



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

PENSION COMMISSION
SPECIAL MEETING
ZOOM MEETING

Join Zoom Meeting

<https://zoom.us/j/99984225702>

Meeting ID: 999 8422 5702

Dial In: (929) 205-6099

Tuesday, March 19, 2024

10:30 A.M.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Public Comment
4. Approval of Minutes – February 2, 2024 Pension Commission Special Meeting
5. Discuss and Possible Vote on Actuarial Determined Contribution Amount for Fiscal Year 24-25 for the Other Post-Employment Benefits (OPEB) Plan
6. Public Comment
7. Adjournment

Received by email on 03/13/2024 @ 11:40 a.m.
by Chrystie M. Bontempo, Asst. Town Clerk, New Fairfield

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

Town of New Fairfield Other Post-Employment Benefits Plan Highlights of the July 1, 2023 Valuation

Summary of Key Results

	2022 Interim	2023 Valuation			Update Mortality Assumption	Update Marriage Assumption
		Reflect Updated Claims and Premiums	Update Trend Assumption	Update Mortality Assumption		
Interest Rate	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Trend Assumption	Per 2021 Analysis	Same as 2022	Updated	Updated	Updated	Updated
Mortality Improvement Scale	MP-2019	Same as 2022	Same as 2022	MP-2021	MP-2021	MP-2021
Marriage Assumption	M/F 65%/30%	M/F 65%/30%	M/F 65%/30%	M/F 65%/30%	M/F 65%/30%	30% Unisex
Accrued Liability	\$4,394,746	\$4,193,613	\$4,172,492	\$4,226,812	\$4,035,812	\$4,035,812
Actuarial Value of Assets	4,085,993	3,944,598	3,944,598	3,944,598	3,944,598	3,944,598
Unfunded Accrued Liability	308,753	249,015	227,894	282,214	91,214	91,214
Funded Ratio	93.0%	94.1%	94.3%	93.3%	97.7%	97.7%
Amortization Period	16	15	15	15	15	15
Amortization Growth Rate	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Past Service Cost	23,320	19,818	18,137	22,461	7,259	7,259
Total Normal Cost	94,406	100,824	102,009	102,791	94,711	94,711
Expected Expenses	18,000	5,600	5,600	5,600	5,600	5,600
Net Normal Cost	112,406	106,424	107,609	108,391	100,311	100,311
Interest	8,483	7,890	7,859	8,178	6,724	6,724
Actuarially Determined Contribution	144,209	134,132	133,605	139,030	114,294	114,294
For Fiscal Year	2023-24	2024-25	2024-25	2024-25	2024-25	2024-25

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