

TOWN OF CANAAN  
Special Board of Selectmen's Meeting  
Monday, April 2, 2007 @ 7:00 PM  
108 Main Street, Falls Village, Connecticut 06031

The meeting was called to order at 7:03 PM by First Selectman Patricia Mechare. Also in attendance were Selectman Peter Lawson, Selectman Charles Lewis, President of the Falls Village Volunteer Fire Department, Inc. Tim Paviol, Directors of the Department Linda Paviol, Beckie Seney, Kent Allyn, John Allyn and Fred Palmer, Chief David Seney as well as Ed Holohan of Penflex, Inc.

Mr. Holohan gave a brief review of the format that Penflex offers in establishing a pension for emergency services personnel. There was general discussion regarding the plan administrator. Since the Town would be providing the funds for the plan all felt it logical that the Town be the plan administrator.

There was discussion regarding the funds that the Town had already set aside for the retirement benefit (\$92,000) and how those funds would be allocated, over what period of time and how it would be determined who was actually eligible during that time frame established. There was further discussion regarding how the veteran members of the Department would be handled as part of the pension plan. After much discussion the consensus was that the plan would be comprised of shares and that the "start year" for the plan's establishment would be 2002. All active members who met the criteria (which have yet to be established) for the plan in 2002, 2003, 2004, 2005 and 2006 would receive one share per year. All veterans, regardless of whether they met the criteria for those years, would automatically be given five shares for that five year period. It was also decided that these back years would be counted toward vesting into the plan so long as the established criteria of eligibility for those years was met. It was tentatively agreed that beginning in 2007 the number of points that would be necessary to be eligible for the plan would be 65. The consensus was that no one would be eligible for any payout until January of 2009.

Mr. Holohan explained that after January of 2009 that at age 62 the members would have to take the pay out right away unless a form was completed to defer payment. That deferment would be for a three year period and could be renewed indefinitely.

It was approved by consensus that if a member was not vested, but had met the eligibility requirements for the years served and ceased to be a member that the amount in that member's account would be forfeited and added to the Town's contribution. It was also decided that vesting could happen over any number of years that a member met the eligibility requirement for those years.

The next meeting date was set for April 30, 2007 @ 7:00 PM at 108 Main Street. On a motion by Lawson, seconded by Lewis the meeting unanimously adjourned at 8:34 PM.

Respectfully submitted,

Patricia Allyn Mechare  
First Selectman