TOWN OF WATERFORD
GENERAL FUND
2023 - 2024 PROPOSED BUDGET

DEPT/AGENCY: 10116 RETIREMENT COMMISSION

LINE ITEM	DESCRIPTION	2021/2022 ACTUAL EXPENDED	2022/2023 RTM APPROP.	2022/2023 ADDITIONAL/ TRANSFERS	ACTUAL EXPEND & ENCUMB AS OF 1/1/23	2023/2024 DEPT/ AGENCY REQUEST	2023/2024 APPROVED BD/COMM. (1/4/23)	2023/2024 RECOMMENDED BD OF SELECTMEN (2/15/23)	BOS Approved $ Increase	BOS Approved % Increase
PERSONNEL COSTS										
51930	HYPERTENSION/ HEART DISEASE	171,003	173,820		92,537	177,448	177,448	177,448	3,628.00	2.09%
51940	PENSION CONTRIBUTIONS	4,142,777	4,581,338		2,215,767	5,020,191	5,020,191	5,020,191	438,853.00	9.58%
51945	RETIREE HEALTH BENEFITS	372,650	434,598		229,709	393,793	393,793	393,793	(40,805.00)	-9.39%
51949	OPEB TRUST FUND CONTRIBUTION	772,309	1,143,311		1,146,436	1,458,305	1,458,305	1,458,305	314,994.00	27.55%
	SUBTOTAL	5,458,739	6,333,067	0	3,684,449	7,049,737	7,049,737	7,049,737	716,670.00	11.32%
DEPARTMENT TOTAL		5,458,739	6,333,067	0	3,684,449	7,049,737	7,049,737	7,049,737	716,670.00	11.32%

BUDGET FUNCTION

The Retirement Commission is charged with the management of the retirement program for the Town. This budget represents the Commission's estimate of the employer cost required to fund our retirement plans on an actuarially sound basis.

The Retirement Commission voted to appoint an Investment Manager in April 2016 for both the pension trust and the OPEB trust fund. The trust was set up and funded in February 2017.

The Governmental Accounting Standards Board (GASB) issued a Statement 45 requiring the cost of Other Post-Employment Benefits (OPEB) to be recognized in the year earned (when the employee is working) rather than when paid (when the employee retires). In addition, the Statement also requires the recording of a liability (implicit rate subsidy) for those retirees that remain on the Town's plan at their own cost. Since the cost of similar benefits for these employees would be greater if the retiree was not part of the group, the statement requires the recording of the liability for the difference. The effective date of Statement 45 was July 1, 2006.

BUDGET SUMMARY

The proposed FY24 budget of $7,049,737 is 11.32% higher than FY23. The increased OPEB and MERS Pension contributions are the main drivers for the Budget increase in Fiscal Year 2024.

51930 HEART/HYPERTENSION BENEFITS
The Town is currently paying benefits to two individuals (one widow of a former police officer, one widow of a former firefighter) in accordance with judgments of the worker's compensation commission based upon Connecticut State Statute. In addition, the Town pays for treatment medications for several active police officers. A cost of living adjustment (COLA) is provided annually in October based on information provided by our H & H administrator.

51940 PENSION CONTRIBUTIONS
Overall Budget is up by 11.32%. All general employees, police, and firefighters are covered by MERF B, a State administered plan. Employees who retired prior to the Town joining the MERF system are covered by the Town administered plan.

The employer contribution rates for MERF B for fiscal year 2024 have not been released to date. Rates used are based on expected rates for FY23 received from the State of Connecticut Retirement Division. Payroll has been estimated based on 2022-2023 projected payroll using staffing levels as of November 2022. The employee contribution rate for fiscal year 2023-2024 is 4.25% of payroll and is provided for informational purposes only.

The proposed budget includes an administrative assessment fees for all active and retired employees of $130.00 per member. The 2023-2024 administrative fee of $81,380 is based on 342 active participants and 284 retirees.

BUDGET SUMMARY (continued)

The Public Employees Retirement System Fund (PERS) currently has 7 active participants. Effective fiscal year 2004, the RTM approved a change in benefit allowing for a minimum pension of $6,000 annually and offered a one- time $5,000 bonus. An annual increase linked to the CPI-U was approved with a cap of five (5%) percent per year. The June 30, 2021 Actuarial Valuation Report performed by Hooker & Holcombe, Inc. indicated that based upon the current population and the approved changes to the plan, the fund will carry an unfunded liability of $198,424.

The next PERS valuation will be completed in June 2023.

51945 RETIREE HEALTH BENEFITS

Overall Budget is down 9.39%. The main driver is the decrease in actual monthly cost to the Town. The Town currently has fourteen (14) retirees who receive post-retirement healthcare benefits. In addition, there are another 32 employees in the Over 65 classification that receive post-employment healthcare benefits. The current GGA contract allows for a buy-out of accrued sick time hours in excess of 1,400 per year for deposit into a Health Retirement Account to be used by the employee for medical costs incurred following retirement.

The cost of the third party administration of the HRA has been included in the line item. The annual cost of this excess, sick time accrual is included in the respective employee's department budget.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

On December 1, 2014, the RTM approved the establishment of a trust fund to account for the OPEB contributions. The Retirement Commission is responsible for the oversight and recommended funding of the OPEB Trust. The Retirement Commission voted to appoint an Investment Manager in April 2016 for both the pension trust and the OPEB trust fund.The trust was set up and funded in February 2017.

BUDGET SUMMARY (continued)

Proposed Budget for Fiscal Year 2024 contains an increase of 11.32%.

As of the July 1, 2022, actuarial OPEB valuation, the Town's Unfunded Actuarial Accrued Liability is $20,868,668. The annual required contribution (ARC) for FY2024 is $2,505,310. This contribution is funded in several account lines in the annual budget:

Trust Contribution (10116-51949)	1,458,305
Retiree Health Benefits (10116-51945)	393,793
Over 65 - fully insured (10112-52251)	653,212
	2,505,310

TOWN OF WATERFORD
GENERAL FUND
2023-2024 PROPOSED BUDGET

DEPT/AGENCY: 10116 RETIREMENT COMMISSION

LINE ITEM	DESCRIPTION	2021/2022 ACTUAL EXPENDED	2022/2023 RTM APPROP.	2022/2023 ADDITIONAL/ TRANSFERS	ACTUAL EXPEND & ENCUMB AS OF 1/1/23	2023/2024 DEPT/ AGENCY REQUEST	2022/2023 APPROVED BD/COMM.	Department Request $ Increase	Department Request % Increase
PERSONNEL COSTS									
51930	HYPERTENSION/ HEART DISEASE	171,003	173,820			177,448		3,628	2.09%
51940	PENSION CONTRIBUTIONS	4,142,777	4,581,338			5,020,191		438,853	9.58%
51945	RETIREE HEALTH BENEFITS	372,650	434,598			393,793		(40,805)	-9.39%
51949	OPEB TRUST FUND CONTRIBUTION	772,309	1,143,311			1,458,305		314,994	27.55%
	SUBTOTAL	**5,458,739**	**6,333,067**	**0**	**0**	**7,049,737**	**0**	**716,670**	**11.32%**
DEPARTMENT TOTAL		**5,458,739**	**6,333,067**	**0**	**0**	**7,049,737**	**0**	**716,670**	**11.32%**

Note:

The OPEB Trust contribution is currently based on the July 2022 OPEB valuation. The valuation report provides an ADEC (Actuarially Determined Employer Contribution) figure of $2,505,310. The town budgets on a "pay as you go" basis and funds the ADEC in various budgets as follows:

Trust Contribution (10116-51949)	1,458,305
Retiree Health Benefits (10116-51945)	393,793
Over 65 - fully insured (10112-52251)	653,212
	2,505,310

TOWN OF WATERFORD
RETIREE HEALTH BENEFITS -SUMMARY SHEET
2023-2024 PROPOSED BUDGET

10116-51945 - RETIREE HEALTH BENEFITS

	MONTHLY COST	NO. OF MONTHS	ANNUAL COST	
RETIREES - OVER 65	$7,534.67	12	$90,416.04	[1]
RETIREES - UNDER 65	$22,368.64	12	$268,423.68	[2]
NON BCBS SUPPLEMENT	$2,812.81	12	$33,753.69	[3]
PROSPECTIVE RETIREES	$0.00	12	$0.00	
ADMINISTRATIVE COST - HRA	$100.00	12	$1,200.00	[4]
TOTAL	**$32,816.12**		**$393,793.41**	

AMOUNT TO BUDGET	**393,793**
2022-2023 ADOPTED BUDGET	434,598
PERCENT INCREASE OVER P/Y	-9.39%

[1] Budget calculation based on October 2022 monthly cost to Town.

[2] Budget calculation based on October 2022 rates.

[3] In 2021-22, 14 retirees were reimbursed for Non-BCBS supplement. The total reimbursement was $33,753.69. The retiree must submit copies of paid invoices to receive the reimbursement.

[4] Third party fee for the administration of the HRA accounts allowed for in the current GGA contract. Third party vendor is Flores & Associates.

TOWN OF WATERFORD
HEART/HYPERTENSION 2023-2024 FISCAL YEAR PROPOSED BUDGET

HEART/HYPERTENSION	2018-2019 ACTUAL	2019-2020 ACTUAL	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-2023 BUDGETED	2022-2023 as of 10/6/22	2023-2024 PROPOSED
WAGES [1]	203,002.00	163,225.33	167,099.92	64,269.20	163,820	48,403	171,448
TREATMENT MEDICATION [2]	14,185.89	4,066.39	5,996.45	1,907.30	10,000	1,122	6,000
TOTALS	**217,187.89**	**167,291.72**	**173,096.37**	**66,176.50**	**173,820.00**	**49,525.00**	**177,448.00**

NOTES:

[1] COLA rates used as of October 1, 2022 Note. That the COLA did not increase again this year.

[2] Treatment medication is based on prior year actual.

TOWN OF WATERFORD
PENSION CONTRIBUTIONS
2023-2024 FISCAL YEAR PROPOSED BUDGET

PENSION CONTRIBUTIONS	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 ACTUAL	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-2023 BUDGETED	2023-2024 PROPOSED	INCREASE/ (DECREASE) OVER P/Y	% INCREASE/ (DECREASE) OVER P/Y
TOWN OF WATERFORD PLAN									
EMPLOYER CONTRIBUTIONS	81,493.00	81,131.00	82,000.00	82,000.00	83,000.00	27,280.00	27,280.00	0.00	0.00%
ACTUARIAL FEE*	4,500.00	5,395.01	7,953.00	7,100.00	5,957.91	7,100.00	7,475.00	375.00	5.28%
	85,993.00	86,526.01	89,953.00	89,100.00	88,957.91	34,380.00	34,755.00	375.00	1.09%
MERS									
EMPLOYER CONTRIBUTIONS	2,645,182.00	2,735,169.99	3,851,781.65	3,615,776.00	3,839,599.51	4,072,161.22	4,476,259.15	404,097.93	9.92%
AMORTIZATION/ADMIN COST	507,956.00	497,704.00	497,704.00	502,644.00	420,218.58	474,796.78	509,176.76	34,379.98	7.24%
	3,153,138.00	3,232,873.99	4,349,485.65	4,118,420.00	4,259,818.09	4,546,958.00	4,985,435.91	438,477.91	9.64%
TOTALS	**3,239,131.00**	**3,319,400.00**	**4,439,438.65**	**4,207,520.00**	**4,348,776.00**	**4,581,338.00**	**5,020,190.91**	**438,852.91**	9.58%

TOWN OF WATERFORD
PROJECTED MERF CONTRIBUTION - ACTUAL 2020-2021 WAGES
2023-2024 FISCAL YEAR

	PROJECTED 2022-2023 WAGES				ACTUAL 2021-2022 WAGES				
MONTH	**TOWN SALARIES**	**POLICE/FIRE SALARIES**	**BOE NON-CERT SALARIES**	**TOTAL**		**TOWN SALARIES**	**POLICE/FIRE SALARIES**	**BOE NON-CERT SALARIES**	**TOTAL**
JULY 2022 ACTUAL	$878,393.03	$611,783.53	373,415.47	1,863,592.03	JULY 2021	$ 855,142.86	$ 592,153.40	609,023.33	2,056,319.59
AUGUST 2022 ACTUAL	$672,684.15	$496,862.45	379,273.22	1,548,819.82	AUGUST 2021	$ 666,594.77	$ 501,164.02	417,580.77	1,585,339.56
SEPTEMBER 2022 ACTUAL	$824,303.13	$592,635.61	549,219.99	1,966,158.73	SEPTEMBER 2021	$ 689,266.21	$ 520,505.04	554,161.35	1,763,932.60
OCTOBER 2022 ACTUAL	$910,202.27	$648,992.79	575,561.18	2,134,756.24	OCTOBER 2021	$ 847,216.21	$ 615,629.50	545,622.63	2,008,468.34
NOVEMBER 2022 ACTUAL	$715,827.87	$550,210.77	575,561.18	1,841,599.82	NOVEMBER 2021	$ 690,802.56	$ 466,314.82	535,227.83	1,692,345.21
DECEMBER 2022 PROJECTED	$933,547.73	$766,362.41	578,029.98	2,277,940.12	DECEMBER 2021	$ 868,946.17	$ 726,965.41	822,904.88	2,418,816.46
JANUARY 2023 PROJECTED	$757,370.71	$468,850.09	575,561.18	1,801,781.98	JANUARY 2022	$ 704,960.61	$ 444,747.54	503,052.28	1,652,760.43
FEBRUARY 2023 PROJECTED	$798,774.57	$467,022.15	575,561.18	1,841,357.90	FEBRUARY 2022	$ 743,499.32	$ 443,013.57	581,154.73	1,767,667.62
MARCH 2023 PROJECTED	$746,630.58	$462,315.13	575,561.18	1,784,506.89	MARCH 2022	$ 694,963.70	$ 438,548.53	540,929.10	1,674,441.33
APRIL 2023 PROJECTED	$906,881.68	$600,549.89	575,561.18	2,082,992.75	APRIL 2022	$ 844,125.41	$ 569,676.95	542,688.27	1,956,490.63
MAY 2023 PROJECTED	$735,417.70	$545,624.11	575,561.18	1,856,602.99	MAY 2022	$ 684,526.75	$ 517,574.78	506,834.66	1,708,936.19
JUNE 2023 PROJECTED	$746,782.20	$540,928.43	863,341.77	2,151,052.40	JUNE 2022	$ 695,104.82	$ 513,120.49	785,024.50	1,993,249.81
TOTALS:	**9,626,815.62**	**6,752,137.36**	**6,772,208.69**	**23,151,161.67**		**8,985,149.39**	**6,349,414.05**	**6,944,204.33**	**22,278,767.77**
Est wage increase FY24	2.50%	2.75%	2.50%			2.50%	2.50%	2.50%	
Projected MERF salaries 2023-24	9,867,486.01	6,937,821.14	6,941,513.91	**23,746,821.06**		9,209,778.12	6,508,149.40	7,117,809.44	**22,835,736.96**
2023-2024 Contribution Rate [1]	**17.55%**	**23.11%**	**16.44%**			**15.24%**	**20.95%**	**15.24%**	
Est. Employer Contribution 2023-2024	**$1,731,743.79**	**$1,603,330.47**	**$1,141,184.89**	**$4,476,259.15**		**$1,403,570.19**	**$1,363,457.30**	**$1,084,754.16**	**$3,851,781.65**
Amortization	0.00	427,247.68	549.08	427,796.76		0.00	416,827.00	537.00	417,364.00
Administrative Fee	31,980.00	12,870.00	36,530.00	81,380.00		31,200.00	12,740.00	36,400.00	80,340.00
CONTRIBUTION	**$1,763,723.79**	**$2,043,448.15**	**$1,178,263.97**	**$4,985,435.91**		**$1,434,770.19**	**$1,793,024.30**	**$1,121,691.16**	**$4,349,485.65**

CONTRIBUTION RATE

1. The contribution rate is based on the MERF Projection for FY 2023 from the State of CT. FY 2024 rates not expected to March 2023.

STATE *of* CONNECTICUT

RETIREMENT SERVICES DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2022

Ms. Joyce Sauchuk
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Local 1303 152-B

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2022. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2022 to June 30, 2023 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	7.25%
Unfunded Accrued Liability	10.30%
Total	17.55%

We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 18.02% for fiscal year ending June 30, 2025. The estimated schedule of future employer contribution rates is provided in the June 30, 2021 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2022, the employee contribution rates for members covered by Social Security will increase from 3.75% to 4.25%. Please note that the employee contribution rate for wages above the Social Security Wage Base is 7.00%.
- There is no annual amortization payment for prior service.
- The CMERS administrative charge is $17,810. This charge is based on $130 per active and retired member. Our most recent files show 69 active members and 68 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 17.55% at its February 17, 2022 meeting. A copy of the June 30, 2021 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE *of* CONNECTICUT

RETIREMENT SERVICES DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2022

Ms. Joyce Sauchuk
Director of HR
Waterford Fire Department
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Fire 152-F

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2022. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2022 to June 30, 2023 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	10.60%
Unfunded Accrued Liability	12.51%
Total	23.11%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 23.32% for fiscal year ending June 30, 2025. The estimated schedule of future employer contribution rates is provided in the June 30, 2021 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2022, the employee contribution rates for members covered by Social Security will increase from 3.75% to 4.25%. Please note that the employee contribution rate for wages above the Social Security Wage Base is 7.00%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $2,210. This charge is based on $130 per active and retired member. Our most recent files show 10 active members and 7 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 23.11% at its February 17, 2022 meeting. A copy of the June 30, 2021 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

State *of* Connecticut

Retirement Services Division

Retirement Services Division
Office *of the* State Comptroller
165 Capitol Ave.
Hartford, CT 06106

March 4, 2022

Ms. Joyce Sauchuk
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Police 152-P

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2022. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2022 to June 30, 2023 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	10.60%
Unfunded Accrued Liability	12.51%
Total	23.11%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 23.32% for fiscal year ending June 30, 2025. The estimated schedule of future employer contribution rates is provided in the June 30, 2021 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2022, the employee contribution rates for members covered by Social Security will increase from 3.75% to 4.25%. Please note that the employee contribution rate for wages above the Social Security Wage Base is 7.00%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $12,350. This charge is based on $130 per active and retired member. Our most recent files show 48 active members and 47 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 23.11% at its February 17, 2022 meeting. A copy of the June 30, 2021 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE *of* CONNECTICUT

RETIREMENT SERVICES DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2022

Ms. Joyce Sauchuk
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Gen Gov Admin 152-T

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2022. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2022 to June 30, 2023 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	7.25%
Unfunded Accrued Liability	10.30%
Total	17.55%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 18.02% for fiscal year ending June 30, 2025. The estimated schedule of future employer contribution rates is provided in the June 30, 2021 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2022, the employee contribution rates for members covered by Social Security will increase from 3.75% to 4.25%. Please note that the employee contribution rate for wages above the Social Security Wage Base is 7.00%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $6,240. This charge is based on $130 per active and retired member. Our most recent files show 21 active members and 27 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 17.55% at its February 17, 2022 meeting. A copy of the June 30, 2021 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE *of* CONNECTICUT

RETIREMENT SERVICES DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2022

Ms. Joyce Sauchuk
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Town 152-W

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2022. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2022 to June 30, 2023 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	7.25%
Unfunded Accrued Liability	10.30%
Total	17.55%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 18.02% for fiscal year ending June 30, 2025. The estimated schedule of future employer contribution rates is provided in the June 30, 2021 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2022, the employee contribution rates for members covered by Social Security will increase from 3.75% to 4.25%. Please note that the employee contribution rate for wages above the Social Security Wage Base is 7.00%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $9,490. This charge is based on $130 per active and retired member. Our most recent files show 35 active members and 38 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 17.55% at its February 17, 2022 meeting. A copy of the June 30, 2021 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

Executive Summary

	July 1, 2021	July 1, 2019
Number of members		
Active employees	0	0
Terminated vested members	0	0
Retired, disabled and beneficiaries	7	10
Total	7	10
Covered employee payroll	N/A	N/A
Average plan salary	N/A	N/A
Actuarial present value of future benefits	786,000	1,019,984
Actuarial accrued liability	786,000	1,019,984
Plan assets		
Market value of assets	639,050	535,281
Actuarial value of assets	587,576	553,774
Unfunded accrued liability	198,424	466,210
Funded ratio	74.8%	54.3%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2023	2021
ADEC	27,280	59,870
Fiscal year ending	2024	2022
ADEC	27,280	59,870

OPEB

Executive Summary

	July 1, 2022	July 1, 2020
Number of members		
Active members	368	404
Retired members and dependents	179	119
Total	547	523
Covered employee payroll	29,029,526	31,115,420
Average plan salary	78,885	77,018
Actuarial present value of future benefits	32,284,998	27,947,165
Actuarial accrued liability	30,074,765	25,386,650
Plan assets		
Market value of assets	8,465,847	6,109,331
Actuarial value of assets	9,206,097	6,109,331
Unfunded accrued liability	20,868,668	19,277,319
Funded ratio	30.6%	24.1%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2024	2022
ADEC	2,505,310	2,217,688
Fiscal year ending	2025	2023
ADEC	2,516,833	2,231,121