



TOWN OF CLINTON
LOSAP COMMITTEE MEETING MINUTES – Not Approved
2014 09 25

On September 25, 2014 the Town of Clinton LOSAP Committee meeting was held at the Clinton Police Department.

Members in attendance: David E. Burns, Michael Massey, Lynn Pinder and Omar Francis

Members absent: Leah Saunders

Also in attendance: Kenneth Archer, David J. Burns, Dennis Delecke, J. Michael Paulson, and David Long (Recorder)

PURPOSE OF MEETING: To further discuss the progress of a LOSAP program for the members of the Clinton Volunteer Fire Department.

At 4: p.m., Lynn Pinder opened the meeting by noting that it appears to her that our scheduled meetings every two weeks are a waste of everyone's time. Progress is not being made. Lynn suggested that we set up a joint meeting of this committee, the CVFD LOSAP Committee, and the Board of Selectmen in order to determine the position of all members concerning a LOSAP program for the CVFD. If the Board of Selectmen is in support, then together we could come up with a program that the Board of Finance might approve.

Approximately ten (10) minutes into the meeting, Omar arrived and asked Lynn to meet with him in the vestibule prior to joining the rest of the Committee with his plan of action. Both Lynn and Omar left the meeting room and held a side bar meeting for approximately ten minutes.

Upon returning to the Committee meeting, David J. Burns was asked whether or not he has conducted a special meeting with the CVFD to discuss the plan as it stood. David J. stated that he hadn't and reiterated that in order to effectively hold a meeting that he would need firm numbers to bring before the CVFD membership.

Omar then provided a rough outline of a plan that might be acceptable to all parties. The following details were provided:

- The Town is offering to pay for your existing years of service, up to 20 years, and open an interest bearing account, your name, into which they will deposit \$1000.00 per year for each new year of service.
- The buyout amount is \$500.00 per each existing year of service up to a maximum of \$10,000.

- This plan is designed for those members under the age of 55 as it will allow you to accrue a decent amount of money in your account. This account is vested after 5 years and is portable, after that. In other words if you move out of town or leave the department then you can transfer the money to an IRA account or, if your company offers it, a 401K account.
- For those over 55 the Town will buy an Annuity allowing for lifetime income of \$500 per month. For those who opt for the Annuity there will be no buyout offer. If you feel you need the cash more than income then you can elect to receive the buyout along with the \$1000.00 year interest bearing account.

The plan is a 458e tax free account so there are no taxes for the member to pay when the Town makes a deposit.

A question was asked if the Committee should meet on Friday October 3. It was noted that if the CVFD LOSAP Committee had some firm numbers to discussed that they could possibly discuss the proposal to the membership at the regularly scheduled meeting to be held on Monday October 6th. If the result was positive then this committee could then set up a special meeting with the Board of Selectmen to present our plan recommendation. If the Committee receives affirmation of the plan, then a special meeting would be called for with the Board of Finance to gain their approval.

If the plan is approved, the funds would be vested after five (5) years and become portable by the member.

A motion was made by David E. Burns to adjourn. The motion was seconded by Michael Massey. The meeting concluded at 4:46 p.m.

A date, time and location for the next LOSAP Meeting was not determined prior to adjournment.

Respectfully submitted,

David R. Long - Recorder