

EAST LYME BOARD OF SELECTMEN
REGULAR MEETING OF DECEMBER 1, 2021
MINUTES

PRESENT: Mark Nickerson, Kevin Seery, Marc Salerno, Rose Ann Hardy, Paul Dagle and Dan Cunningham

ALSO PRESENT: Finance Director Anna Johnson and Town Attorneys Ed O'Connell and Mark Zamarka

Mr. Nickerson called the meeting to order at 7:13 p.m. and stated that the Pledge of Allegiance was done at the Town Meeting.

1b. Additional Agenda & Consent Items

There were none.

1c. Delegations

Ms. Michelle Williams, 2 Barrett Drive, Niantic, stated that she is a current member of the Planning Commission and Chair of the POCD subcommittee, and she is not in favor of the Board of Selectmen opting out of Accessory Dwelling Units (ADUs). Ms. Williams cited chapters from the POCD which support ADUs but stated that she is primarily speaking to you tonight as a private citizen and not a member of these commissions. She feels that ADUs can be beneficial to both younger residents that are just starting out and older residents that could use the financial break as they get older.

Ms. Jason Deeble, 5 MacKinnon Place, East Lyme, is not in favor of the Board of Selectmen opting out of ADUs, and he feels that the Board of Selectman have a unique opportunity to make a change in our community and try to reduce the systemic racism that he feels will be encouraged if the Town opts out of ADUs. He does not feel that this board will eliminate racism by allowing ADUs, but that this decision will be a step in the right direction.

Ms. Christine Stahl, 41 Oswegatchie Hills Road, Niantic, is not in favor of the Board of Selectmen opting out of ADUs stating that East Lyme has a lack of affordable residential rentals. Ms. Stahl stated that she feels that allowing ADUs in town will increase property values and supplement income for those that choose to participate. She stated that she lived in an affordable housing unit after college so she can attest to the value of having such affordable rentals in town.

Ms. Anne Thurlow, 80 Smith Street, Niantic, is in favor of the Board of Selectmen opting out of ADUs. She cited several reasons for opting out, including an increase in vehicles and parking issues. She also stated that any house can have an ADU as there are a lot of things that cannot be mandated under this law, including the fact that a person can put a shipping container in their front yard and utilize that as an ADU. Ms. Thurlow stated that the addition of an ADU may increase that property value, but it will in turn decrease the neighbors' property values. She does not believe that this law is written well, and she recommends that the Board of Selectmen opt out and allow the Zoning Commission to revise their regulations to support sustainable zoning and ADU regulations.

Ms. Holly Cheeseman, 16 Mitchell Drive and CT State Representative, is in favor of the Board of Selectmen opting out of ADUs. She does not feel that the State should dictate how the community deals with the subject of ADUs, and that it should be modified in the Zoning Regulations at the Town level and not by the State. She stated that no one argues that ADUs would be beneficial and should be allowed, but it should be built into the Town's regulations. Ms. Cheeseman thanked the Board, especially the outgoing

FILED

Dec 13 2021 AT 8:05 AM/PM

(Signature)

EAST LYME TOWN CLERK

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members, for their time and dedication away from their families and children to serve this community. She expects that we will be talking more in the coming months about the mental health of our children amid this pandemic and noted that the isolation that this has caused is now creating a big strain on our schools and pediatricians. She reported that there is shaping up to be a large surplus in next fiscal year's budget, upwards of \$915M; she expects that these funds will be returned to the residents in some form, possibly a property tax credit, a trust fund, and/or money being returned directly to the Town.

Ms. Christine Stahl, 41 Oswegatchie Hills Road, Niantic, addressed the Board a second time to communicate her opinion on the proposed Vikings Firearms facility, and she stated that the Town should not allow such a facility and that Zoning should have met with pediatricians to find out what affect a facility such as this will have on our children as it relates to gun violence. This new Board of Selectmen should reconsider Zoning's decision to allow. Mr. Nickerson responded by communicating that this matter was decided by the Zoning Commission and that it does not require Board of Selectmen approval.

Mr. Steve Larcen, 47 Oswegatchie Hills Road, Niantic, stated that he is not in favor of the Board of Selectmen voting to opt out of ADUs. He stated that there is no evidence reported by the four states that have allowed ADUs to show that these types of accessory units reduce property values. He urged the Board of Selectmen, as he did the Zoning Commission, to not take any action as we have until January of 2023 to opt out. This plan is consistent with the POCD, and the next year could be used to encourage the Zoning Commission to actively pursue if the concerns they outlined come into fruition. He stated that because the units must be 1,000 square feet or less, they will not be rented to families but to young adults and senior citizens that could use the support. This will also help senior citizens supplement their income so that they can afford to stay in their homes longer.

Ms. Michelle Maitland, 6 Acorn Drive, stated that she is not in favor of the Board of Selectmen opting out of ADUs. She does not support unconditional use of these units, but it is practical and compassionate to allow these types of units. She feels that the most important reason to say yes to ADUs is long term care and aging at home; these items together with ADUs go hand-in-hand.

1d. Approval of Minutes

MOTION (1)

Mr. Seery MOVED to approve the Public Hearing Minutes of October 20, 2021, as submitted. Seconded by Mr. Salerno. Motion passed 6-0.

MOTION (2)

Mr. Seery MOVED to approve the Regular Meeting Minutes of October 20, 2021, as submitted. Seconded by Mr. Dagle. Motion passed 6-0.

MOTION (3)

Mr. Seery MOVED to approve the Regular Meeting Minutes of November 3, 2021, as submitted. Seconded by Mr. Salerno. Motion passed 6-0.

MOTION (4)

DISCUSSION: Ms. Hardy stated that on page 2, a 1/3 of the way down the sentence begins with "allowed. Mr. Nickerson . . . ". It should read "Mr. Nickerson inquired if the Board's decision could be "reversed" . . . ; not "reserved" as it is typed in the minutes.

Ms. Hardy MOVED that this change be made. Seconded by Mr. Dagle. Motion passed 6-0.

MOTION (5)

Mr. Seery MOVED to approve the Special Meeting Minutes of November 17, 2021, as amended. Seconded by Mr. Salerno. Motion passed 6-0.

1e. Consent Calendar

DISCUSSION: Ms. Hardy asked for an explanation of the line item for East Lyme Water & Sewer. Ms. Johnson explained that the entire payment from the State of Connecticut for the Starlight Motel went to the Tax Collector in full; the amount you see on the Consent Calendar is Water & Sewer's portion that is due them.

MOTION (6)

Mr. Seery MOVED to approve the Consent Calendar for the meeting of December 1, 2021, in the amount of \$33,558.76.

Seconded by Mr. Salerno. Motion passed 6-0.

2a. Accessory Dwelling Units**MOTION (7)**

DISCUSSION: Town Attorney Mark Zamarka of Waller, Smith and Palmer, addressed the Board and stated that earlier this year the State Legislature passed Public Act 21-29, which in part allows Accessory Dwelling Units, ADUs, as of right on any single dwelling in the town. This act requires that the Town either adopt or amend the Zoning Regulations to allow ADUs, or that the Town opt out by January 1, 2023; the law goes into effect on January 1, 2022. If the town decides not to opt out by January 1, 2023, the ACT requires that the town adopt Zoning regulations in conformance with the act that among other things allow one ADU as of right on each lot that contains a single-family dwelling and to designate other areas where ADUs are allowed. The opt out process is a two-step process. Step one involves the Zoning Commission holding a public hearing, which is properly noticed as per 8-7D as with any land use public hearing. They must decide affirmatively to opt out by 2/3 vote and the decision must be rendered within 65 days of public hearing. The Commission must state the reasons for the decision on the record and must publish that decision within 15 days. The second step involves the Board of Selectmen. If the Zoning Commission decides to opt out, the Board of Selectmen may complete the process of opting out by a 2/3 vote. On October 14th, the Zoning Commission held a public hearing to consider the ADU provisions of Public Act 21-29. At its meeting on October 28th, the Commission voted to affirmatively opt out by a 4-2 margin, or the 2/3 vote required by the Act to opt out of the ADU provisions. The Zoning Commission followed all the opt out guidelines, and the Zoning Commission Chairman sent a letter to the Board of Selectmen notifying them of their decision and asking them to consider this matter at their earliest convenience. The Board of Selectmen must now decide either way by a 2/3 vote to either opt in or opt out; they do not have to hold a public hearing, they do not have to state reasons on the record, nor do they have to give notice of such decision. If the Board does nothing, accessory units will be allowed as of January 1, 2022; if the Board opts out, ADUs will not be allowed. Mr. Nickerson inquired if the Board's decision could be reserved either way at some point in the future, and Attorney Zamarka stated that the Act does not speak to that one way or the other and he does not see why they could not reverse the decision sometime in the future but that is not clear. Ms. Cheeseman stated that she expects that the State will be making further amendments to this bill. Mr. Seery stated that at a recent Connecticut Council of Municipalities (CCM) it was discussed that AirBNBs are not allowed under this law. Attorney Zamarka noted that although the Town can opt out and create its own Zoning regulations, the Town cannot impose additional stricter regulations than the ones that the State have in place. Ms. Hardy stated that it is not okay that there is no provision for allowing abutting property owners to weigh in on the

impact this could have on them. Mr. Dagle stated that if the town decides to opt in the town will be subject to the State and any changes they may make to this bill. Ms. Hardy pointed out that although the conversation has revolved around these ADUs being affordable housing, the ADUs do not apply to the 10% goal of affordable housing, so the town will continue to always be reaching for that goal. Mr. Seery agreed that the concept is great but this law needs a lot of work before he would feel comfortable opting in, and he reported that other towns have modified their own Zoning regulations instead of opting in. Mr. Nickerson noted that a letter was received by a member of the public, Mr. Gian Lombardo, 2 Hillcrest Road, who is not in favor of the Board of Selectman opting out of the ADUs. Mr. Salerno stated that he is not in favor of this bill not giving any notice to the neighbors to weigh in as an ADU could affect many things that would interfere with neighboring property owners. He stated that the Zoning Commission did opt out of ADU and cited many appropriate reasons for that decision, and he thinks that the Board of Selectmen should support their decision and opt out of ADUs. Mr. Salerno stated that there are a few reasons to opt out of ADUs currently, as the law is written now; no public hearing is required to allow the neighbors to communicate their concerns. We are a leader in increasing affordable housing in our town, so we have done our part, and Zoning just approved another affordable housing development in our town. Traffic currently is the number one complaint from the taxpayers in town, and this law will only increase vehicle and pedestrian traffic. The town is currently very tight on water and sewer capacities, and increasing the population is not going to help that situation. Ms. Hardy stated that she spent a lot of time reviewing this bill, and there are more issues that just the matter of the ADU itself; she does not feel it is right to take away of the right of the abutting property owners but not forcing a public hearing on each ADU application. She also noted that there is language in this current bill that does not make sense, for instance there is a clause in there about access to spring water. She noted that our Zoning Commission voted to opt out, and our State Senator and Representative are both in favor of opting out, so she is supporting opting out to allow our Zoning Commission to review the Town's regulations and to wait for the State to make any changes that they may make. Mr. Cunningham stated that initially he was in favor of opting out of the ADUs, but after speaking with people around town and listening to comments tonight, as well as being aware that rents continue to go up and ADUs can be quite helpful, he supports opting in to the ADUs. Mr. Seery is in favor of opting out of ADUs. Mr. Nickerson stated that the bill is definitely flawed and it has been the number one discussed item with CCM. He stated that Zoning opted out and that is currently the right thing to do as the State needs to rework the law as it is currently; we need to protect the current landowners as we welcome new residents into town. Sewer is a valid concern as it is a current problem in our town that can only get worse. Schools are also an issue; it costs about approximately \$20k per child to send them through the school system.

Mr. Seery MOVED that WHEREAS, Public Act 21-29 (the "Act") creates a new use titled "accessory apartments", also referred to as Accessory Dwelling Units ("ADU's"). The Act requires municipalities to adopt zoning regulations allowing one such apartment as of right on each lot that contains a single-family dwelling and to designate other areas where such apartments are allowed; and

WHEREAS, the Act allows municipalities to opt out of the ADU provisions of PA 21-29; and

WHEREAS, the East Lyme Zoning Commission followed the opt out provisions of the Act and by a 2/3 majority voted to opt out of the ADU provisions of Public Act 21-29; and

WHEREAS, pursuant to the Act the East Lyme Board of Selectmen, acting as the Town's legislative body, may "complete the process" of opting out by a 2/3 vote; and

WHEREAS, the Board has carefully considered and discussed the ADU provisions of the Act.

NOW, THEREFORE IT IS RESOLVED, that the East Lyme Board of Selectmen, by a 2/3 vote, hereby affirmatively opts out of the provisions of Public Act 21-29 regarding accessory apartments, or Accessory Dwelling Units (ADU's), pursuant to section 6(f) of Public Act 21-29.

Seconded by Mr. Seery. IN FAVOR; Nickerson, Seery, Hardy, Salerno and Dagle. OPPOSED; Cunningham. Motion passed 5-1.

3a. ARP Funds – Novatime Time & Attendance

MOTION (8)

DISCUSSION: Mr. Nickerson explained that the town is still using a time punch machine for employees to clock in and out, as well as 3-part carbon paper for leave requests, so we are overdue for an upgrade of this system. Ms. Johnson reported that they received three bids, and after review of such and a poll of comparable municipalities, the decision was made to go with the Novatime system. This system will work with all other systems currently being used within the town, including the Board of Education, and that it has many additional options that we may need or want in the future. For example, Mr. Bragaw reported that a viable additional option that can be added to the rollout of this Novatime system is to incorporate a keyless entry system into buildings and specific areas by use of a badge. Ms. Johnson explained that this system will improve the efficiency of processes and our staff, and may open up some opportunity for members of her staff specifically to help out with other departments as needed; there has been recent discussion about the need for a floater position. It was discussed that the Town Attorney has verified that this is an appropriate use of the American Rescue Plan funds, and that letter is attached hereto as Exhibit 1. A discussion was had regarding the \$25,200 annual maintenance fee and how difficult it is to know if this expense will offset current expenses, such as paper time cards, the 3-part carbon leave forms, one to two hours of staff time per day for manual input into a spreadsheet.

Mr. Seery MOVED to approve a special appropriation in the amount of \$67,392 for the purchase, installation and implementation of the NOVAtime (Andrews Technology) time and attendance system, source of funding being the America Rescue Program Funds and send to the Board of Finance for approval. Note: A Town Meeting is required.

Seconded by Mr. Salerno. Motion passed 6-0.

3b. Authorize First Selectman – US Bank

MOTION (9)

DISCUSSION: Ms. Johnson explained that the current firm notified the town that they will no longer provide the service of issuing monthly retirement payments to retirees. She stated that they went out to bid in accordance with the purchasing policy, and that the Town Attorney has approved this contract as to form.

Mr. Seery MOVED to authorize the sitting First Selectman of the Town of East Lyme to execute on behalf of the Town of East Lyme a Section 115 Custody Agreement with U.S. Bank National Association and is authorized to execute any and all documents necessary to consummate the transaction above contemplated. Seconded by Mr. Salerno. Motion passed 6-0.

3c. Pension Committee Experience Study

MOTION (10)

DISCUSSION: Ms. Johnson explained that this study looked at both economic and non-economic assumptions and that it contains several recommendations; A summary of said study is attached hereto as

Exhibit 2. Mr. Nickerson thanked Ms. Johnson for her integrity and professionalism, and he stated that he has leaned on her during his time as First Selectman and that he appreciates her hard work.

Mr. Seery MOVED to accept the results of the Experience Study performed for the Pension Committee and support their recommendations to implement.

Seconded by Mr. Salerno. Motion passed 6-0.

3d. 2022 BOS Meeting Schedule

Mr. Nickerson stated that it is more appropriate for the incoming Board discuss and approve the 2022 meeting schedule.

4a. Ex-Officio Reports

Ms. Salerno reported that the library group met and they are in favor of the idea of making the current emergency operations/dispatch building a library archive/museum and look forward to working with the new First Selectman and Board of Selectman on this project. He reported that he also attended a Board of Education meeting where Dr. Tim Hagen and board member John Kleinhans were recognized for their many years of service to the Board of Education, and Dr. Hagen was honored by having the pool annex named for him and his dedicated service. He thanked everyone for the great experience of many years of working together for the betterment of our community.

Ms. Hardy thanked the outgoing board members and noted that this will be the first time in many years that she will not have a student sitting with her as a fellow member on the Board of Selectmen.

Mr. Dagle thanked Ms. Holly Cheeseman for encouraging him to run for the Board of Selectmen a few years ago, and he thanked his fellow Board of Selectmen members and the voters for voting him onto this Board. He thanked the Department Heads that he has worked closely with for their valuable experience and teaching him so much about the processes along the way. He thanked the Public Safety Vision Committee for their hard work in making the best decisions that they could for the betterment of our police, dispatch and the community. Mr. Dagle thanked his fellow board members for the time they have worked together and for their professionalism and dedication to the community.

Mr. Cunningham thanked his fellow Board of Selectman members and stated that he has enjoyed working with all of them; through all the challenges, this board has accomplished a lot for the betterment of the community.

Mr. Seery thanked Mr. Nickerson for his leadership and he has appreciated everything that he has learned from working side by side with him and the rest of the board members. He thanked both Mr. Salerno and Mr. Dagle for all their hard work, and he looks forward to seeing them at community events around town; he has enjoyed working with both of them on this board and looks forward to working with them again in the future.

4b. First Selectman's Report

Mr. Nickerson expressed his pleasure with working with this board; they have had great discussions, made hard decisions, and have not always agreed on things but they always found a way to come to the best decisions that they could for the community. He stated that when people talk about all that has been accomplished by him during his time as First Selectman, he made clear that he accomplished nothing and that it was a collaboration of everyone in this room as well as the department heads, employees and community members that collaborated to get things done. He stated that he had the unique position of being the Chief Elected Official to watch this in action and equated it to how a watch relies on all the gears working together in order to function. He thanked the citizens of the community for their passion for this

community. He thanked his fellow Board of Selectmen members for their professionalism and their friendship.

5. Communications

There was none.

6. Public Comment

There was none.

7. Selectman's Response

There was none.

8. Executive Session

MOTION (11)

Mr. Seery MOVED to enter into executive session for the purpose of discussing personnel matters and to include Finance Director Anna Johnson.

Seconded by Mr. Dagle. Motion passed 6-0.

The Board entered into executive session at 9:49 p.m. They returned at 10:02 p.m. with no formal action was taken.

9. Human Resources

MOTION (12)

Mr. Seery MOVED to appoint Traci Santos as the Human Resources Director and to approve a special appropriation and transfer in the amount of \$4,164.00 from account number 01-01-120-200-500 (Contingency) to account number 01-01-106-100-211 (HR Manager) and forward to the Board of Finance for approval.

Seconded by Mr. Dagle. Motion passed 6-0.

MOTION (13)

Mr. Seery MOVED to adjourn the December 1, 2021, regular meeting of the East Lyme Board of Selectmen at 10:08 p.m.

Seconded by Mr. Nickerson. Motion passed 6-0.

Respectfully Submitted By:



Sandra Anderson
Recording Secretary



EDWARD B. O'CONNELL
TRACY M. COLLINS*
PHILIP M. JOHNSTONE+*
CHARLES C. ANDERSON
KERIN M. WOODS+
ELLEN C. BROWN*
MARK S. ZAMARKA
CATHERINE A. MARRION
TIMOTHY D. BLEASDALE
RACHAEL M. GAUDIO+*

December 1, 2021

Mark Nickerson, First Selectman
East Lyme Town Hall
108 Pennsylvania Avenue
Niantic, CT 06357

OF COUNSEL:
ROBERT W. MARRION
ROBERT P. ANDERSON, JR.
FREDERICK B. GAHAGAN

+ ALSO ADMITTED IN RI
* ALSO ADMITTED IN MA

Re: Special Appropriation of ARPA Funds for Automated Time
and Attendance System

Dear Mr. Nickerson:

You have requested our opinion regarding whether an appropriation requested by the Human Resources Department in the amount of \$67,392 for an automated time and attendance system meets the eligibility requirements of the Coronavirus Recovery Fund established under the American Rescue Plan Act of 2021 ("ARPA").

Currently, the town uses a manual method of keeping track of employee time and processing that time into a payroll, using documents that are created and touched by multiple persons in the process. Time cards must be processed onto time sheets or other summary documents such as three-part carbon sets. Then those documents are hand-delivered to Town Hall, where they are again assembled in order to create payroll documents.

Using the requested automated system there will be a touchless process. The data will be generated at the employee's desk or place of work and sent directly to his or her supervisor, and contemporaneously to the Human Resources Department at Town Hall. Employees who work remotely will not need to go to Town Hall to turn in their time cards. This is an important factor to take into account when considering the possibility that the Town Hall might have to be shut down again if another surge or variant of Covid strikes us in the future.

The U.S. Treasury Department issued an Interim Final Rule (IFR) on May 17, 2021 which establishes guidelines for how the funds may be used. The Treasury has issued an update that until it adopts a final rule, the IFR will remain binding and effective. "Therefore a municipality should continue to rely on the guidelines in the IFR and funds used in a manner consistent with the IFR will not be subject to recoupment."

The Treasury Department has ruled that ARPA funds may be used for capital improvements in public facilities and public buildings to meet pandemic operational

needs. Creating and implementing a touchless timekeeping system in the place of a system where manual documents are created, touched, hand-delivered and processed by numerous individuals protects the Town's employees and particularly the Town Hall staff from the spread of Covid. Moreover, creating a system whereby employees who work remotely can turn in their time to Town Hall in an automated manner is a capital improvement in a public facility to meet pandemic operational needs in the event of a Covid emergency which shuts down the Town Hall.

Taking all of the foregoing into account, it is our advice that the requested appropriation falls within the eligibility standards established by the American Recovery Plan Act of 2021.

Consistent with our previous advice, we recommend that the Town continue to employ the process outlined in the Charter when considering a special appropriation, such as the present request. This is also consistent with the ARPA's requirements of transparency and accountability regarding the use of those funds.

Very truly yours,



Edward B. O'Connell, of
Waller, Smith & Palmer, P.C.

EBO:cmc

Town of

P.O. Box 519
Anna M. Johnson
Director of Finance
ajohnson @eltownhall.com



East Lyme

108 Pennsylvania Avenue
Niantic, CT 06357-0519
Tel. (860) 691-4111
Fax: (860) 739-6930

Board of
Selectmen

DEC 01 21

Agenda Item
#3C

TO: Board of Selectmen
[Signature]
FROM: Anna Johnson, Director of Finance
DATE: November 23, 2021
RE: Pension Committee – Actuarial Experience Study

During the 2021 calendar year, the Town Pension Committee engaged the Actuary for the Plan, USI Consulting Group, to conduct an Actuarial Experience Study. The purpose of the study is to review current plan assumptions relative to future expectations. We have a single employer Defined Benefit Plan which covers members of all town groups of employees and secretarial and custodial staff of the Board of Education. The entry age normal accrued liability of the plan as of January 1, 2021 is \$29,280,456, and the present value of all future benefits is \$33,298,547.

The study reviewed both economic and non-economic assumptions of the plan. The assumptions were reviewed for actual results between January 1, 2012 and December 31, 2020.

The economic assumptions reviewed included discount rates (rates of investment return) and rates of increases in compensation. The current assumption is 7% rate of return, net of expenses. The recommendation was to create an Investment Policy Statement and consider lowering the rate to 6.75%, net of expenses. The committee recommends a more conservative approach lowering the rate to 6.5%, net of expenses.

With regard to rates of increase in compensation, the current assumption is 4.5%. Experience shows that compensation increases vary from year to year, some below and some above. The recommendation as a result of the study were as follows: Police and Fire – change to 4.75% prior to age 55 and 2.5% on and after age 55. For all others – change to 5% prior to age 50 and 3% on and after age 50. In addition, an ongoing review of compensation increases should continue to assure the assumptions mirror plan experience.

The non-economic assumptions reviewed included mortality rates, retirement rates, disability rates and termination rates. The Society of Actuaries published new mortality tables in 2011 that contained projections for future improvements in longevity – in 2014 new tables that included generational mortality projections and in 2019 a new set of mortality tables applicable to public pension plans. The current assumptions used are SOA PUBS.H-2010 for headcount-weighted table Police and Fire Participants and SOA PUBG.H-2010 – headcount-weighted table for General Employees. MP-2019 Improvement Scale for all. It is recommended we maintain the current mortality assumptions.

Retirement Rates were also reviewed. The Normal Retirement Age is the later of Age 65 or 10 years of service for non-Police and Fire participants and the later of age 50 and 25 years of service for employees who are part of the Police and Fire groups. In addition, plan participants may retire with a reduced

benefit beginning at age 55 and 10 years of service. The current assumption – 100% at normal retirement date. Based upon the Town's actual experience, it is recommended that the assumptions be updated as follows: Police and Fire – 3% at ages 55-59, 5% at ages 60-65, 10% at ages 65-70 and 100% at age 70. All others 4% at ages 55-61, 14% at ages 62-64, 20% at ages 65-70 and 10% at ages 71-72 and 100% at age 73.

Disability rates were reviewed for the past nine years. It was recommended that we maintain the current table. Termination Rates experience indicated that turnover was greater than expected. It was recommended to keep the current assumptions but to add a 5-year select period of 10% per year.

In a defined benefit plan such as the town offers, it is the Town's responsibility to ensure the assets of the plan will be sufficient to pay future monthly benefits. Each year the Town has an Actuarial Valuation conducted to determine the actuarial required contribution (ARC) will be based upon the assumptions that were analyzed in the study . The Town has historically made the ARC. The Pension Committee, upon the recommendation of the Actuary, had the "experience study" conducted to ensure the assumptions being used made sense. As a result of the study, certain recommendations were made and the committee supports the recommendations with one exception. The committee recommends that the discount rate to be used be 6.5% rather than 6.75% to take a more conservative approach to the ongoing funding of the plan. Although making the assumption changes, the actuary will closely monitor the results for confirmation the experience is reflective of the intended purpose.

Recommendation is that the Board of Selectmen accept the results of the Experience Study performed for the Pension Committee and support their recommendations to implement.