

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

REVISED MINUTES
Pension Commission
Friday, February 2, 2024
10:30 AM
Via Zoom

Pension Commission members
Melissa Lindsey, First Selectman
Terry Friedman, Town Treasurer
Olga Melnikov, Finance Director

Other Officials Present:
Cheryl Reedy, BOF member/Fire Dept. member

Finance Director Olga Melnikov explained the rules and regulations for a virtual meeting.

Call To Order Melissa Lindsey called the meeting to order at 10:35 am

Public Comment- None

Approval of Minutes

Melissa Lindsey made a motion to approve the minutes of the January 11 2024 Pension Commission meeting as presented. Terry Friedman seconded the motion. **Vote: 3-0-0 (Motion approved)**

Length of Service Award Program (LOSAP) Plan Management update

Town Treasurer Terry Friedman noted that when the commission met in January they decided to switch providers for the LOSAP plan to the same providers that the Town uses for the other pension plans. The lawyer that was recommended by the Town/BOE's current pension plan providers was contacted. He advised that a trust is required for the LOSAP plan and the plan documentation and possibly terms will need to be updated. The legal fees for this would be approximately \$1500 to \$2500. Any changes in the plan design should be done simultaneously.

Terry Friedman explained that the next step would be to have the Fire Department provide any recommended plan design changes. There was a brief discussion of whether the recommended plan design change request should be brought forward to the Board of Selectmen for discussion and possible approval. Once there is a decision on changes, the Town can engage the lawyer to establish the trust and update the plan document.

Olga Melnikov made a motion to move forward with the new management team for LOSAP and to incur any necessary costs associated with the implementation. Terry Friedman seconded the motion. **Vote: 3-0-0 (Motion approved)**

Pension Plan Contributions to the Town and BOE plans

Terry Friedman noted that there are normally three plans where the pension contributions need to be determined. They include the Town, BOE and OPEB. At this point, the OPEB plan is not ready so that will be done at a later date.

The Town's plan Actuarially Determined Contribution for FY 23-24 was \$481,543. Terry Friedman spoke of a few scenarios for the 2024-2025 contribution and recommended a contribution of \$527,739, reflecting a one year extension of the amortization period for the unfunded accrued liability. There was a brief discussion of the benefits of extending the amortization period.

Terry Friedman made a motion that the fiscal year 24-25 contribution to the Town of New Fairfield retirement plan be \$527,739. Olga Melnikov seconded the motion. **Vote: 3-0-0 (Motion approved)**

Terry Friedman noted that the BOE plan Actuarial Determined Contribution for FY 23-24 was \$491,980. Using the same one year amortization period extension, the BOE pension plan contribution would be \$509,054 for FY24-25.

Terry Friedman made a motion that the fiscal year 24-25 contribution to the New Fairfield Board of Education retirement plan be \$509,054. Olga Melnikov seconded the motion. **Vote: 3-0-0 (Motion approved)**

Public Comment- Cheryl Reedy thanked the Pension Commission on behalf of the Fire Department for moving forward with the LOSAP plan.

Adjournment

Melissa Lindsey made a motion to adjourn the meeting at approximately 10:58 am. Terry Friedman seconded the motion. **Vote: 3-0-0 (Motion approved)**

Respectfully submitted,
Suzanne Kloos

Received by email on 02/26/2024 @ 8:30 a.m.
by Chrystie M. Bontempo, Asst. Town Clerk, New Fairfield