



*Town of New Fairfield*  
*4 Brush Hill Road*  
*New Fairfield, Connecticut*

**PENSION COMMISSION**  
**SPECIAL MEETING**  
**ZOOM MEETING**

Join Zoom Meeting

<https://zoom.us/j/96141825315>

Meeting ID: 961 4182 5315

Dial In: (929) 205-6099

**Thursday, January 11, 2024**

**10:30 A.M.**

**AGENDA**

1. Call to Order
2. Pledge of Allegiance
3. Public Comment
4. Approval of Minutes-April 18, 2023 Pension Commission Meeting
5. Discuss and Possible Vote on Length of Service Award Program (LOSAP) Plan Management
6. Public Comment
7. Adjournment

Received by email on 01/05/2024 @ 8:53 a.m.  
by Chrystie M. Bontempo, Asst. Town Clerk, New Fairfield

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

**MINUTES**  
**Pension Committee**  
**Tuesday, April 18, 2023**  
**10:00 AM**  
**Via Zoom**

***Pension Commission members***  
Pat Del Monaco, First Selectman  
Terry Friedman, Treasurer  
Olga Melnikov, Finance Director

***Other Officials Present:***  
Carrie DePuy, Director of Business and Operations  
Ed Sbordone, BOE/PBC member

Director of Business and Operations Carrie DePuy explained the rules and regulations for a virtual meeting.

**Call To Order** Pat Del Monaco called the meeting to order at 10:15 am

**Public Comment-** None

**Approval of Minutes**

Pat Del Monaco made a motion to approve the minutes of the December 5, 2022 Pension subcommittee meeting as presented. Terry Friedman seconded the motion.

**Vote: 3-0-0 (Motion approved)**

**Discussion and vote to shift pension fund asset allocation**

Town Treasurer Terry Friedman spoke of a recommendation to shift the town's three pension plans away from Equities towards Fixed Income. She noted that this would allow the town to take advantage of increased bond yields and reduce the volatility and risk for the town. This transfer would be done over the next 8 to 12 months. The recommended amount would be to increase the Fixed Income for the Town side and OPEB from 40% to 50%, and the BOE side from 53.5% to 65%.

Pat Del Monaco made a motion to shift Pension Fund Asset Allocation towards Fixed Income by 10 points and away from Equities by 10 points. Olga Melnikov seconded the motion.

**Vote: 3-0-0 (Motion approved)**

**Public Comment-** None

**Adjournment**

Pat Del Monaco made a motion to adjourn the meeting at approximately 10:23 am. Olga Melnikov seconded the motion. **Vote: 3-0-0 (Motion approved)**

Respectfully submitted,  
Suzanne Kloos

## Length of Service Award Program (LOSAP) – Program Management Discussion

### Background

- Fire Department is not satisfied with the current program management companies
  - Slow to respond
  - Information not readily available
- LOSAP investments currently yielding 4% fixed interest
  - Discrete service fee charge of \$1,546.70 (FY22/23)
  - Remaining plan services costs (investment oversight, actuarial services, administration) contained within the 4%
- Incremental charges for the providers of the Town, BOE, & OPEB plans would be \$7,300 or 0.9%
  - Town & BOE defined contribution pension plans & OPEB fees currently ~0.5% to 0.6% of plan assets
  - Earnings of 4.69% required to breakeven vs. existing 4%
- Existing LOSAP plan documentation may be incomplete, trust may be needed – requires engaging a pension lawyer. Cost TBD.

## Length of Service Award Program (LOSAP) – Program Management Discussion (Continued)

### Options

- Continue business as usual with existing LOSAP plan providers –
  - Likely most cost-effective approach
  - Does not provide desired level of transparency or service
- Pursue shifting LOSAP plan providers to the providers used for the Town, BOE & OPEB plans
  - Requires upfront investment in legal advice and possibly documentation & trust creation
  - Provides transparent plan management and enhanced service

### Next Steps / Recommendation

- Pursue shifting providers if affordable within FY23/24 legal budget
  - If not affordable, consider deferring until FY24/25
- If decision is to continue with existing LOSAP plan providers, Fire Department and Town to confirm they have clearly defined roles, responsibilities and processes