



John L. Salomone  
Town Manager

# TOWN OF NEWINGTON

131 CEDAR STREET  
NEWINGTON, CONNECTICUT 06111

**MAYOR STEPHEN WOODS**

## NEWINGTON TOWN COUNCIL

**Conf. Room L-101 (Lower Level) – Town Hall  
131 Cedar Street**

**AGENDA  
June 9, 2015  
7:00 p.m.**

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- I. PLEDGE OF ALLEGIANCE
- II. ROLL CALL
- III. PUBLIC PARTICIPATION – IN GENERAL (**In Person/Via Telephone: 860-665-8736**)  
(3 MINUTE TIME LIMIT PER SPEAKER ON ANY ITEM)
- IV. CONSIDERATION OF OLD BUSINESS (**Action May Be Taken**)
  - A. Pension Funding Policy
  - B. Year End Transfers
  - C. Suspense List
  - D. Job Description: Board Certified Behavior Analyst (A-8, Board of Education)
  - E. Street Dedication in Honor of Robert “Bob” Seiler
- V. RESIGNATIONS/APPOINTMENTS (**Action May Be Taken**)
  - A. Conservation Commission
    1. Accept Resignation of Benjamin Ancona
    2. Appoint a Replacement (TBD)
  - B. Appointments to Boards and Commissions
    1. Affordable Housing Monitoring Agency
    2. Commission on Aging and Disabled
    3. Balf-Town Committee
    4. Board of Education Roof Replacement Project Building Committee
    - 5. Board of Ethics**
    6. Capitol Region Council of Governments
    7. Central Connecticut Health District Board of Directors
    8. Committee on Community Safety
    9. Conservation Commission
    10. Development Commission
    11. Downtown Revitalization Committee
    12. Employee Insurance & Pension Benefits Committee
    13. Environmental Quality Commission
    14. Board of Ethics

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15. Fair Rent Commission
16. Newington Housing Authority
17. Human Rights Commission
18. Library Renovations/Addition Project Building Committee
19. Newington School Career Technical Program Renovation Project Building Committee
20. Open Space Committee
21. Board of Parks and Recreation
22. School Improvements Project Building Committee
23. STEM Academy PBC
24. Senior & Disabled Center Roof Replacement Project Building Committee
25. Standing Insurance Committee
26. Town Hall Renovations Project Building Committee
27. Town Plan & Zoning Commission
28. Tri-Town Community Cable Access
29. Vehicle Appeals Board
30. West Meadow Cemetery Expansion Project Building Committee
31. Zoning Board of Appeals

VI. TAX REFUNDS (**Action Requested**)

VII. MINUTES OF PREVIOUS MEETINGS (**Action Requested**)

A. Regular Meeting, May 26, 2015

VIII. WRITTEN/ORAL COMMUNICATIONS FROM THE TOWN MANAGER, OTHER TOWN AGENCIES AND OFFICIALS, OTHER GOVERNMENTAL AGENCIES AND OFFICIALS AND THE PUBLIC

IX. COUNCIL LIAISON/COMMITTEE REPORTS

X. PUBLIC PARTICIPATION – IN GENERAL (**In Person/Via Telephone: 860-665-8736**)  
(3 MINUTE TIME LIMIT PER SPEAKER ON ANY ITEM)

XI. REMARKS BY COUNCILORS

XII. ADJOURNMENT

## TOWN OF NEWINGTON PENSION PLANS

### JULY 1, 2014 VALUATIONS Summary of Principal Results

	Administrative	Municipal	Police	Total
<b>Membership as of July 1, 2014</b>				
Active Members	10	114	58	182
Terminated Vested Members	2	9	0	11
Members in Pay Status	33	181	68	282
Total Members	45	304	126	475
Payroll	\$864,498	\$7,037,357	\$5,765,839	\$13,667,694
<b>Assets and Liabilities as of July 1, 2014</b>				
Market Value of Assets	\$5,843,728	\$22,813,406	\$33,973,643	\$62,630,777
Actuarial Value of Assets	5,426,265	21,260,237	31,673,813	58,360,315
Accrued Liability for Active Members	2,743,115	19,584,713	16,548,639	38,876,467
Accrued Liability for Terminated Vested Members	384,670	469,385	0	854,055
Accrued Liability for Members in Pay Status	8,508,711	21,014,171	39,057,966	68,580,848
Total Accrued Liability	11,636,496	41,068,269	55,606,605	108,311,370
Unfunded Accrued Liability	6,210,231	19,808,032	23,932,792	49,951,055
Funded Ratio	46.6%	51.8%	57.0%	53.9%
<b>Actuarially Determined Contribution for FY2016</b>				
Net Normal Cost	\$28,496	\$280,140	\$727,185	\$1,035,821
Past Service Cost/(Credit)	<u>420,902</u>	<u>1,342,502</u>	<u>2,611,100</u>	<u>4,374,504</u>
Actuarially Determined Contribution	449,398	1,622,642	3,338,285	5,410,325

#### July 1, 2014 Actuarial Valuation

#### Town of Newington Pension Plans

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Milliman Actuarial Valuation

**PENSION PLANS - HISTORICAL FUNDING**  
**Based on July 1, 2014 Valuations**

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Unfunded Accrued Liability (2) - (1)	(4) Funded Ratio (1) / (2)	For Fiscal Year	(5) Actuarially Determined Contribution	(6) Actual Town Contribution	(7) Percent Funded (5) / (6)
07/01/2005	\$48,440,315	\$67,953,249	\$19,512,934	71.3%	2006-07	\$2,180,481	\$2,180,481	100%
07/01/2006	50,163,865	70,824,574	20,660,709	70.8%	2007-08	2,293,643	2,293,643	100%
07/01/2007	53,664,414	74,550,539	20,886,125	72.0%	2008-09	2,361,779	2,361,779	100%
07/01/2008	56,495,050	80,260,486	23,765,436	70.4%	2009-10	2,690,870	2,690,870	100%
07/01/2009	55,780,444	85,219,568	29,439,124	65.5%	2010-11	3,255,717	3,255,717	100%
07/01/2010	55,015,997	88,196,364	33,180,367	62.4%	2011-12	3,619,705	3,619,705	100%
07/01/2011	52,483,132	94,448,739	41,965,607	55.6%	2012-13	4,123,178	4,923,178	84%
07/01/2012	51,545,859	96,755,411	45,209,552	53.3%	2013-14	4,496,826	4,496,826	100%
07/01/2013	53,593,089	104,603,750	51,010,661	51.2%	2014-15	5,225,599	TBD	TBD
07/01/2014	58,360,315	108,311,370	49,951,055	53.9%	2015-16	5,410,325	TBD	TBD

July 1, 2014 Actuarial Valuation  
Town of Newington Pension Plans

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Milliman Actuarial Valuation

**PENSION PLANS - LONG RANGE FORECAST**  
**Based on July 1, 2014 Valuations**

This forecast is based on the results of the July 1, 2014 actuarial valuations and assumes that the Town will pay the Actuarially Determined Contribution each year, the assets will return the assumed interest rate on a market value basis each year, and there are no future changes in the actuarial methods or assumptions or in the plan provisions. Actual results at each point in time will yield different values, reflecting the actual experience of the plan membership and assets.

Valuation Date	Interest Rate	Values as of the Valuation Date				Cash Flows Projected to the Following Fiscal Year				
		Accrued Liability	Actuarial Value of Assets	Unfunded Accrued Liability	Funded Ratio	Fiscal Year Ending	Town Contributions	Employee Contributions	Benefit Payments	Net Cash Flows
7/1/2014	7.500%	\$108,311,370	\$58,360,315	\$49,951,055	53.9%	2016	\$5,410,325	\$779,000	(\$6,999,000)	(\$809,675)
7/1/2015	7.375%	113,325,000	64,389,000	48,936,000	56.8%	2017	5,536,000	768,000	(7,237,000)	(933,000)
7/1/2016	7.250%	117,840,000	68,846,000	48,994,000	58.4%	2018	5,828,000	757,000	(7,521,000)	(936,000)
7/1/2017	7.125%	122,355,000	74,295,000	48,060,000	60.7%	2019	6,082,000	736,000	(7,809,000)	(991,000)
7/1/2018	7.000%	126,830,000	79,519,000	47,311,000	62.7%	2020	6,430,000	723,000	(8,154,000)	(1,001,000)
7/1/2019	6.875%	131,259,000	84,009,000	47,250,000	64.0%	2021	6,939,000	705,000	(8,472,000)	(828,000)
7/1/2020	6.750%	135,519,000	88,696,000	46,823,000	65.4%	2022	7,553,000	695,000	(8,757,000)	(509,000)
7/1/2021	6.750%	137,840,000	93,772,000	44,068,000	68.0%	2023	7,938,000	681,000	(9,044,000)	(425,000)
7/1/2022	6.750%	139,956,000	99,520,000	40,436,000	71.1%	2024	8,303,000	668,000	(9,349,000)	(378,000)
7/1/2023	6.750%	141,862,000	105,741,000	36,121,000	74.5%	2025	8,758,000	656,000	(9,642,000)	(228,000)
7/1/2024	6.750%	143,547,000	112,428,000	31,119,000	78.3%	2026	9,512,000	642,000	(9,924,000)	230,000
7/1/2025	6.750%	145,006,000	119,719,000	25,287,000	82.6%	2027	4,767,000	632,000	(10,200,000)	(4,801,000)
7/1/2026	6.750%	146,232,000	127,975,000	18,257,000	87.5%	2028	3,057,000	625,000	(10,460,000)	(6,778,000)
7/1/2027	6.750%	147,214,000	131,585,000	15,629,000	89.4%	2029	3,172,000	627,000	(10,610,000)	(6,811,000)
7/1/2028	6.750%	147,962,000	133,393,000	14,569,000	90.2%	2030	3,301,000	616,000	(10,803,000)	(6,886,000)
7/1/2029	6.750%	148,612,000	135,287,000	13,325,000	91.0%	2031	3,444,000	611,000	(11,047,000)	(6,992,000)
7/1/2030	6.750%	149,075,000	137,227,000	11,848,000	92.1%	2032	3,602,000	611,000	(11,209,000)	(6,996,000)
7/1/2031	6.750%	149,304,000	139,187,000	10,117,000	93.2%	2033	3,787,000	608,000	(11,383,000)	(6,988,000)
7/1/2032	6.750%	149,385,000	141,274,000	8,111,000	94.6%	2034	4,014,000	606,000	(11,569,000)	(6,949,000)
7/1/2033	6.750%	149,285,000	143,506,000	5,779,000	96.1%	2035	4,322,000	613,000	(11,677,000)	(6,742,000)

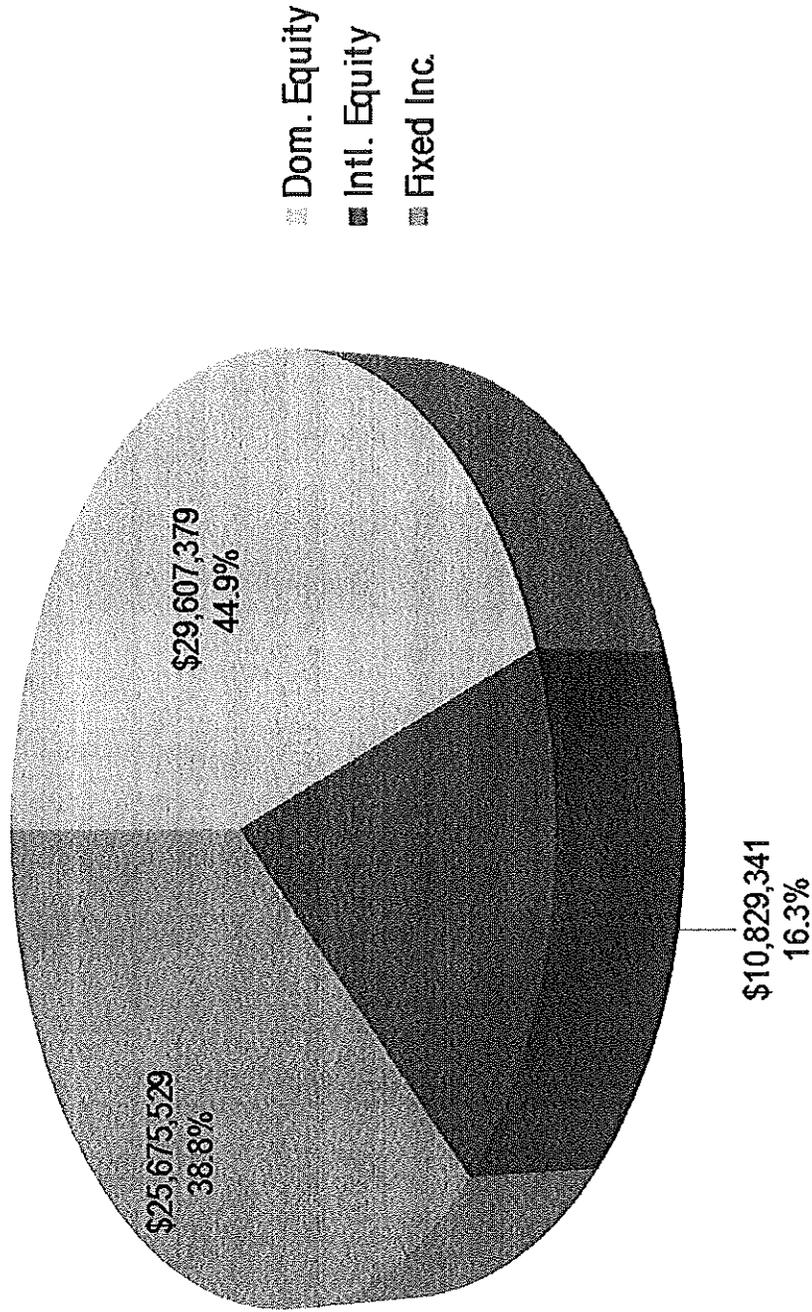
For purposes of this forecast the amortization period declines to 1 year to illustrate the progress of the plan towards becoming fully funded; in actual practice the amortization period will not be less than 10 years in order to shield the Town from contribution volatility.

July 1, 2014 Actuarial Valuation  
 Town of Newington Pension Plans

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# Town of Newington – Pension Plans

Total Portfolio Value	Beginning Market Value
March 2015	October 1998
<b>\$66,129,512</b>	<b>\$15,044,237</b>
36,597,727	8,404,186
23,635,376	5,314,530
5,896,408	1,325,521
	Police
	Municipal
	Administrative



# Town of Newington Pension Plans – Overview

Newington Pension Plans - current market value **\$66,129,511.54**

Historical Asset Allocation 50% equity / 50% fixed income

Current Asset Allocation 61.2% equity / 38.8% fixed income

2015 QTD rate-of-return (as of 3/31/15) 2.47%

Actuarial assumption – 7/01/2007 7.75%

Actuarial assumption – 7/01/2014 7.50%

**FUNDING POLICY**  
**Town of Newington**  
**Administrative Pension Fund**  
**Municipal Pension Fund**  
**Police Pension Fund**

Adopted xxx x, 2015

**PURPOSE**

This Funding Policy is a statement of the Town's objectives in funding the benefits to be paid by the Administrative Pension Fund, Municipal Pension Fund and the Police Pension Fund. It sets forth the strategy that the Town Council will use to determine the contributions needed to achieve those objectives.

**OBJECTIVES**

The Town's principle objectives are to:

1. Ensure that the Pension Funds have sufficient assets on hand to pay all benefits due.
2. Minimize the annual volatility of budgeted contributions.
3. Provide for equity among different generations of taxpayers with respect to bearing the costs of the benefits.
4. Ensure that all statutory funding requirements are satisfied.

**FUNDING GUIDELINES**

In order to achieve the objectives of this Funding Policy, the Town Council will base its contributions to the plans on Actuarially Determined Employer Contributions ("ADEC") prepared annually in compliance with all applicable Actuarial Standards of Practice. The ADEC will be determined using the following funding method elements:

1. The Entry Age Normal actuarial cost method will be used to determine the Normal Cost (the cost of benefits allocated to each year of employment) and the Actuarial Accrued Liability (the cost of benefits allocated to all past years of employment). The Entry Age Normal actuarial cost method has been selected because it allocates costs over an active member's working lifetime on a level-percent of pay basis.
2. In order to minimize the impact of investment volatility on the ADEC, an Actuarial Asset valuation method will be used that recognizes market gains or losses over a 5-year period in equal installments. A market gain or loss arises when the actual rate of return on the plan's investments is higher or lower than the assumed interest rate.

3. The plans currently have an Unfunded Actuarial Accrued Liability (UAAL), meaning that the Actuarial Accrued Liability is not fully covered by the Actuarial Value of Assets. The goal of the amortization policy is to achieve 100% funding over a period of time that provides for intergenerational taxpayer equity while minimizing contribution volatility. Effective with FY 15-16, the UAAL will be amortized over a 21-year closed period for the Administrative Pension Fund and Municipal Pension Fund and 11-year closed period for the Police Pension Fund. The amortization payment will be calculated as a level percent.
4. In order that the Town know the amount of the ADEC for a fiscal year before the budget for that fiscal year has been finalized, the ADEC will be determined based on an actuarial valuation performed as of July 1<sup>st</sup> of the calendar year prior to the calendar year in which the fiscal year begins. To illustrate, the July 1, 2014 actuarial valuation will determine the ADEC for the 2015-16 fiscal year.

#### UPDATES TO POLICY

This Funding Policy will be reviewed at least annually as part of the normal budgetary process, and will be updated following changes in the actuarial methods or assumptions, plan changes, changes in the statutory minimum required contribution, or any other events that result in either the Actuarial Accrued Liability or the Actuarial Value of Assets changing by more than 20% from one actuarial valuation date to the next. A comprehensive review of this Funding Policy will be conducted every five years.

APPROVED XXX xx, 2015

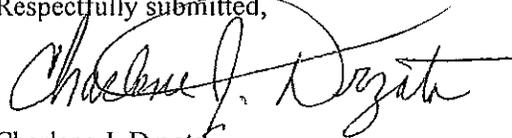
## MINUTES - EMPLOYEE INSURANCE AND PENSION BENEFITS COMMITTEE

March 9, 2015

- 1) Call to Order: Chairperson Clarke Castelle called the meeting to order at 6:04 p.m. in the Helen Nelson Conference Room.
- 2) Roll Call:
  - Members Present: Sharon Braverman, Clarke Castelle, Beth DelBuono (left at 8:50), Jon Kehl, Jay Slater, John Slusarski, Paul Vessella (left at 8:10) and Michael Wilbur
  - Members Absent: Dennis Doyle, Jay Krusell and Terrence Sullivan
  - Staff Present: Ann Harter, Charlene Drzata and Lou Jachimowicz
  - Others Present: Becky Sielman, Marc Shegoski, Ashley Martella and Dave McCluskey
- 3) Minutes: Jon Kehl made a motion to accept the minutes of November 17, 2014, seconded by Jay Slater. The motion passed unanimously.
- 4) Public Participation: None
- 5) New Business:
  - a) Milliman: Becky Sielman reviewed the summary of the July 1, 2014 valuation results for the Administrative, Municipal and Police pension plans. Becky reported that the investments had a good year with a rate of return in the high 15% for all plans. There was no change in the interest rate assumption of 7.50%. A lengthy discussion followed on long range funding, liabilities and interest rate assumptions. Becky noted that the 7.50% assumption rate is a little too high and that the assumption rate will be gradually lowered by .125% per year to a rate Milliman feels is reasonable. Becky noted that the Town has consistently made 100% of the annual required contributions to the pension plans. The complete July 1, 2014 Valuation reports just received from Milliman will be made available to the committee on the Town's website. Becky reviewed the GASB 67 report for fiscal year ending June 30, 2014 for the Municipal Plan and noted that this report is identical for all three pension plans. Under GASB 67, additional reporting is required to be performed by actuaries for financial statement disclosures which includes more information on investment returns. Related to the GASB 67 pronouncement, Ms. Sielman reviewed the Funding Policy which is a statement of objectives in funding the Town's annual contribution. Ms. Sielman noted that the Funding Policy will be reviewed annually as part of the normal budgetary process. After further discussion, Jon Kehl made a motion to endorse the Funding Policy as presented by Becky Sielman. Seconded by Mike Wilbur. The motion passed unanimously. A brief discussion followed regarding the new mortality tables (RP-2014) that were recently released by the Society of Actuaries. Corporations are required to use them by 12/31/2017. Milliman's analysis of the projections scales included in the mortality tables were weighted too heavily. She explained that more research is required before public plans implemented the tables.
  - b) UBS: Marc Shegoski presented a summary of the market and economic outlook. Ashley Martella reviewed the Pension Fund Performance summary as of December 31, 2014. The 4<sup>th</sup> quarter returns for all pension plans were 2.55% which was ahead of the benchmark of 2.10%. Marc Shegoski reviewed the OPEB investment performance. The returns as of December 31, 2014 were 0.81% which was below the benchmark of 1.82%. After discussing the individual funds, UBS recommended that the 5% position in the Royce Premier Fund within OPEB be replaced with the Vanguard Mid Cap Index Fund. Jon Kehl made a motion to accept the recommendation to replace the Royce Premier Fund with the Vanguard Mid Cap Index Fund while UBS investigates other options. John Slusarski seconded the motion. The motion passed unanimously. Jon Kehl requested that the committee revisit in greater detail the merits of incorporating alternative investments as a piece of the portfolio at future meetings.

- c) Lockton: Dave McCluskey reported that the 2014-15 plan year is running with a positive margin of \$572,671 through January 2015. The Town has a positive margin of \$39,859 and the Board of Education has a positive margin of \$532,812. Dave reported that there is one large claim which exceeds 50% of the individual stop loss of \$175,000. Dave reviewed the 2015-16 Anthem BC renewal. The overall increase is 2.4%. There were no increases in the Administrative and Stop loss fees. He noted that trend is running at 8%. The total 2015-16 budget change for the Town is 8.3% and .07% for the Board of Education. Dave noted that the teacher's contract was settled and includes the option to enroll in a High Deductible Health Plan with a Health Savings Account effective 7/1/15.
- 6) Chairperson Castelle allowed for public participation before Remarks by Committee Members:
- Havital Miltz, 168 Nicholson Street, commented that she is all for High Deductible plans. Asked whether the groups would receive information about them. Dave McCluskey responded that educational sessions for employees will begin soon to explain the benefits of the plan.
- Remarks by Committee Members: John Slusarski said he has pension plan handouts which he will send to the committee members.
- 7) Next Meeting: To be determined
- 8) Adjournment: Jay Slater made a motion to adjourn, seconded by Jon Kehl. The motion passed unanimously. The meeting adjourned at 9:10 p.m.

Respectfully submitted,



Charlene J. Drzata  
Insurance & Benefits Administrator

## GFOA Best Practice: Guidelines for Funding Defined Benefit Pensions

**Background.** Governments that offer defined benefit pensions to their employees should fund the cost of those benefits in an equitable and sustainable manner. An actuarial valuation provides an employer with crucial information on the amount that needs to be contributed each period to fund the long-term cost of benefits promised to plan participants. Generally accepted accounting principles (GAAP) have required that this actuarially determined amount, known as the *actuarially required contribution* (ARC),<sup>1</sup> be calculated within standardized parameters and disclosed as part of an employer's annual financial report.

Recently, the Governmental Accounting Standards Board (GASB) changed its approach with regard to pension reporting and moved from one that served both the purposes of accounting/financial reporting and funding to one related solely to accounting/financial reporting. As a result, GAAP will no longer require that employers calculate and disclose an ARC in their financial reports starting with fiscal years ending on or after June 30, 2014. Likewise, the parameters (e.g., actuarial cost method, asset smoothing, and amortization) that have standardized how an ARC is calculated have been eliminated from GAAP. In the absence of ARC disclosures, it will be difficult for stakeholders, including policy-makers, employees and the public to determine whether obligations are being appropriately funded. Consequently, there is a pressing need for widely recognized, standardized guidelines as to what constitutes a sound funding plan for a state or local government employer that offers defined benefit pensions. The GFOA and ten other national associations<sup>2</sup> representing state and local governments and retirement systems developed a set of pension funding guidelines to meet this need.<sup>3</sup> The following recommendation is a practical application of those guidelines.

**Recommendation.** The Government Finance Officers Association (GFOA) recommends that every state and local government that offers defined benefit pensions formally adopt a funding policy that provides reasonable assurance that the cost of those benefits will be funded in an equitable and sustainable manner. Such a funding policy should incorporate each of the following principles and objectives:

1. Every government employer that offers defined benefit pensions should continue to obtain no less than biennially an actuarially determined contribution (ADC) to serve as the basis for its contributions;
2. The ADC should be calculated in a manner that fully funds the long-term costs of promised benefits, while balancing the goals of 1) keeping contributions relatively stable and 2) equitably allocating the costs over the employees' period of active service;
3. Every government employer that offers defined benefit pensions should make a commitment to fund the full amount of the ADC each period. For some government employers, a reasonable transition period will be necessary before this objective can be accomplished;
4. Every government employer that offers defined benefit pensions should demonstrate accountability and transparency by communicating all of the information necessary for assessing the government's progress toward meeting its pension funding objectives.

The GFOA intends to develop additional best practices that will provide specific guidance on the practical application of these principles and objectives to each of the three core elements of a comprehensive pension funding policy: actuarial cost method, asset smoothing, and amortization.

### Notes

1. The new GASB standards no longer use the term "annual required contribution," or (ARC). Instead, the new standards refer to the disclosure of an "actuarially determined contribution" (ADC).
2. The other ten national organizations include: National Governors Association, National Conference of State Legislatures, Council of State Governments, National Association of Counties, National League of Cities, U.S. Conference of Mayors, International City/County Management Association, the National Association of State Auditors, Comptrollers and Treasurers, the National Association of State Retirement Administrators, and the National Council on Teacher Retirement. The Center for State and Local Government Excellence is convening this task force.
3. The GFOA Executive Board passed a resolution expressing the GFOA's support for the pension funding guidelines developed by the GFOA and nine other national associations. The resolution can be found at: [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=2539](http://www.gfoa.org/index.php?option=com_content&task=view&id=2539)

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RICHARD H. HARRIS is finance and compliance officer for the Denver Employees Retirement Plan. He has full responsibility for the relationship with the plan's actuary and is charged with the task of promoting a higher level of understanding of the plan's actuarial

liabilities to relevant stakeholder groups, including the DERP board, the city administration, and the city council. Before joining DERP in 2004, Harris spent 18 years at Coors Brewing Company. He is also vice-chair of the GFOA's Committee on Retirement and Benefits Administration. He can be reached at [rharris@derp.org](mailto:rharris@derp.org).

**Issued by:**

- National Governors Association (NGA)
- National Conference of State Legislatures (NCSL)
- The Council of State Governments (CSG)
- National Association of Counties (NACo)
- National League of Cities (NLC)
- The U.S. Conference of Mayors (USCM)
- International City/County Management Association (ICMA)
- National Council on Teacher Retirement (NCTR)
- National Association of State Auditors, Comptrollers and Treasurers (NASACT)
- Government Finance Officers Association (GFOA)
- National Association of State Retirement Administrators (NASRA)

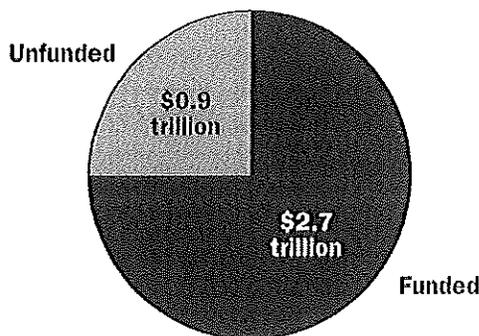


# PENSION FUNDING: A Guide for Elected Officials

## Introduction

Defined benefit pension plans have a long history in public sector compensation. These plans are typically funded through a combination of employer and employee contributions and earnings from investments. Public pension plans hold more than \$3 trillion in assets in trust on behalf of more than 15 million working and 8 million retired state and local government employees and their surviving family members. The pie chart below illustrates the 2011 funded status of 109 state-administered plans and 17 locally administered plans. These plans represent 85 percent of total state and local government pension assets and members.

**Figure 1.** Funding of Aggregate Pension Liability, 2011



Source: BC-CRR Estimates based on *Public Plans Database* (PPD).

The value of securities held by public and private retirement plans declined significantly following the economic crisis of 2008–2009, causing an increase in unfunded pension liabilities. The range of those unfunded public pension liabilities varies widely among governments. These same governments also have enacted major changes in their retirement plans over the past decade. Today, some public pension plans are well funded, while others have seen their funded status decline.

Now another change is on the horizon: new pension accounting standards issued by the Governmental Accounting Standards Board (GASB) in 2012. GASB Statement No. 67, *Financial Reporting for Pension Plans*, takes effect for pension plan fiscal years beginning after June 15, 2013 (fiscal years ending on or after June 30, 2014). GASB Statement No. 68, *Accounting and Reporting for Pensions*, applies to employers (and contributing nonemployers) in fiscal years beginning after June 15, 2014 (fiscal years ending on or after June 30, 2015).

These new accounting standards will change the way public pensions and their sponsoring governments report their pension liabilities. In particular, the new standards no longer provide guidance on how to calculate the actuarially determined annual required contribution (ARC), which many governments have used not only for accounting, but also to budget their pension plan contribution each year. In fact, these new GASB accounting standards end the relationship between pension accounting and the funding of the ARC.

In addition to GASB's new accounting standards, policymakers should be aware that rating agencies such as Moody's may use yet another set of criteria to assess the impact of pension obligations on the creditworthiness of a municipal bond issuer. If the ratings agencies publicize their pension calculations, state and local officials would be faced with the challenge of interpreting three sets of pension numbers: an accounting number to comply with the GASB's financial reporting requirements, an actuarial calculation to determine funding requirements for budgeting purposes, and a financial analysis figure produced by bond rating agencies to evaluate and compare issuers of municipal debt.

This guide provides key facts about public pension plans, why it is essential to have a pension funding policy, a brief overview of the new GASB standards, and which issues state and local officials need to address. The guide also offers guidance for policy makers to use when developing their pension plan's funding policy.

## Pension funding background

In the 1970s, it was not uncommon for state and local governments to fund their pensions on a pay-as-you-go basis. Following the passage of ERISA, which set private sector funding requirements, state and local officials took steps to fully advance-fund their pensions. They were further encouraged to meet their actuarial funding obligations by new accounting and reporting standards issued by the GASB in 1986.

The trend to improve pension funding continued over the next decade. When the GASB issued Statements 25 and 27 in 1994, employers were required to disclose information on plan assets and liabilities in their financial reports. More important, to comply with GASB, employers also had to disclose their actuarially determined ARC and the percentage of the ARC the employer actually paid. The GASB defined the ARC to include the normal cost of pensions for today's employees plus a contribution to pay for any unfunded liabilities, typically amortized over a maximum 30-year period. Paying the full ARC has been an important measure of whether or not a pension plan is on track to fund its pension promises.

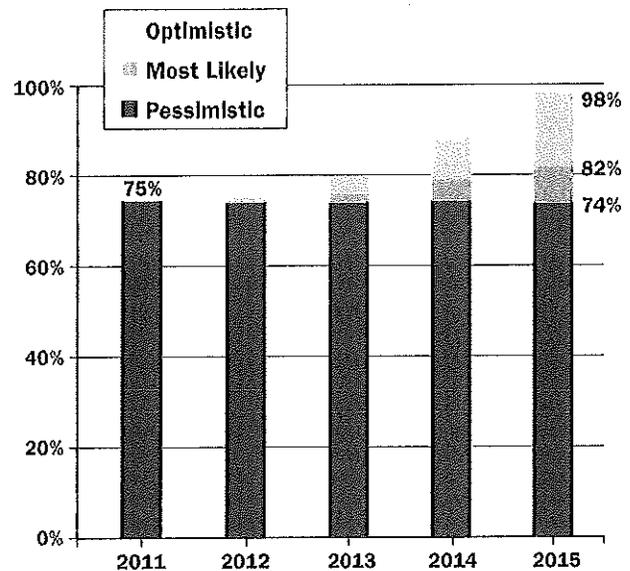
By the turn of the century, public pensions were as well funded as private pensions. In fact, most public plans were nearly 100 percent funded in 2000. Unfortunately, the last decade of economic upheaval and the wide swings in the stock market have reduced pension assets in both public and private plans.

In 2011, the estimated aggregate ratio of assets to liabilities slipped to 75 percent<sup>1</sup>. State and local officials have stepped up their efforts to restore pension funding. According to the National Conference of State Legislatures, 44 states have enacted major changes in state retirement plans from 2009–2012.<sup>2</sup> Changes have included increases in employee contributions to pension plans, longer vesting periods, reduced benefit levels, higher retirement ages, and lower cost-of-living adjustments. Some modifications may apply to new workers only, while others affect current employees and/or retirees.

## Pension funding policies

A variety of state and local laws and policies guide decisions concerning pension funding practices. Many state and local governments have passed legislation that stipulates how pensions should be funded. Others

**Figure 2.** Projected State and Local Funding Ratios Under Three Scenarios, 2011–2015



Source: BC-CRR estimates for 2011–2015 based on *Public Plans Database* (PPD).

have policies that address how pension assets are to be invested or if pension reserves must be maintained.

Generally speaking, employers with well-funded pension plans take a long-term approach to estimating investment returns, adjust their demographic and other assumptions as needed, and consistently pay their annual required contribution in full.

A clear pension funding policy is important because it:

- Lays out a plan to fund pensions;
- Provides guidance in making annual budget decisions;
- Demonstrates prudent financial management practices;
- Reassures bond rating agencies; and
- Shows employees and the public how pensions will be funded.

## GASB's new approach

Under prior GASB statements, there was a close link between accounting and funding measures. That link has now been broken. The new GASB standards

1 Munnell, Alicia H., Aubrey, Jean-Pierre, Hurwitz, Josh, Medina, Madeline, and Quinby, Laura, "The Funding of State and Local Pensions: 2011–2015," Center for State and Local Government Excellence, May 2012.

2 Snell, Ron, "State Retirement Legislation 2009–2012," National Conference of State Legislatures, July 31, 2012.

focus entirely on accounting measurements of pension liabilities and no longer on how employers fund the cost of benefits or calculate their ARC. This is a significant change for government employers because the ARC historically served as a guide for policy makers, employees, bond rating agencies and the public to determine whether pension obligations were being appropriately funded. The ARC also often was used to inform budget decisions.

Today, employers report a liability on the face of their financial statements only if they fail to fully fund their ARC (just as a homeowner would report a liability only for mortgage payments in arrears). Thus, many government employers today do *not* report a liability for pensions on the face of their financial statements. However, if the plan they sponsor does have an unfunded pension liability, it is reported in the notes to the financial statements, which are considered an integral part of financial reporting. In contrast, under the new GASB standards, employers will report their unfunded pension liability on the face of their financial statements, even if they fully fund each year's ARC (just as a homeowner would report a mortgage liability even if all monthly mortgage payments are paid on time, in full). Thus, in the future, all employers will report any unfunded pension liability on the face of their financial statements, and that amount may be substantial for many.

Furthermore, those seeking to know how much an employer should be contributing each year to the pension plan and how much the employer actually contributed (funding information) today can find that information in the employer's financial report. In contrast, under the new GASB pension accounting standards, employers will no longer *automatically* be required to obtain an actuarially determined ARC and then include information concerning that amount and actual employer contributions in their financial report.

## Filling the gap in funding guidance

Because the GASB's new standards focus entirely on how state and local governments should account for pension liabilities and no longer focus on how employers fund the costs of benefits or calculate their ARC, a new source of guidance is needed.

To help fill that gap, the national associations representing local and state governments established a Pension Funding Task Force (Task Force) to develop policy guidelines.

The "Big 7" (National Governors Association, National Conference of State Legislatures, Council of State Governments, National Association of Counties, National League of Cities, U.S. Conference of Mayors, and the International City/County Management Association) and the Government Finance Officers Association established a pension funding task force in 2012. The National Association of State Auditors, Comptrollers and Treasurers; the National Association of State Retirement Administrators; and the National Council on Teacher Retirement also serve on it. The Center for State and Local Government Excellence is the convening organization for the Task Force.

The Task Force has monitored the work of the actuarial community and the rating agencies, as well as considered recommendations from their own organizations to develop guidelines for funding standards and practices and to identify methods for voluntary compliance with these standards and practices.

The actuarial and finance communities have been working on the pension funding issues and will be invaluable resources as governments make needed changes. Indeed, the California Actuarial Advisory Panel and the Government Finance Officers Association have issued guidelines consistent with the Task Force's recommendations, but with a greater level of specificity. The Conference of Consulting Actuaries is also preparing similar guidance. State and local officials are encouraged to review the guidelines and best practices of these organizations.

It also is important to note that some governments with well-funded pension plans will determine that they need to make few, if any, changes to their funding policies, while others may face many challenges. Keep in mind that changes can be made over time. A transition plan can address changes that may need to be phased in over a period of years. For example, an employer or retirement board that currently amortizes its unfunded liabilities over 30 years could adopt a transition plan to continue that schedule (as a fixed, decreasing period) for current unfunded liabilities and to amortize any new unfunded liabilities over 25 years. In five years, that pension plan would have completed its transition to a 25-year amortization period.

In many cases, governments will need to strike a balance between competing objectives to determine the most appropriate timeframe in which to meet their goals.

## Task force recommendations

States and localities have established distinct statutory, administrative and procedural rules governing

how retirement benefits are financed. While nothing in the new GASB standards or the possible credit rating agency changes *requires* a change in funding policy, the Task Force recommends pension funding policies be based on the following five general policy objectives:

1. Have a pension funding policy that is based on an actuarially determined contribution.
2. Build funding discipline into the policy to ensure that promised benefits can be paid.
3. Maintain intergenerational equity so that the cost of employee benefits is paid by the generation of taxpayers who receives services.
4. Make employer costs a consistent percentage of payroll.
5. Require clear reporting to show how and when pension plans will be fully funded.

A sound pension funding policy should address at least the following three core elements of pension funding in a manner consistent with the policy objectives:

- Actuarial cost method;
- Asset smoothing method; and
- Amortization policy.

These core elements should be consistent with the parameters established by GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, with which most governmental entities currently comply. Such parameters specify an actuarially determined ARC that should comply with applicable Actuarial Standards of Practice (ASOP No. 4), be based on an estimated long-term investment yield for the plan, and should amortize unfunded liabilities over no more than 30 years. The actuarially determined ARC, the parameters for determining the ARC, and the percentage of the ARC the employer actually paid should be disclosed and reassessed periodically to be sure that they remain effective. To that end, the Task Force recommends that state and local governments not only stay within the ARC calculation parameters established in GASB 27, but also consider the following policy objectives when reviewing each core element of their funding policy:

**Actuarial Cost Method:** the method used to allocate the pension costs (and contributions) over an employee's working career.

**Policy Objectives:**

1. Each participant's benefit should be fully funded under a reasonable allocation method by the expected retirement date.

2. The benefit costs should be determined as a level percentage of member compensation and include expected income adjustments.

**The Entry Age Normal (level percentage of payroll) actuarial cost method is especially well-suited to meeting these policy objectives.**

**Asset Smoothing Method:** the method used to recognize gains or losses in pension assets over some period of time to reduce the effects of market volatility and provide stability to contributions.

**Policy Objectives:**

1. The funding policy should specify all components of asset smoothing, such as the amount of return subject to smoothing and the time period(s) used for smoothing a specific gain or loss.
2. The asset smoothing method should be the same for both gains and losses and should not be reset or biased toward high or low investment returns.

**The use of a five-year period for "smoothing" investment experience is especially well-suited to meeting these policy objectives.**

**Amortization Policy:** the policy that determines the length of time and structure of payments required to systematically fund accrued employee benefits not covered by the actuarial value of assets.

**Policy Objectives:**

1. The adjustments to contributions should be made over periods that appropriately balance intergenerational equity against the goal of keeping contributions level as a percentage of payroll over time.
2. The amortization policy should reflect explicit consideration of (a) gains and losses actually experienced by a plan, (b) any changes in assumptions and methods, and (c) benefit or plan changes.
3. The amortization of surplus requires special consideration consistent with the goal of stable costs and intergenerational equity.

**Amortizing the various components of the unfunded actuarial accrued liability over periods that focus on matching participant demographics but also, except for plan amendments, consider managing contribution volatility, is especially well-suited to meeting these policy objectives.**

## Conclusion

The most important step for local and state governments to take is to base their pension funding policy on an actuarially determined contribution (ADC). The ADC should be obtained on an annual or biannual basis. The pension policy should promote fiscal discipline and intergenerational equity, and clearly report when and how pension plans will be fully funded.

Other issues to address in the policy are periodic audits and outside reviews. The ultimate goal is to ensure that pension promises can be paid, employer costs can be managed, and the plan to fund pensions is clear to everyone.

## Resources

1. GFOA best practice, *Guidelines for Funding Defined Benefit Pension Plans*, at: [www.gfoa.org](http://www.gfoa.org)
2. GASB Statements No. 67 and 68 at: [www.GASB.org](http://www.GASB.org)
3. GASB Statement 27: [http://www.gasb.org/cs/ContentServer?site=GASB&c=Document\\_C&pagename=GASB%2FDocument\\_C%2FASBDocumentPage&cid=1176160029312](http://www.gasb.org/cs/ContentServer?site=GASB&c=Document_C&pagename=GASB%2FDocument_C%2FASBDocumentPage&cid=1176160029312)
4. Moody's Request for Comments: Adjustments to US State and Local Government Reported Pension Data at: [http://www.wikipension.com/wiki/Moodys\\_Request\\_For\\_Comments](http://www.wikipension.com/wiki/Moodys_Request_For_Comments)
5. National Conference of State Legislatures, changes to state pension plans at: <http://www.ncsl.org/documents/employ/2012-LEGISLATION-FINAL-Aug-31-2012.pdf>
6. The National Association of State Retirement Administrators for examples of state funding policies at: [www.NASRA.org](http://www.NASRA.org)
7. Center for State and Local Government Excellence for examples of changes to state and local government pension plans at: <http://slge.org>
8. California Actuarial Advisory Panel at: <http://www.sco.ca.gov/caap.html>
9. Conference of Consulting Actuaries at: <http://www.cactuaries.org/index.cfm>

AGENDA ITEM: IV.A.\_\_\_\_\_

DATE: 6-9-15\_\_\_\_\_

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

In accordance with Government Accounting Standard Board (GASB) Statement No. 67 & 68 the Newington Town Council hereby adopts the attached Pension Funding Policy and shall contribute the amount recommended by its actuary each fiscal year.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_



John Salomone  
Town Manager

# TOWN OF NEWINGTON

131 Cedar Street Newington, Connecticut 06111

## Finance Department

Ann J. Harter  
Director of Finance

### Memorandum

**To:** John Salomone, Town Manager  
**From:** Ann Harter, Director of Finance *AH*  
**Date:** May 21, 2015  
**Re:** Recommended Fiscal Year 2014-2015 Appropriation Transfers

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As you are aware, the Town Charter allows appropriation transfers from one department to another only in the last six months of the fiscal year. As the 2014-15 fiscal year end approaches, listed below are items that require appropriation transfer approval by the Town Council which is necessary to finance overdrafts. The attached report shows the Status of Expenditures as well as estimated balances. This item should be introduced for discussion at the May 26<sup>th</sup> Town Council meeting with the adopting transfer resolution to be scheduled for the June 9<sup>th</sup> meeting. In all cases, estimated savings in other departments and from the Town's Special Contingency will cover these amounts.

120 Town Manager: This department will be requesting funds to cover the cost of the Town Manager's salary adjustment and for a position no longer shared with the Board of Education that was not included in this department's budget at the time it was adopted.

Amount requested \$11,500

160 Town Attorney: Due to unanticipated legal cases, additional funds are needed for outside attorney costs.

Amount requested \$30,000

320 Highway: The shortage in this department is due to several extreme winter storms which affected the snow removal overtime and salt materials account which exceeded the budgeted amount by \$161,329. This overage is offset by savings of \$71,329 in the leaf collection and motor fuel line items.

Amount requested \$90,000

350 Solid Waste: This department is experiencing favorable trends due to less tonnage than anticipated for refuse disposal.

Amount available \$42,500

460 Conservation Commission: The shortage in this department is due to the increased cost of for meetings and legal notices.

Amount requested \$1,000

962 Special Contingency: The net effect of all the items mentioned above leaves a balance of \$90,000.

Amount available      \$90,000

In summary, the transfer requirements total \$132,500 and are financed from available appropriations in the same amount as outlined below:

<b>Transfer to:</b>	<b>Amount</b>	<b>Transfer from:</b>	<b>Amount</b>
Salaries	11,500	Contingency	90,000
Snow & Ice Control	90,000	Solid Waste	42,500
Legal Costs	30,000		
Conservation Commission	1,000		
<b>Total</b>	<b>132,500</b>	<b>Total</b>	<b>132,500</b>

I will be in attendance at the Town Council meeting on May 26<sup>th</sup> to answer any questions the council may have.

TOWN OF NEWINGTON  
 Status of Expenditures, by Activity (Department)  
 As of May 19, 2015

FUNCTION & ACTIVITY	Revised Budget FY 2014-15	Spent / Encumbered As of 5/19/15	Estimated To Be Spent/Enc. As of 6/30/15	Estimated Unencumbered Balance (Deficit) As of 6/30/15
General Government	4,667,970	3,836,108	4,709,470	(41,500)
Public Safety	8,073,749	6,871,453	8,073,749	-
Public Works	4,984,855	4,510,758	5,032,355	(47,500)
Community Planning & Development	530,868	448,909	531,868	(1,000)
Public Health	151,155	150,256	151,155	-
Community Services	1,021,689	838,876	1,021,689	-
Public Library	1,742,023	1,428,973	1,742,023	-
Parks & Recreation	1,668,336	1,333,859	1,668,336	-
Insurance-Miscellaneous	9,485,217	8,792,423	9,395,217	90,000 *
Debt Service	1,676,931	1,676,931	1,676,931	-
Metropolitan District	3,216,800	3,216,616	3,216,800	-
Capital Improvements	4,336,328	4,336,328	4,336,328	-
Equipment Reserve	395,000	395,000	395,000	-
Emp Leave Liab Res Fund	92,900	92,900	92,900	-
Total General Government	42,043,821	37,929,391	42,043,821	-
Board of Education (as of 3/31/15)	68,039,471	64,323,135	68,039,471	-
Total Town Budget	<u>110,083,292</u>	<u>102,252,526</u>	<u>110,083,292</u>	-

\*The Special Contingency appropriation balance will be reduced to \$102,500 after pending transfers to other departments are made.

TOWN OF NEWINGTON  
 Status of Expenditures, by Activity (Department)  
 As of May 19, 2015

FUNCTION & ACTIVITY	Revised Budget FY 2014-15	Spent / Encumbered As of 5/19/15	Estimated To Be Spent/Enc. As of 6/30/15	Estimated Unencumbered Balance (Deficit) As of 6/30/15
<b>100 General Government</b>				
110 Town Council	49,837	46,965	49,837	-
120 Town Manager	408,366	350,432	419,866	(11,500)
130 Courts	39,474	39,470	39,474	-
140 Elections	141,343	127,395	141,343	-
150 Finance	1,236,463	1,082,912	1,236,463	-
160 Town Attorney	150,200	139,350	180,200	(30,000)
170 Town Clerk	184,029	154,034	184,029	-
180 Personnel	49,206	40,192	49,206	-
190 General Services	2,409,052	1,855,359	2,409,052	-
Total	4,667,970	3,836,108	4,709,470	(41,500)
<b>200 Public Safety</b>				
210 Police Department	6,775,621	5,722,380	6,775,621	-
230 Fire Department	872,308	775,147	872,308	-
250 Street Lighting	315,000	267,099	315,000	-
260 Emergency Management	4,050	2,232	4,050	-
270 Emergency Medical Service	30,000	28,145	30,000	-
280 Hydrants	76,770	76,450	76,770	-
Total	8,073,749	6,871,453	8,073,749	-
<b>300 Public Works</b>				
310 Engineering	288,281	245,740	288,281	-
320 Highway Department	2,679,669	2,401,209	2,769,669	(90,000)
350 Solid Waste Services	2,016,905	1,863,810	1,974,405	42,500
Total	4,984,855	4,510,758	5,032,355	(47,500)
<b>400 Community Planning &amp; Development</b>				
420 Town Planner	215,981	186,351	215,981	-
430 Town Plan & Zoning	17,367	11,351	17,367	-
440 Zoning Board Of Appeals	2,662	1,984	2,662	-
450 Building Department	210,194	178,474	210,194	-
460 Conservation Commission	4,988	4,394	5,988	(1,000)
470 Economic Development	79,676	66,356	79,676	-
Total	530,868	448,909	531,868	(1,000)
<b>500 Public Health</b>				
510 Health Services	151,155	150,256	151,155	-
Total	151,155	150,256	151,155	-
<b>600 Community Services</b>				
610 Human Services	464,580	371,670	464,580	-
640 Senior & Disabled Center	547,770	461,474	547,770	-
670 Boards And Commissions	9,339	5,732	9,339	-
Total	1,021,689	838,876	1,021,689	-

TOWN OF NEWINGTON  
 Status of Expenditures, by Activity (Department)  
 As of May 19, 2015

FUNCTION & ACTIVITY	Revised Budget FY 2014-15	Spent / Encumbered As of 5/19/15	Estimated To Be Spent/Enc. As of 6/30/15	Estimated Unencumbered Balance (Deficit) As of 6/30/15
<b>700 Public Library</b>				
710 Library Operations	1,741,993	1,428,973	1,741,993	-
730 Hubbard Book Fund	30		30	
Total	<u>1,742,023</u>	<u>1,428,973</u>	<u>1,742,023</u>	<u>-</u>
<b>800 Parks &amp; Recreation</b>				
810 Administration	336,780	287,153	336,780	-
830 Grounds Maintenance	1,331,556	1,046,706	1,331,556	-
Total	<u>1,668,336</u>	<u>1,333,859</u>	<u>1,668,336</u>	<u>-</u>
<b>900 Insurance-Miscellaneous</b>				
910 Municipal Insurance	1,046,910	1,016,636	1,046,910	-
930 Greater Htfd Transit Dist	2,930	2,930	2,930	-
940 Employee Benefits	8,155,377	7,684,766	8,155,377	-
950 Donations & Contributions	30,000	30,000	30,000	-
960 Contingency	250,000	58,091	160,000	90,000
Total	<u>9,485,217</u>	<u>8,792,423</u>	<u>9,395,217</u>	<u>90,000</u>
<b>1000 Debt Service</b>				
1010 Interest Expense	231,931	231,931	231,931	-
1020 Principal Payments	1,445,000	1,445,000	1,445,000	-
Total	<u>1,676,931</u>	<u>1,676,931</u>	<u>1,676,931</u>	<u>-</u>
<b>1050 Metropolitan District</b>				
1051 Assessment	3,216,800	3,216,616	3,216,800	
Total	<u>3,216,800</u>	<u>3,216,616</u>	<u>3,216,800</u>	<u>-</u>
<b>1100 Capital Improvements</b>				
1110 Capital Improvements	4,336,328	4,336,328	4,336,328	-
Total	<u>4,336,328</u>	<u>4,336,328</u>	<u>4,336,328</u>	<u>-</u>
<b>2000 Equipment Reserve</b>				
2500 Equipment Reserve	395,000	395,000	395,000	-
Total	<u>395,000</u>	<u>395,000</u>	<u>395,000</u>	<u>-</u>
<b>3000 Emp Leave Liab Res Fund</b>				
3100 ELLF - Board Of Education	23,200	23,200	23,200	-
3200 ELLF - Town Operations	69,700	69,700	69,700	-
Total	<u>92,900</u>	<u>92,900</u>	<u>92,900</u>	<u>-</u>
<b>Total Town Government Operations</b>	<u>42,043,821</u>	<u>37,929,391</u>	<u>42,043,821</u>	<u>-</u>

AGENDA ITEM: IV.B.

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

CERTIFICATION:

In accordance with Section 808 of the Town Charter, I hereby certify that there exists, free from encumbrances, in the following appropriations in the General Fund, the amounts listed below:

<u>Account Number</u>	<u>Title</u>	<u>Amount</u>
350	Sanitation	\$42,500
962	Town Council Contingency	<u>\$90,000</u>
	Total	\$132,500

*Ann J. Harter, Director of Finance*

RESOLVED:

That the Newington Town Council hereby transfers the above-certified funds in the General Fund to the following accounts in the General Fund:

<u>Account Number</u>	<u>Title</u>	<u>Amount</u>
120	Town Manager	\$11,500
160	Town Attorney	\$30,000
320	Highway Department	\$90,000
460	Conservation Commission	<u>\$1,000</u>
	Total	\$132,500

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_



John Salomone  
Town Manager

# TOWN OF NEWINGTON

131 Cedar Street Newington, Connecticut 06111

## Office of Revenue Collector

Corinne Aldinger, CCMC  
Revenue Collector

### Memorandum

**To:** John Salomone, Town Manager  
**From:** Corinne Aldinger, CCMC, Revenue Collector *CA*  
**Date:** June 4, 2015  
**Re:** Suspense List

In accordance with Connecticut State Statute 12-165, the Suspense List must be submitted annually by the Revenue Collector to the Town Council. This year's suspense list totals \$73,131.80 as follows:

List Year	Real Estate	Personal Property	MV & Supp	Total
2012		9,008.76	64,123.04	73,131.80
<b>Total</b>		9,008.76	64,123.04	73,131.80
<b># Accounts</b>	0	14	410	424

While the above are technically deemed uncollectible, transferring these items does not at all prohibit the Town from collection when and if the taxpayer is located. As a matter of example, the Town collected \$23,230.83 in suspense items in 2013-14 and still continues collecting on these aged accounts. The interest component is not included in the total but continues to accrue should collection occur. Efforts to collect beyond the dunning delinquency notices included warrants issued to the constables, or sheriff as well as motor vehicle registrations reported to the Motor Vehicle Department and UCC Liens filed with the Secretary of State's Office on Personal Property. That measure too is often circumvented if the delinquent taxpayer elects to register under a different name. Other measures such as newspaper publication are quite costly with little or no financial return.

From an accounting perspective, this transfer presents a more accurate picture of the Town's accounts receivable by reducing it in the above amount. You will note that the majority of the accounts are in motor vehicles. A category which by its type is difficult to administer due to its transient nature. Newington has a large number of automobiles, approximately 29,411 or 1 car per capita. The Personal Property includes companies which have gone out of business, filed for bankruptcy, or have left the state.

Additionally, in accordance with Connecticut State Statute 12-164, the real estate accounts that are outstanding after 15 years are deemed uncollectible. The amount for the 1999 Grand List is \$5,968.21 and should be removed from the Town's receivable assets as of June 30, 2015.

Previous transfers to the Suspense Tax Book

2014	70,192.24
2013	109,566.14
2012	98,061.40

The Town continues to enjoy a high rate of tax collection of approximately 98.8% on the current list.

cc: Ann Harter, Finance Director

Phone: (860) 665-8540 Fax: (860) 665-8531  
tax@newingtonct.gov  
www.newingtonct.gov

AGENDA ITEM: IV.C.1

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

The Newington Town Council hereby authorizes transfers in the amount of \$73,131.80 to the Suspense Tax Book for the years 2012-2013 through 2013-2014. This action is being taken upon the recommendation of the Revenue Collector and as shown in a report dated June 4, 2015.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_

AGENDA ITEM: IV.C.2.

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

The Newington Town Council hereby authorizes the outstanding balance from the 1999 Grand List in the amount of \$5,968.21 be removed from the Town's receivable assets as of June 30, 2015 as per the recommendation of the Revenue Collector.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_



John Salomone  
Town Manager

# TOWN OF NEWINGTON

131 CEDAR STREET  
NEWINGTON, CONNECTICUT 06111

## OFFICE OF THE TOWN MANAGER

### MEMORANDUM

To: Newington Town Council  
From: John Salomone, Town Manager  
Date: June 04, 2015  
Re: Job Description – Board Certified Behavior Analyst (Board of Education)

---

The attached memo and job description were discussed at the last Council meeting. Per Council request, Newington Public Schools Chief of Staff Stephen Foresi will attend the June 9 Council meeting to answer questions about the position.

If the Council concurs, a resolution adopting the job description is attached for consideration.

Attach.



## NEWINGTON PUBLIC SCHOOLS

Stephen J. Foresi, Chief of Staff

131 CEDAR STREET • NEWINGTON, CONNECTICUT 06111 • 860-665-8639

DATE: May 21, 2015  
TO: John Salomone, Town Manager  
FROM: Stephen Foresi  
SUBJECT: **Job Description Adoption Proposal**

Dear John:

Over the years, we have had an increasing number of students with exceptionalities enter into our district. About a decade ago, we would outplace students for specific programming if we were unable to accommodate such programming in-district. When students are outplaced, or legally afforded a contracted service, the student and their family becomes disconnected with the school community. Additionally, the outplacement or contracted service for a student is generally double the cost of an in-district provided service.

About eight years ago, the legal qualifications for students with Autism changed, providing a broader definition. With this, we noticed an increased need to contact services with CREC for a Board Certified Behavior Analyst, or BCBA, to enter our schools. A BCBA works with school staff, students and families to support the needs of students with behavioral difficulties as identified in their Individualized Education Plan (IEP) through a Planning and Placement Team (PPT) meeting. Student recipients of such service are typically are diagnosed with Autism (ASD).

Currently, we annually contract four BCBA's with CREC. To date, our annual expenditures for BCBA contracted services is \$420,000.00. By employing our own BCBA, we could anticipate an approximate savings of \$300,000.00. Additionally, this position would build the capacity of our educators, students and families to better educate and support students with behavioral difficulties.

Therefore, attached please find a job description for a BCBA. I am requesting your assistance to bring before the Town Council the adoption of a BCBA position for the Newington Board of Education. In recent years, BCBA positions have been established in nearby towns such as: Berlin, Southington, West Hartford, Plainville, New Britain, Manchester, Farmington, and Trumbull.

Please do not hesitate to contact me with any questions.

Sincerely,

Stephen Foresi

## TOWN OF NEWINGTON

**TITLE:** Board Certified Behavior Analyst

**GRADE:** A-8

**DEPARTMENT:** Newington Public Schools

**COUNCIL ADOPTED:**

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### POSITION DESCRIPTION

The Behavior Analyst will work with school staff in supporting the needs of students with behavioral difficulties in the Least Restrictive Environment for each student. The Behavior Analyst will work with individual students and district-wide programming for special education students. The Behavior Analyst will train staff in strategies to support students and build capacity within the district for accommodating students with behavioral difficulties. The Behavior Analyst will report directly to the Director of Student Services.

### ESSENTIAL DUTIES AND RESPONSIBILITIES

*The following statements of duties and responsibilities are intended to describe the general nature and level of work being performed by individuals assigned to this position. These statements are not intended to be an exhaustive list of all duties and responsibilities required of all personnel within this position.*

- Participates in Planning and Placement Team (PPT) meetings for students identified with ASD and other disabilities on an as needed basis in order to assist building teams and parents in the decision-making process regarding the educational planning and programming for these students.
- Confers with general education classroom teachers, special education teachers, and related services providers regarding implementation of best practices for students with ASD.
- Provides leadership to school teams regarding discrete trial training and ABA programming.
- Works with building based Early Intervention Program (EIP) teams and PPT teams to ensure that students with disabilities participate in general education to the maximum extent appropriate and are assisted with supplementary aids and services prior to placement in more restrictive settings.
- Confers with parents and other professional staff members regarding the educational, social, and personal needs of students with ASD and other disabilities. Assists teachers and parents in the development of appropriate and measurable goals for students at school and at home.
- Maintains written records of communication with parents and other professional staff members in an organized manner.
- Provides individualized parent training necessary for parents to understand their child's disability and to enable them to support their child effectively and make progress in their educational program.
- Works collaboratively with school teams to devise and trial innovative teaching methods, utilize effective strategies, techniques and learning materials, and incorporate assistive technology, as appropriate, in order to effectively extend learning opportunities for students with ASD and other disabilities in the least restrictive environment.
- Upon request for assistance and approval from the Director of Student Services or designee, the Behavior Analyst provides consultation in the form of Functional Behavior Assessment and develops an appropriate Behavior Intervention Plan for students with ASD and other disabilities that present behavioral challenges.

- Assists parents and school teams in the transition process for students as they move to less restrictive environments and as students transition from elementary to middle and middle to high school.
- Maintains appropriate Individualized Education Program (IEP) and evaluation reports and prepares pertinent reports requested by the Preschool Special Education Administrator or Senior Coordinator of Pupil Services.
- Responsible for collaborating with special education administration in the design of a training plan to address staff needs in the area of working with students with ASD and other challenging behavioral disabilities.
- Provides orientation and training to therapists and educators assigned to work with students requiring ABA and/or discrete trial training. Oversees therapist implementation of ABA techniques and provides job embedded ongoing professional development to address continuing training needs.
- Designs, develops and implements management and/or behavioral interventions that are clinically sound.
- Participates in school and district-based teams to provide information about plans for individual students and district needs.
- Maintains appropriate records, assists and provides guidance for teachers and other staff in the implementation of management or behavioral interventions.
- Assists in the daily functions of the school, including dealing with crises among students.
- Helps maintain a safe environment for all students.
- Facilitates team-building skills.

## **REQUIRED KNOWLEDGE, SKILLS, AND ABILITIES**

- Thorough knowledge of concepts and principles of ABA and Discrete Trial Training.
- Knowledge and experience in analyzing targeted behavior for enhanced student performance and response.
- Knowledge of rules and regulations pertaining to special education.
- Knowledge of improvement planning, DDDM, SRBI, and Special Education.
- Knowledge of national, state and local educational goals and objectives.
- Knowledge of word processing, database, and spreadsheet software applications.
- Strong oral and written communication skills.
- Excellent interpersonal skills.
- Ability to develop and motivate staff.
- Ability to deal effectively with staff and the public.
- Ability to acquire a working knowledge of the functions and responsibilities of the school district.
- Ability to interpret a variety of instructions furnished in written, oral or diagrammatic form.
- Ability to compose clear and correct letters and reports.
- Ability to process paperwork accurately and efficiently.
- Ability to establish and maintain files and record systems.
- Ability to efficiently schedule and coordinate meetings and events.
- Ability to relate positively to those contacted.
- Ability to use computer equipment and related software programs.
- Ability to compile data as requested.
- Ability to maintain strict confidentiality of information as necessary.
- Ability to work effectively with other employees.

- Ability to communicate clearly, both verbally and in written form.
- Ability to learn new products and technologies as they become available.

## **REQUIRED PHYSICAL AND MENTAL EFFORT AND ENVIRONMENTAL CONDITIONS**

(The physical demands and work environment characteristics described here are representative of those an employee encounters while performing the essential functions of the job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.)

- Ability to work under stress from demanding deadlines and changing priorities and conditions.
- Ability to concentrate on fine detail with constant interruption.
- Ability to attend to task/ function for more than 60 minutes at a time.
- Ability to remember multiple task/ assignments given to self and others over long periods of time.
- Ability to move throughout the school, Town Hall and other Town buildings and sites.
- Works in office setting subject to continuous interruptions.
- Exposure to video display terminals on a daily basis.
- Ability to hear normal sounds with some background noise and to communicate effectively.
- Ability to file letters, correspondence, reports, etc. in file cabinet drawers ranging from 1' to 5' from the floor.

## **REQUIRED MINIMUM QUALIFICATIONS**

The skills and knowledge required would generally be acquired with:

- Must hold a Master's degree with an emphasis in psychology, behavioral studies, special education, sociology or related field.
- Must be a Board Certified Behavior Analyst (B.C.B.A.) or (B.C.A.B.A.).
- Must have a minimum of 2 years of experience working with children with special needs.
- Experience with ABA, Verbal, Behavior, VB MAPP assessment, Functional Behavior Assessment (FBA), and Picture Exchange Communication System (PECS) strongly preferred.

## **LICENSE OR CERTIFICATE**

Board Certified Behavior Analyst (B.C.B.A.) or (B.C.A.B.A.)

*Note: The above is illustrative of tasks and responsibilities. It is not meant to be all-inclusive of every task or responsibility.*

I understand that nothing in this position description restricts the Town's right to assign or reassign duties and responsibilities to this job at any time. I also understand that this position description reflects the Town Administration's assignment of essential functions; it does not prescribe nor restrict the tasks that may be assigned. I further understand that this position description may be subject to change at any time due to reasonable accommodation or other reasons.

I have reviewed this document and discussed its contents with my supervisor and I fully understand the nature and purpose of this position description and its related duties.

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Employee

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Date

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Superintendent

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Date

May 2015

AGENDA ITEM: IV.D.

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

The Newington Town Council hereby approves of amendments to the "Classification and Pay Plan" by approving the Board Certified Behavior Analyst A-8 (Board of Education) job description.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_



John Salomone  
Town Manager

# TOWN OF NEWINGTON

131 CEDAR STREET  
NEWINGTON, CONNECTICUT 06111

## OFFICE OF THE TOWN MANAGER

### MEMORANDUM

To: Newington Town Council  
From: John Salomone, Town Manager  
Date: June 5, 2015  
Re: Proposal to Honor Robert J. "Bob" Seiler, Sr.

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Resident Ann Brown has contacted various Town officials and staff with a proposal to dedicate a portion of Richard Street in the memory of the late Robert (Bob) Seiler. Bob Seiler was a retired Newington Police Officer, retired Newington Volunteer Firefighter and 46-year volunteer in various capacities, such as the Human Services Department, Board of Fire Commissioners and Kiwanis Club among others.

Ms. Brown proposed placing signs to dedicate a portion of Richard Street from Willard Avenue to Church Street in memory of Mr. Seiler. This is the area around Fire Company 2, in which he was an active volunteer. Since this is a Town road, the dedication may be decided locally through the recommendation of the Town Council's Facilities Naming Subcommittee and by Town Council resolution. Per the Town Planner and TPZ Chairperson Cathleen Hall, the item does not require TPZ approval.

The Facilities Naming Subcommittee met on April 28 regarding the request and will present its recommendation to the Council at the June 9 Council meeting.

If the Council concurs, a resolution will be placed on the June 23 Council agenda for consideration.

Attach.

Newington Town Council Meeting Tues, March 24, 2015

Presenter: Ann E K Brown, 195 Marlborough St.



I am here to present a **proposal to have the town dedicate Richard St. to Robert J. "Bob" Seiler, Sr.**

Robert J. "Bob" Seiler, Sr. began his service to the Town of Newington in 1966. Over the remaining 47 years of his life, Bob provided the town with untiring and uninterrupted service in various capacities, as a career and as a volunteer. He started his service to the town as a member of the Newington Volunteer Fire Department, Co. 2 in 1966. He was forced to resign from the Fire Department after he became a police officer with the Newington Police Department as was policy at that time. He remained with the Police Department for 25 years retiring as Sergeant.

Bob's volunteerism and service included the Newington Veterans Firefighters Association, the Department of Human Services, Kiwanis Club, the Newington Memorial Day Parade Committee and the Board of Fire Commissioners. Bob was the "go to" guy. Bring just about any issue to him and his response would be "I'll take care of it." He served this town, continuing business over the phone from his home until the hour came where he could no longer speak, just days before he passed on November 19, 2013.

It would be fitting and appropriate to honor Bob's memory and 47 years of service by dedicating a town road to him. As NVFD Co. 2 was his starting point, Richard St from Willard Ave west to Church St would be an appropriate road to honor him. The current and future residents of the Town of Newington should always be reminded of him and this is one way to keep his name alive in the town.

This proposal is endorsed by Mayor Woods, Chris Schroeder, Fire Chief, Chet Bogatz, Chairman Board of Fire Commissioners, Karen Futoma, Director, Human Services, Brian Whalen, President Newington Veterans Firefighters Association, Diane Stone, Director Senior and Disabled Center, Ken O'Brien Sr, Chairman Newington Memorial Parade Committee, Sandy Nafis, former State Representative and Meg Sautter, Bob's wife of 28 years to name of few. It is also supported by many others that Bob had interactions with. Some of these people are here tonight to show their support.

The list of organizations that he donated his time to, along with the dates of service, is listed on the handout (below).

Newington Volunteer Fire Department 1966 - 1975 member of Co. 2  
Newington Police Department 1972 - 1997 retiring as a Sergeant  
Fire Commissioner 1998 - 2002, 2009 - 2013, Chairman 2009 - 11/19/2013  
Newington Veterans Firefighters Association <2002 - 11/19/2013, President 2007 - 11/19/2013  
Kiwanis Club 1999 - 2013, President ? - 11/19/2013, Lt. Governor for New England & Bermuda District  
Newington Human Service Volunteer 1998 - 11/19/2013 Assisted in the management of the food bank  
Memorial Day Parade Committee <2006 - 2013, Treasurer 2006 - 2013  
Named Newington Volunteer of the Year 2011

Thank you.



John Salomone  
Town Manager

# TOWN OF NEWINGTON

131 Cedar Street Newington, Connecticut 06111

**Office of the Town Clerk**

Tanya D. Lane MMC  
Town Clerk

## Memorandum

**To:** John Salomone, Town Manager  
**From:** Tanya Lane, Town Clerk   
**Date:** May 27, 2015  
**Re:** Resignation—Ben Ancona: Conservation/Inland Wetlands Commission

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I am attaching a copy of the email communication received in the Town Clerk's office today from Ben Ancona who is resigning from the Conservation/Inland Wetlands Commission, effective immediately. Mr. Ancona was serving a term from 2/12/13 – 11/30/15.

Town Council is the appointing authority.

Lane, Tanya D.

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**From:** Ben Ancona [benancona@cox.net]  
**Sent:** Wednesday, May 27, 2015 9:53 AM  
**To:** Lane, Tanya D.; DOMINIC PANE  
**Subject:** My Resignation from Inland/Wetlands

Dear Madam Clerk: Please accept this correspondence as my formal resignation from the Inland/Wetlands and Conservation Commission.

Thank you,  
Ben Ancona

--

Benjamin Ancona Jr., Esq.  
Ancona & Siegel  
360 Maple Hill Avenue  
Newington, CT 06111  
860.436.2960  
Fax 860.785.8868  
Cell 860.559.1552

RECEIVED & RECORDED IN  
NEWINGTON LAND RECORDS

2015 MAY 27 AM 11:19

BY *Tanya D Lane*  
TOWN CLERK

AGENDA ITEM: V.A.1.

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

That the Newington Town Council hereby accepts the resignation of Benjamin Ancona from the Conservation/Inland Wetlands Commission, in accordance with a communication dated May 27, 2015.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_

AGENDA ITEM: V.A.2.

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

That the Newington Town Council hereby makes the following appointment:

**Conservation/Inland Wetlands Commission**

7 members, 3 alternates, 4 year staggered term  
Party Max. (Reg. members): 5

Name	Address	Party	Term	Replaces
			IMMED.-11/30/15	B. Ancona – Resigned 6-2015

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_

AGENDA ITEM: V.B.

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED: that the Newington Town Council hereby makes the following appointment(s):

**5. Board of Ethics**

7 members, 2 alternates, 4 year term  
Party Max. (Reg. members): 2 Rep., 2 Dem., 3 Unaf.

<b>Name</b>	<b>Address</b>	<b>Party</b>	<b>Term</b>	<b>Replaces</b>
<b>Benjamin Ancona</b>	<b>49 East Cedar Street</b>	<b>R</b>	<b>Immed. - 11/30/17</b>	<b>Dr. A. Skidgell (defacto)</b>
<b>Kimberly Ramstad</b>	<b>555 Main Street</b>	<b>U</b>	<b>Immed. - 11/30/16</b>	<b>Vacant</b>

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_

AGENDA ITEM: VI

DATE: 6-9-15

RESOLUTION NO. \_\_\_\_\_

RESOLVED:

That property tax refunds in the amount of \$148.19 are hereby approved in the individual amounts and for those named on the "Requests for Refund of an Overpayment of Taxes," certified by the Revenue Collector, a list of which is attached to this resolution.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE: \_\_\_\_\_

**TAX REFUNDS – June 9, 2015**

Katharine or David Schreiber 261 Cottonwood Road Newington, CT 06111	\$148.19
<b>Total</b>	<b>\$148.19</b>