



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

PENSION COMMISSION
SPECIAL MEETING
ZOOM MEETING

Join Zoom Meeting

<https://zoom.us/j/98914462838>

Meeting ID: 989 1446 2838

Dial In: (929) 205-6099

Wednesday, September 4, 2024

9:30 A.M.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Public Comment
4. Approval of Minutes – March 19, 2024 Pension Commission Special Meeting
5. Discuss and Possible Vote on Length of Service Award Program (LOSAP) Discount Rate Assumption and Investment Policy Statement
6. Discuss and Possible Vote on Length of Service Award Program (LOSAP) FY 24/25 Contribution
7. Public Comment
8. Adjournment

Received by email on 08/28/2024 @ 11:17 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 Commission
Tuesday, March 19, 2024
10:30 AM
Via Zoom

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

Other Officials Present:
Ed Sbordone, Deputy Treasurer/BOE 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 10:30 am

Public Comment- None

Approval of Minutes

Melissa Lindsey made a motion to approve the minutes of the February 2, 2024 Pension Commission meeting as presented. Terry Friedman seconded the motion. **Vote: 3-0-0 (Motion approved)**

Vote on Actuarial Determined Contribution amount for fiscal year 2024-2025 for the Other Post-Employment Benefits (OPEB) Plan.

Town Treasurer Terry Friedman noted that the funding for OPEB for the current fiscal year (2023-2024) is \$144,209. The recommendation for the upcoming fiscal year (2024-2025) is \$114,294 based on actual head count and actual and projected medical costs. She spoke of the updated mortality table that was calculated for the Town's other pension plans.

Town Treasurer Terry Friedman noted that the funding for OPEB for the current fiscal year (2023-2024) is \$144,209. The recommendation for the upcoming fiscal year (2024-2025) is \$114,294 based on actual headcount and actual and projected medical costs. She spoke of the updated mortality table that was also used for the Town's other pension plans.

Terry Friedman made a motion to approve the recommended fiscal year 2024-2025 OPEB Plan contribution of \$114,294. Melissa Lindsey seconded the motion. **Vote: 3-0-0 (Motion approved)**

Public Comment- None

Adjournment

Melissa Lindsey made a motion to adjourn the meeting at approximately 10:38 am. Olga Melnikov seconded the motion. **Vote: 3-0-0 (Motion approved)**

Respectfully submitted,
Suzanne Kloos

Length of Service Award Program Discount Rate & Investment Policy Statement Recommendations

	The Town of New Fairfield Retirement Income Plan	The New Fairfield Board of Education Retirement Income Plan	Town of New Fairfield Other Post-Employment Benefits Plan (OPEB)	Length of Service Award Program (LOSAP) Current	Length of Service Award Program (LOSAP) Proposed
Discount Rate	6.75%	6.25%	6.25%	4.75%	6.00%
- Future Direction / Comments	Potential phase in to 6.5%. Evaluate in conjunction with annual ADC* discussion	Potential phase in to 6.0%. Evaluate in conjunction with annual ADC* discussion	--	--	--
Value of Assets (June 30, 2024 except as noted)	\$12.4M	\$11.4M	\$4.0M	\$825K (July 1, 2023)	\$825K (July 1, 2023)
Funded Ratio (July 1, 2023)	85.9%	86.6%	97.7%	73.1%	73.1%
Investment Policy Statement (IPS)					
- Fixed Income	50%	65%	50%	100%	70.0%
- Domestic Equity	29%	21%	33%		18.5%
- International Equity	21%	14%	13%		11.5%
- Real Estate			4%		

* Actuarial Determined Contribution

Recommended FY24-25 Length of Service Award Program Contribution
Excludes plan design changes which are being separately handled

- **FY23/24 Contribution:** **\$75,715** Additional \$60K contribution for Plan Design Changes
- **FY24/25 Budget:** \$69,000
- **FY23/24 Actuarial Determined Contribution:** \$61,571 to \$74,133 \$24,470 of Normal Cost, Remainder (\$37,101 to 49,663) to fund the unfunded liability
- **FY24/25 Estimated Contribution (provided by prior actuary)** \$62,700 Excludes fees, assumes contribution made on July 1, 2024

- **Recommended FY24/25 Contribution**

- Fund at budgeted level
- FY24/25 of \$69,000 is supported by the Town's actuary
- FY23/24 valuation indicated plan funded at 73% (shortfall = \$303,767). Discount assumption was 4.75%
- Proposal is to increase the discount assumption to 6% (Town, BOE & OPEB plans in the 6%+ range)
- Revisit if the in-process actuarial valuation identifies the FY24/25 contribution should be meaningfully higher than \$69,000
- Going forward, fiscal year Actuarial Determined Contribution to be completed in 1Q for inclusion in budget (same as is currently done for the Town, BOE & OPEB plans)

\$69,000