

Town of New Fairfield
4 Brush Hill Road
New Fairfield, CT 06812

MINUTES
Pension Committee
Tuesday, February 8, 2022
2:00 PM
Via Zoom

Pension Committee members Present:

Pat Del Monaco, First Selectman
Terry Friedman, Town Treasurer
Olga Melnikov, Finance Director

Other Town Officials Present

Dr. Rich Sanzo, BOE Director of Business and Operations

Call To Order Pat Del Monaco called the meeting to order at 2:00pm

Dr. Rich Sanzo gave a brief overview of the rules and procedures for having a virtual meeting.

Review of 2021 Valuation reports for the Town and BOE pension plans and OPEB plans

Finance Director Olga Melnikov spoke of the Town pension plan and noted that it has a discount rate of 6.75%. She noted that this can be kept at 6.75% or be lowered to 6.50%. The current discount rate for the Board of Education is 6.25% which can also be kept the same or lowered to 6.0%. She further spoke of the OPEB (Other Post Employment Benefits) plan and noted that it was recommended by the actuaries that the Town start to use some of these funds. It was noted that all of these funds have a healthy balance.

Town Treasurer Terry Friedman presented a summary sheet of potential changes to the pension plans and the OPEB plan and how the changes could affect the budget. There was a brief discussion of keeping both the Town and BOE pension plans with the current discount rate and to revisit it again for fiscal year 2023-2024.

Vote on plan asset allocations and discount rates

Pat Del Monaco made a motion to maintain the same asset allocation and discount rate for the Town of New Fairfield Retirement Income Plan. Olga Melnikov seconded the motion.

Vote: 3-0-0 (Motion approved)

Pat Del Monaco made a motion to maintain the same asset allocation and discount rate for the Board of Education Retirement Income Plan. Olga Melnikov seconded the motion.

Vote: 3-0-0 (Motion approved)

Pat Del Monaco made a motion to recommend to the Board of Finance that the Town use \$282,600 out of the Town of New Fairfield Other Post Employment Benefit Plan (OPEB) and to contribute \$131,293 back into the fund. Olga Melnikov seconded the motion. **Vote: 3-0-0 (Motion approved)**

Public Comment

Mark Werner spoke in support of the decisions made by the Pension Committee. He spoke of accounting changes to the OPEB fund and General Medical Fund and noted that it makes sense to start using this fund. He further spoke of the difference between the discount rate for the Town and the BOE and suggested checking with the actuaries regarding questions about this. He encouraged the Pension Commission to look into the Fire Department LOSAP (Length of Service Award Program) and the 457 Plan sponsored by the Town for employees that is similar to a 401K program.

Dr. Rich Sanzo noted that the BOE negotiated that all new employees to the district that are part of the paraprofessional and custodial bargaining unit, will no longer be part of the BOE's pension plan but will instead be part of a defined contribution 401A plan. He suggested that this be discussed with the Pension Committee in the near future.

Adjournment

Pat Del Monaco made a motion to adjourn the meeting at 2:22pm. Olga Melnikov seconded the motion. **Vote: 3-0-0 (Motion approved)**