

PENSION COMMITTEE
SPECIAL MEETING
WEDNESDAY, NOVEMBER 17, 2010
TOWN HALL 9:00 A.M.

CALL TO ORDER: The meeting was called to order at 9:00 A.M.

PRESENT: Committee members: Bill Kirkpatrick, chair; George Warner and Ham Wilson members; Kim Marcotte, Somers CFO; Lisa Pellegrini, First Selectman; Linda Savitsky, Consultant for the Town Pension Plan; Ann Logan, Town Clerk.

DISCUSSION WITH MS. SAVITSKY RE: TOWN PENSION PLAN

The Committee outlined for Ms. Savitsky four items we wished to discuss, as follows:

1. Defined Benefit, Defined Contribution, or Hybrid plan advantages.
2. Elimination of the lump-sum cash out option
3. Increase in length of service for benefit accrual
4. Increase in employee contributions

After discussion, which included the history of the Somers Town Plan and the possibility of joining the Connecticut State plan for municipalities, it was agreed to do the following.

- Contact our actuary, obtain his fees and get an estimate of the costs of the 2,3, 4 above.
- Contact our attorney, obtain his fees for updating our plan for legal compliance and making it a true retirement plan, including eliminating the lump sum.

Details will include cost estimates for length of service extensions from the present 15 years to 20 and 25 years and increasing employee contributions from 1% to 2 ½% and 3 ½%.

Hopefully the CFO and First Selectman can have these reports available for the Committee's next meeting on January 27, 2011.

It is the Committee's desire not to change its fiduciary responsibilities vis-à-vis plan assets, but to stay in the loop concerning plan changes, as any major plan changes could affect investment policy.

ADJOURNMENT: There being no additional business, the meeting was adjourned at 9:55 A.M.

Respectfully submitted,

Hamline C. Wilson
Clerk

