stated that Mr. Rodriguez would remain the City Solicitor until June 30th and that a meeting had been scheduled to select his replacement.

Responding to Ms. Green, Ms. Marney stated that differences in the number of pay periods in a month could affect the contributions. She explained that there are a few factors calculated into the contribution amounts, such as the number of employees and whether someone had resigned.

Responding to Ms. Green, Ms. Marney clarified that those payments were from active employees.

Responding to Ms. Green, Ms. Marney stated that the city operates on a fiscal year basis, running from July through June. She explained that the first period corresponds to July, the second to August, the third to September, the fourth to October, and so on throughout the year.

Responding to Ms. Green, Ms. Marney clarified that the yearly contributions would not necessarily be similar since contribution amounts are based on actuarial reports. She explained that if the reports

indicated a change in the percentage or there were changes in employee salaries, the total contributions could fluctuate.

Responding to Ms. Marney, Ms. Green noted that the numbers for July and November seemed unusually high compared to other months, which was confusing to her. She acknowledged that the payouts varied, pointing out that months such as August had much lower figures in comparison.

Responding to Ms. Green, Ms. Marney clarified that some months have three pay periods while others have two, resulting in higher payroll contributions during months with three pay periods.

Responding to Ms. Marney, Ms. Kober suggested adding an asterisk to indicate the months with three pay periods for clarification.

Responding to Ms. Kober, Ms. Marney clarified that the payroll contributions were based on active employees.

Ms. Green stated that it might help if Ms. Marney made notes of the months that have three (3) pay periods. She added that she appreciated the report that included contributions, interest income, and expenses, whereas the other two (2) reports she looked at only showed expense details.

Mr. Rocha moved for acceptance of the Quarterly Expenditures Report for the General Employee Pension Plan, seconded by Ms. Kober, and unanimously carried.

COLA UPDATE

Ms. Patricia Marney, Controller/Treasurer, reviewed the COLA Update for the General Employee Pension Plan.

Dr. Pillsbury moved for acceptance of the COLA Update for the General Employee Pension Plan, seconded by Mr. Rocha, and unanimously carried.

ELECTION OF CHAIRPERSON

Mr. Gedney opened the floor for nominations.

Responding to Ms. Kober, Ms. Wheeler stated that they would make a nomination of an individual who was on the board.

Ms. Green nominated Ms. Kober to serve as Chairperson of the General Employee Pension Plan Board.

There being no further nominations, Mr. Gedney closed the floor for nominations.

Dr. Pillsbury moved to elect Ms. Kober to serve as Chairperson of the General Employee Pension Plan Board. The motion was seconded by Mr. Rocha and unanimously carried.

Mr. Gedney stated that there have been ongoing discussions about appointing a Vice Chairperson, with the conversation going back and forth.

Ms. Kober stated that the ordinance does permit the board to have a Co-Chairperson, and that would be something they would like to have.

Responding to Ms. Marney, Ms. Kober clarified that no change to the code was necessary for the Co-Chairperson. A motion would just need to be made.

Ms. Marney moved to have a Co-Chairperson to serve the General Employee Pension Plan Board. The motion was seconded by Dr. Pillsbury.

Mr. Gedney stated that the Co-Chairperson would serve in the absence of the Chairperson if they were not able to attend the meetings.

Responding to Mr. Rocha, Ms. Kober clarified that it would be a Vice Chairperson, not a Co-Chairperson.

Ms. Marney amended her motion to accept a Vice Chairperson nomination for the General Employee Pension Plan Board. The motion was seconded by Mr. Rocha and unanimously carried.

Ms. Kober nominated Mr. Gedney to serve as Vice Chairperson of the General Employee Pension Plan Board.

Ms. Kober nominated Mr. Gedney to serve as Vice Chairperson of the General Employee Pension Plan Board. The motion was seconded by Ms. Green and unanimously carried.

PUBLIC COMMENT

Ms. Green mentioned that the actuary report provided by Mr. Vicente was not included in the packet, though others had copies to review. She requested that a copy of the report be emailed to her.

Responding to Ms. Green, Ms. Wheeler stated that she would email her a copy of the Actuary Report.

Ms. Green stated that she was able to follow along with the packet material during the Quarterly Performance Reviews PowerPoint Presentation. She suggested that the PowerPoint Presentations be sent to the board members separately.

Responding to Ms. Green, Ms. Kober stated that they would send the Quarterly Performance Reviews PowerPoint Presentation electronically and also mail her a hard copy.

Mr. Rocha moved for an adjournment of the Joint Pension Meeting. The motion was seconded by Ms. Kober and unanimously carried.

The Joint Pension Meeting adjourned at 2:20 p.m.

Bob Gedney
Chair, General Employee Pension Plan Committee

BG/CW

Attachments

Attachment #1: Bolton Group City of Dover 2024 Valuation Actuarial Results

Attachment #2: Quarterly Expenditures City of Dover General Pension Plan