

TOWN OF PUTNAM

RETIREMENT
PLAN

01/01/1989

THE TOWN OF PUTNAM

RETIREMENT PLAN

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THE TOWN OF PUTNAM

RETIREMENT PLAN

THE TOWN OF PUTNAM (hereinafter referred to as the "Town") and the National Association of Municipal Employees, Local RI-192 does hereby adopt the following retirement plan for the benefit of certain Town employees:

ARTICLE I

Section 1.1 . This document shall be known as the Pension Plan (herein referred to as the "Plan") for the employees of the Town of Putnam and is effective as of January 1, 1989, through January 1, 1993, after which it is subject to change and/or amendment through the negotiating process as provided in the Connecticut Municipal Employee Relations Act, as amended. However, it is agreed that the provisions of the Plan shall not be subject to renegotiation for change or amendment to be effective prior to January 1, 1993, (however, negotiations may begin one hundred twenty (120) days prior to this date with no change to be effective until after this date) unless there are changes in federal, state or municipal law that requires such changes or unless the parties mutually agree in a jointly signed

ARTICLE I

(Continued)

document to enter into negotiations concerning changes or amendments to the Plan to be effective at an earlier date.

Section 1.2 The purpose of this Plan which is a defined benefit pension plan, is to provide retirement benefits for certain Town employees.

Section 1.3 Effective January 1, 1989, the Plan is hereby established in order to incorporate certain items negotiated by and between the Town of Putnam and the National Association of Municipal Employees Local RI-192.

Section 1.4 The provisions of this Plan shall apply only to members and/or employees who terminate employment on or after January 1, 1989. The rights and benefits of any former employee shall be governed by the terms of employment and/or the pension plan in effect on his date of termination of employment.

ARTICLE II

Definitions

When used in this Plan, the following terms shall have the meanings set forth below:

"Accrued Benefit" shall mean the benefit payable under Section 5.1.

"Actuary" shall mean a member of the Society of Actuaries or an organization employing such a member, appointed and compensated by the Town to perform the duties of the Actuary hereinafter provided.

"Anniversary Date" shall mean July 1st of each year this plan is in effect.

"Average Final Compensation" shall mean the average annual compensation of a participant for the five (5) consecutive years preceding his retirement date in which he earned the highest compensation.

"Beneficiary" shall mean any person who may be entitled to receive any death benefit which may be payable as provided in Section 5.3 hereof.

"Board of Selectmen" shall mean the Board of Selectmen of the Town of Putnam.

"Compensation" shall mean the basic salary or wages paid by the Town to a participant, exclusive of bonuses, overtime or any other extra remuneration.

ARTICLE II

Definitions (Continued)

"Contingent Annuitant" shall mean the person, if any, whom a participant shall have designated to receive annuity payments following the death of such participant as provided in Section 5.2 of Article V hereof.

"Credited Service" shall mean a participant's latest period of continuous employment as an employee of the Town and/or the City up to and including such participant's actual retirement date, or the date of his death, discharge or termination of employment if such event occurs prior to his actual retirement date, but limited to a maximum of thirty (30) years of credit. Except that current employees with more than thirty (30) years of credited service prior to the effective date of this plan, will receive credit for all service over thirty (30) years and be grandfathered. In no event will an employee earn a benefit in excess of the benefit they would have accrued under the prior plans. Absences from employment of less than three (3) months in any calendar year and periods of authorized leave of absence for an employee or participant (except as otherwise provided in the case of Town officials in Section 9.4) shall be included in computing a participant's credited service. For the purpose of computations involving credit service, fractional parts of a year shall include all completed months of employment.

ARTICLE II

Definitions (Continued)

A. Credited Service means that portion of a member's service which is used to determine the amount of retirement benefit he may become eligible to receive as provided in this Plan. Credited Service shall include all service except: (1) service on or after January 1, 1989 or other eligibility date as provided in this Plan if later, if an employee is eligible to make a member's contribution but does not; (2) service during periods of total and permanent disability.

B. If a member does not become a member on the effective date of the Plan, or other eligibility date if later, then all service prior to the member's participation date will be excluded for the purpose of computing benefits under this Plan.

C. All eligible Town employees who participate in this Plan shall receive credit for prior service for years in which they participated in or contributed to one of the prior pension plans.

"Employee" shall mean any person employed by the Town, excluding elected or appointed officials, whose customary employment is for not less than thirty (30) hours in any one week nor less than five (5) months in any calendar year, provided that

*Summary date
1/1/89 -
Contribution date
no retro*

ARTICLE II

Definitions (Continued)

such term shall not include any persons who have been, are, or shall be eligible for membership in the State teachers' retirement system.

"Member Contributions" shall mean the member's contributions required for membership in the Plan in accordance with Article VIII.

"Leave of Absence" shall mean a period of leave as provided for in Article IX hereof.

"Normal Retirement Date" for a participant shall mean the first day of the month coinciding with or next succeeding his sixty-fifth (65th) birthday or if later five (5) years of participation.

"Participant" shall mean an employee who is eligible under the terms of Article IV of this Plan. It shall not include in its meaning a retired participant or a terminated participant.

"Plan" shall mean the retirement plan set forth in and by this document and all subsequent amendments thereto.

"Retired Participant" shall mean a person who has been a participant and who is receiving retirement benefits under Article V hereof.

ARTICLE II

Definitions (Continued)

"Retirement Board" or "Board" shall mean the retirement board established to administer this Plan as provided for in Article III hereof.

"Retirement Date" shall mean the first day of the month coinciding with or next succeeding the date of actual retirement of a participant from service with the Town. "Terminated Participant" shall mean a person who has been a participant but who is no longer an employee and whose status as an employee has been terminated other than by death, retirement or leave of absence.

"Town" shall mean the Town of Putnam.

"Trust" shall mean the Declaration of Trust originally executed September 1, 1965 by the Hartford National Bank and Trust Company, a national banking association located in Hartford, Connecticut, establishing the Municipal Employees Retirement Trust, together with any and all amendments or supplements thereto, and also the trust created by said Declaration, which Declaration of Trust and any and all amendments and supplements thereto is incorporated herein by this reference.

"Trustee" shall mean Hartford National Bank and Trust Company, as Trustee, or any successor thereto.

ARTICLE II
Definitions (Continued)

"Trust Fund" shall mean the fund held by the trustee for the purpose of providing benefits pursuant to this Plan.

NOTE: Wherever used herein a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise, and wherever used herein a pronoun in the singular form shall be considered as being in the plural form unless the context clearly indicates otherwise.

ARTICLE III

Retirement Board

Section 3.1 Board Members. This Retirement Plan shall be administered by a retirement board consisting of five (5) members: one (1) member from the Board of Finance; one (1) member from the Library Board; one (1) member of the Bargaining Unit, selected by the Mayor; and two (2) members appointed by the Mayor with the approval of the Board of Selectmen.

Section 3.2 Action By Board. Any act which this Plan authorizes or requires the Board to do may be done by a majority of the members of the Board at the time acting hereunder, and the action of such majority of the members of the Board expressed from time-to-time by a vote at a meeting, or in writing without a meeting, shall constitute the action of the Board and shall have the same effect for all purposes as if assented to by all of the members of the Board at the time in office.

ARTICLE III

Retirement Board (Continued)

Section 3.3 Secretary: Dealings With Trustee. The Board may appoint a secretary, who may or may not be a member of the Board, and such other agents or representatives as it may deem advisable, who need not be members of the Board but may or may not be participants under this Plan, to keep the records of the Board and to assist it in doing any other acts or things to be done or performed by the Board. The Board may certify to the Trustee by majority vote or action, as provided for in Section 3.2 of this Article, the name of one member of the Board authorized to act for it in its relationship with the Trustee. The trustee shall be, and hereby is, authorized to act in pursuance of the written instructions of any member of the Board so designated and shall be, and hereby is, completely released from any liability resulting from, or in connection with, any action taken pursuant to instructions so received.

ARTICLE III

Retirement Board (Continued)

Section 3.4 Regulation And Interpretation Of Plan. The Board may make rules and regulations for the administration of the Plan which are not inconsistent with its terms and provisions. The Board may construe the Plan, and its constructions thereof and action thereon in good faith shall be final and conclusive. It may correct any deficit or supply any omission or reconcile any inconsistency in such manner and to such extent as it shall deem expedient to carry the same into effect, and it shall be the sole and final judge of such expediency. The Board shall supervise and control the operation of the Plan in accordance with the terms hereof and shall have all powers necessary to accomplish that purpose. The Board may employ such actuarial, legal, clerical, consulting and other services as it deems necessary for the proper operation of the Plan and the cost of such services shall be paid by the Town.

ARTICLE III

Retirement Board (Continued)

Section 3.5 Directing Payment Of Benefits. In connection with the exercise of its powers, the Board, upon written certification by the actuary, shall direct the trustee in writing as to any benefits to be paid from the Trust Fund, and the trustee shall be fully protected in acting upon such written directions.

Section 3.6 Compensation And Expenses. The members of the Board shall serve without compensation for services as such, but all normal and reasonable expenses of the Board shall be paid by the Town.

Section 3.7 Annual Report. The Board shall submit annually to the Board of Finance a schedule of the estimated expenses necessary for the administration of this Plan, and its estimate of the liability of the Town to contribute to the Trust Fund in order to maintain the Retirement Plan in an actuarially sound condition. The Board shall annually report to the Board of Selectmen of the Town the financial condition of the Retirement Plan setting forth such facts and recommendations as may be of value to the participants in the Plan and to the Town of Putnam.

ARTICLE IV

Employees Entitled To Participate

Section 4.1 Conditions Of Eligibility. Each and every employee of the Town may elect to become a member under this Plan by completing and delivering to the Employer a payroll deduction order. An employee will become a member on January 1, 1989 if his election is made not more than thirty-one (31) days thereafter. Every person who becomes an employee of the Town subsequent to January 1, 1989, may become a participant hereunder as of his date of employment, provided he elects to participate.

Section 4.2 Re-Employment. If a participant's status as an employee of the Town is terminated or interrupted for more than three (3) months in any twelve (12) month period, except in the case of a leave of absence, and thereafter, he is re-employed or resumes his status as an employee, he shall be deemed to be a new employee from the date of such re-employment or resumption and his period of employment shall be counted from such date.

ARTICLE V

Retirement Benefits

Section 5.1 Benefit Formula. Each participant upon retirement on his normal retirement date shall be entitled to an annual retirement income commencing on his normal retirement date payable in monthly installments for life thereafter, equal to 1.3 percent of such participant's average final compensation multiplied by the number of years of his credited service. The final rate of retirement benefits shall be based on average final compensation as defined in this Plan.

Section 5.2 Contingent Annuitant Option. Instead of the normal monthly retirement benefit provided under Section 5.1, a participant may elect a contingent annuitant option providing for actuarially reduced monthly retirement benefits payable to him during his lifetime after retirement and for the continuance of such payments, or a part of them specified by the participant, to a contingent annuitant for his life after the death of the retired participant, provided, however, that the present value of the payments to be made to the employee participant is more than 50% of the present value of the total

ARTICLE V

Retirement Benefits (Continued)

payments to be made to the participant and his beneficiary. Such election may be made by a participant at any time at least one (1) year prior to his retirement date or within one (1) year prior to his retirement date upon furnishing evidence of the Participant's good health satisfactory to the Board. A participant who has elected this option may not at any time within one (1) year prior to his retirement date revoke or modify such option except upon furnishing evidence of good health to the Board. A participant who has elected this option may not at any time within one (1) year prior to his retirement date revoke or modify such option except upon furnishing evidence of good health of the contingent annuitant satisfactory to the Board; provided, however, that the death of the contingent annuitant at any time prior to the participant's retirement date shall automatically revoke such election; and further provided that, if the contingent annuitant is the spouse of the participant, a divorced granted to either spouse at

ARTICLE V

Retirement Benefits (Continued)

any time prior to the participant's retirement date shall automatically revoke such election.

If a participant who has elected this option dies before his retirement date, no benefits under this option shall be payable to the contingent annuitant. If the participant dies after his retirement date, the contingent annuitant shall receive for life, commencing on the first day of the calendar month coinciding with or next following the retired participant's death, the benefits specified by the retired participant for the contingent annuitant. If the contingent annuitant dies after the participant's retirement date, the amount of the payments which the retired participant is then receiving or is entitled to receive will continue unchanged and will cease upon the retired participant's death.

Section 5.3 Ten Year Certain Option: Beneficiary Designation.

Each participant shall have the option, to be exercised by a written direction to the Board to elect to have actuarially reduced monthly retirement benefits payable for ten (10) years

ARTICLE V

Retirement Benefits (Continued)

certain and for his life thereafter. Such election may be made by a participant at any time at least one (1) year prior to his retirement date upon furnishing evidence of good health satisfactory to the Board. Upon the death of a retired participant after his retirement date, but before one hundred twenty (120) monthly payments have been made to him, if he shall have effectively elected such a ten (10) year option, then the balance of such one hundred twenty (120) monthly payments shall be made to such beneficiary as he shall have most recently designated in a written instrument signed by him in the presence of one (1) subscribing witness and filed with the Board, either before or after his retirement. If no such designation is on file with the Board at the time of death, or is defective for any reason, or if such beneficiary shall predecease the retired participant, then the estate of such retired participant shall receive the commuted value of such benefit payable in a lump sum. If the beneficiary, having survived the retired

ARTICLE V

Retirement Benefits (Continued)

participant, dies before all said one hundred twenty (120) payment shave been made, then the commuted value of the balance of said payments shall be paid in a lump sum to the beneficiary's estate. If the participant dies before his retirement date, no benefits shall be payable under this option.

Section 5.4 Early Retirement Option. Each participant, who shall have reached his fifty-fifth (55th) birthday and shall have at least fifteen (15) years of credited service, including at least five (5) years as a participant under the Plan, shall have the option, to be exercised by a written notice to the Board and with the consent of the Board to retire at any time thereafter prior to his normal retirement date. The amount of retirement benefits payable to such retired participant shall be computed as provided in Section 5.1 hereof, except that the date of such early retirement shall be used in determining his credited service and his average final compensation, and the amount thus

ARTICLE V

Retirement Benefits (Continued)

obtained will be reduced, such reduction to be determined by the actuary in accordance with accepted actuarial practices, if such retirement benefit is to commence prior to such participant's normal retirement date.

The contingent annuitant and the ten (10) year certain option provided for in Sections 5.2 and 5.3 hereof may be elected by a participant who elects to retire early under this Section.

Section 5.5 Social Security Option. If the commencement of retirement benefits under the Federal Social Security Act does not coincide with the early retirement date selected by a participant under Section 5.4, a participant retiring in accordance with the provisions of Section 5.4, before social security payments begin, shall have the further option, to be exercised by a written request to the Board and with the consent of the Board, to receive an actuarially equivalent retirement income providing larger monthly payments in lieu of the retirement income otherwise payable under Section 5.4 upon early retirement until the date upon which

ARTICLE V

Retirement Benefits (Continued)

his retirement benefits under the Federal Social Security Act shall commence, at which time his monthly payments hereunder shall be reduced by the approximate amount of the social security retirement benefit which the participant will receive, so that, insofar as practical, a level total retirement income will be available for the participant. Election of such social security option by a participant shall automatically revoke any contingent annuitant option or ten (10) year certain option which may have been elected by such participant.

Section 5.6 Deferred Retirement.

- (a) Any participant may, at the request of the Town and with the permission of the Board, continue in the employ of the Town beyond his normal retirement date and receive credited service while he continues as an employee subject to the maximum period of thirty (30) years of credited service.

ARTICLE V

Retirement Benefits (Continued)

Such participant's retirement benefits will commence on his retirement date, and his benefit shall be computed as provided in Section 5.1 hereof, except that his credited service and his average final compensation.

Section 5.7 Limitation On Benefits. The benefits provided for herein shall be only such as can be provided by the assets of the Trust Fund. In the event of the termination of this Plan, as provided for in Article XI or otherwise, there shall be no liability or obligation on the part of the Town to make any further contributions to the trustee for the purposes of this Plan or otherwise.

Section 5.8 Benefits Voided By Fraud or Dishonesty Towards Town. Anything contained elsewhere in this Plan to the contrary notwithstanding, in the event a participant while employed by the Town shall commit any act of fraud or dishonesty towards the Town as determined in the absolute discretion of the Board, he shall forfeit all rights to any benefits whatsoever hereunder. The decision of the Board in any such case shall be final.

ARTICLE VI

Death Benefits

Section 6.1 No Death Benefits. Except as provided for in the contingent annuitant and ten (10) year certain options in Article V hereof, no death benefits shall be payable hereunder upon the death of a participant or retired participant.

If a participant dies before retirement, there shall be no benefits or payment under the Plan except that there shall be paid to his beneficiary or beneficiaries a lump sum equal to the total contributions made by the participant, plus simple annual interest at five percent (5%) up to the time of death.

ARTICLE VII

Termination Of Employment

Section 7.1 A member who terminates employment for reasons other than normal or late retirement and with less than ten (10) years of credited service shall forfeit all rights to benefits under the Plan except for the return of his member contributions with credited interest. A member who terminates employment with ten (10) or more years of credited service prior to his normal or disability retirement date and who does not elect a refund of member contributions with credited interest thereon shall be vested in his accrued benefit payable at his normal retirement date. A member who is vested on his date of termination and who elects a refund of his member contributions with credited interest shall forfeit his entire accrued benefit. Such an election may be made any time prior to actual retirement. This ten (10) year cliff vesting schedule shall apply to all employees hired on or after January 1, 1989.

ARTICLE VII

Termination Of Employment (Continued)

All employees hired prior to January 1, 1989, shall accrue retirement benefits based upon the vesting schedule of their prior pension plan. However, effective January 1, 1989, all Town employees will be one hundred percent (100%) vested after ten (10) years of continuous service with the Town.

ARTICLE VIII

Contributions

Section 8.1 By The Town. The Town plans and intends to contribute to the Trust Fund over a period of time, such amounts as may be determined by the actuary, according to such mortality, interest and other assumptions as may be approved by the Board from time-to-time, to be required to provide the benefits set forth in this Plan.

Section 8.2 Members are required to contribute three percent (3%) of annual compensation earned on or after the date this document is signed, payable through payroll deductions or as otherwise determined by the Employer. Employer contributions will stop upon the earliest of: (a) termination of employment; (b) actual retirement date; or (c) upon the completion of thirty (30) years of credited service.

Section 8.3 Reduction, Suspension Or Discontinuance Of Contributions. The Town, however, reserves the right to reduce, suspend or discontinue its contributions under the Plan for any reasons at any time, provided that, anything in this Plan to the

ARTICLE VIII

Contributions (Continued)

contrary notwithstanding, it shall be impossible at any time prior to the satisfaction of all liabilities in respect to all participants, retired participants, terminated participants, contingent annuitants and beneficiaries under the Plan for any part of the Trust Fund to revert to the Town, or to be used for, or diverted to, any purpose other than the exclusive benefit of participants, retired participants, terminated participants, contingent annuitants and beneficiaries.

ARTICLE IX

Leave Of Absence

Section 9.1 Leave Of Absence. Any participant who enters the military service of the United States shall be given a leave of absence, and any participant may at any time, at the direction of the Board, be given a leave of absence for any other reason. Any such leave of absence must be given in advance, and, except in cases involving military service, such leave of absence may be cancelled at any time in the discretion of the Board.

Section 9.2 Effect On Participant's Status. The provisions of the Plan relating to termination of employment will not apply to any participant absent on leave of absence granted in accordance with Section 9.1 of this Article, but the following rules shall apply to such participant:

- (a) As long as such participant continues on leave of absence, as provided in Section 9.1 of this Article, the Town contributions otherwise required to provide the benefits for such participant set forth in this Plan shall be suspended.

ARTICLE IX

Leave Of Absence (Continued)

- (b) If such participant returns to active employment with the Town within ninety (90) days following the end of such leave of absence, he shall continue as a participant hereunder as though he had continued in the active employment of the Town during such leave of absence. The Town's contributions on behalf of such participant shall be resumed with such adjustments as the actuary shall determine to be necessary to provide the benefits set forth in this Plan for such participant at his retirement.
- (c) If such participant does not return to active employment with the Town within ninety (90) days following the end of such leave of absence, the employment of such participant shall be deemed to have been terminated as of the commencement of such leave of absence, and his rights under the Plan shall be governed by the provisions of Article VII hereof as of such date.

ARTICLE IX

Leave Of Absence (Continued)

Section 9.3 Effect On Eligibility And Service. During a period of such leave of absence, an employee on such leave of absence shall be deemed to be in continuous employment of the Town for the purposes of the eligibility requirements of Article IV hereof and for the purpose of credited service as defined in Article II hereof, provided such employee returns to active employment with the Town within ninety (90) days following the end of his leave of absence.

ARTICLE X

Discontinuance Of Plan

Section 10.1 Termination Rights. Although the Town hopes to continue the Plan and the contributions to the trust indefinitely, the Town may, by action at a Town meeting, terminate the Plan and all further contributions thereunder for any reason and at any time. If the Town temporarily discontinues its contributions or suspends them in whole or in part, and if such temporary discontinuance becomes a permanent discontinuance, such permanent discontinuance shall be deemed to constitute termination of the Plan as of the date the contributions were first discontinued.

Section 10.2 Allocation Of Assets Upon Termination. In the event of termination of the Plan, the Board shall allocate the net assets of the Trust Fund after deduction of all expenses of termination in an equitable manner among the participants, retired participants, terminated participants, contingent annuitants and beneficiaries in the following order of precedence, and such allocation shall be final:

ARTICLE X

Discontinuance Of Plan (Continued)

<u>Order Of Precedence</u>	<u>Classification At Date Of Termination</u>
Class I	Participants who have passed their normal retirement date and whose retirement benefits have been deferred under the terms of Section 5.6 hereof, retired participants, contingent annuitants, and beneficiaries of deceased participants.
Class II	Participants aged fifty (50) who have at least fifteen (15) years of credited service, and terminated participants entitled to a deferred retirement benefit at normal retirement date under Article VII hereof.
Class III	All other participants.

If the assets in the Trust Fund on the date of termination are insufficient to provide all of the benefits in any of the above classes, the benefits in such class shall be equitably reduced and no benefits shall be paid for any succeeding class.

Section 10.3 Disposition Of Assets After Allocation. Such allocation shall be accomplished through either (1) continuance of the Trust Fund or a new trust fund, or (2) purchase of insurance or annuity contracts as the Board shall determine; provided, however, that the Board, upon finding that it is not practicable or desirable under the circumstances

ARTICLE X

Discontinuance Of Plan (Continued)

to do either of the foregoing with respect to some or all of the classes listed above, may provide for the allocation of a part or all of the assets of the Trust Fund by some method other than the continuance of the Trust Fund or purchase of annuity contracts; provided further, however, that no change shall be effected in the order of precedence and basis for allocation above established unless such change shall be approved by the U. S. Treasury Department. There shall be no liability or obligation on the part of the Town to make any further contributions to the original Trust Fund or such new trust fund or toward the purchase of such insurance or annuity contracts in the event of termination of this Plan.

Section 10.4 . Restrictions On Trust Fund Use. In the event of termination of the Plan, no part of the corpus or income of the Trust Fund shall be used for, or diverted to, purposes other than the exclusive benefit of participants, retired participants, terminated participants, contingent annuitants and

ARTICLE X

Discontinuance Of Plan (Continued)

beneficiaries, except as provided in Section 13.3 of Article XIII hereof, and except for payment of trustee's fees and expenses for operating and/or terminating the trust after termination of the Plan, which fees and expenses shall be paid from the Trust fund.

Section 10.5 Restrictions On Account Of Mimeograph 5717. The following restrictions imposed by the provisions of this Section are included solely to meet the requirements of the Treasury Department Mimeograph No. 5717, 1944 C.B. 321. In the event that it should be determined by Federal Statute or by ruling of the Commissioner of Internal Revenue that the provisions of this Section are no longer necessary to qualify this Plan under the Internal Revenue Code, this Section shall be ineffective without the necessity of further amendment.

Anything contained in this Plan to the contrary notwithstanding, during the first ten (10) years after the establishment of this Plan, the benefits provided by the Town's contributions to the trust

ARTICLE X

Discontinuance Of Plan (Continued)

for the twenty-five (25) highest paid employees as of the time of establishment of the trust, including any such high-paid employees who are not participants at such time but may later become participants, but excluding any employees whose annual benefit provided by the Town's contributions will not exceed Fifteen Hundred Dollars (\$1,500), will be subject to the following conditions:

If the Plan is terminated or the full current costs thereof have not been met at any time within ten (10) years after its establishment, the funds or benefits which any of such twenty-five (25) employees may receive from the Town's contributions (including any unrestricted benefits, as hereinafter defined, but exclusive of any supplemental retirement income payments he has already received up to that time) shall not exceed his unrestricted benefits at that time.

If any such employee leaves the employ of the Town or withdraws from participation in the Plan when the full current costs have not been met, the funds or benefits which he may receive from the Town's contributions (including any funds or benefits he has already received) shall not, at any time within the first ten (10) years after establishment of the Plan, exceed his unrestricted benefits at that time.

ARTICLE X

Discontinuance of Plan (Continued)

These conditions shall not restrict the full payment of any insurance, death or survivor's benefits on behalf of a participant who dies while the Plan is in full effect and its full current costs have been met.

The foregoing conditions do not restrict the current payment of full retirement income benefits called for by the Plan for a retired participant while the Plan is in full effect and its full current costs have been met.

Unrestricted benefits mean at any time benefits of the form called for by this Plan, including any withdrawal values available to a living employee and any death or survivor's benefits payable on behalf of participant who dies after retirement, which have been provided by contributions of the Town not exceeding the larger of the following amounts:

ARTICLE X

Discontinuance Of Plan (Continued)

- (a) Twenty Thousand Dollars (\$20,000), or
- (b) An amount equal to twenty percent (20%) of the first Fifty Thousand Dollars (\$50,000) of the employee's average regular annual compensation multiplied by the number of years since establishment of this Plan.

Supplemental retirement income payments mean any current payments to a retired participant sufficient, together with his unrestricted benefits, to bring the total current payments to him up to the full retirement income benefits provided under the Trust.

If and when the contributions by the Town are sufficient at a later date to meet the full current costs of the Plan, the excess of the retirement income payments otherwise payable over the actual retirement income payments made during the period that such full current costs have not been met shall be paid in a lump sum to the retired participants.

ARTICLE XI

The Trustee

Section 11.1 Trust Fund. All contributions by the Town and the participants shall be committed in trust to said Hartford National Bank and Trust Company as trustee, under said Trust referred to in Article II hereof. The Town may at any time vote to withdraw from participation under said Trust, in accordance with the terms and conditions set forth in said Trust. In such case, the Town shall designate a successor corporate trustee. As long as the Town is a participating municipality under said Trust, the Town's contributions shall be pooled with those of other municipalities for investment purposes.

ARTICLE XII

Miscellaneous Provisions

Section 12.1 Trust For Exclusive Benefit Of Employees. This Plan and the Trust provided for hereunder are created for the exclusive benefit of employees of the Town. Under no circumstances, except as provided for in Article XIII hereof, either in the event of the termination or amendment of the Plan or otherwise, shall the Trust Fund or any part of the corpus, income, or avails thereof be used for, or diverted to, purposes other than the exclusive benefit of participants, retired participants, terminated participants and contingent annuitants except after satisfaction of all liabilities under the Plan, in which case any remaining assets shall be paid over to the Town, provided that the trustee's reasonable fees and expenses for operating and/or terminating the Trust after termination of the Plan shall be paid from the Trust Fund.

ARTICLE XII

Miscellaneous Provisions (Continued)

Section 12.2 Amendments To The Plan. The Town shall have the right, by action at a Town meeting, to amend the Plan in whole or in part at any time and from time-to-time, provided that no such amendment shall divert any part of the Trust Fund (remaining after the payment of all costs and expenses properly chargeable thereto) to purposes other than the exclusive benefit of the employees at any time prior to the satisfaction of all liabilities with respect to employees under the Plan and Trust. Any such amendment may be retroactive in its operation. No amendment shall be made which would affect the trustee without the trustee's written consent thereto. Anything contained herein to the contrary notwithstanding, the Board shall have the power to amend this Plan, without further action by the Town, to the extent that any amendments may be required by the Internal Revenue Service as a condition to the qualification of this Plan under the Internal Revenue Code.

ARTICLE XII

Miscellaneous Provisions (Continued)

Section 12.3 Rights In Respect Of Employees. This Plan shall not be construed as creating any contract of employment between the Town and any employee, and the Town shall have the right in all respects to deal with its employees, their hiring, discharge, compensation and conditions of employment as though this Plan did not exist. No employee shall have any right to question the action of the Town in terminating its contributions to the Trust or in terminating the Plan in its entirety.

Section 12.4 Benefits Not Subject To Anticipation. The Trust Fund is established for the purpose of providing for the support of persons who are to receive benefits under the Plan. No benefit payable at any time under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment, garnishment or encumbrance of any kind. Any attempt to alienate, sell, transfer, assign, pledge or otherwise encumber any such benefits, whether presently or thereafter payable, shall be void.

ARTICLE XII

Miscellaneous Provisions (Continued)

Section 12.5 Reliance On Documents. The Town, the Board and the trustee shall be discharged from all liability in acting upon any notice, request, consent, letter, telegram or other paper or document believed by them to be genuine and to have been signed or sent by the proper person.

Section 12.6 Facility Of Payment. If the Board shall determine that any person entitled to benefits of any form under the Plan is legally, physically, or mentally incapable of receiving and receipting for the payment of such benefits, then the Board may direct the trustee to make such payments or any part thereof so such person, persons or institutions as the Board believes are then maintaining or have custody of such recipient until claim for such payment is made by his or her duly appointed conservator or other legal representative. Such payment shall constitute a complete discharge of the liability of the trustee to the extent thereof.

ARTICLE XII

Miscellaneous Provisions (Continued)

Section 12.7 Minimum Payments. If any payments due hereunder shall amount to less than Twenty Dollars (\$20) a month, the Board may direct that such payments be made less frequently in such a manner that each payment will amount to at least Twenty Dollars (\$20).

Section 12.8 Titles And Headings Not Part Of Plan. The titles of the various articles and sections of this instrument are inserted herein solely for convenience of reference, do not constitute a part of the Plan, and shall be disregarded in construing, interpreting or applying any or all of the provisions hereof.

ARTICLE XIII

Revocability

Section 13.1 This Plan and the Trust created in connection with the Plan are based upon the condition precedent that they shall be approved and qualified by the Internal Revenue Service as meeting the requirements of the Federal Internal Revenue Code and Regulations issued thereunder with respect to employees' trusts so that the Town's contributions will not be currently taxable to the participants as income.

Accordingly, anything hereinabove contained to the contrary notwithstanding, if a final ruling shall be received in writing from the Internal Revenue Service that this Plan and the Trust do not qualify under the terms of Sections 401 and 501 of the Internal Revenue Code, there shall be no vesting in any participant of any assets of the Trust Fund held by the trustee, and the trustee, upon receipt of written notice from the Board, together with a copy of such a ruling, shall transfer and pay over to the Town all of the net assets in the Trust Fund remaining after deduction

ARTICLE XIII


Revocability (Continued)

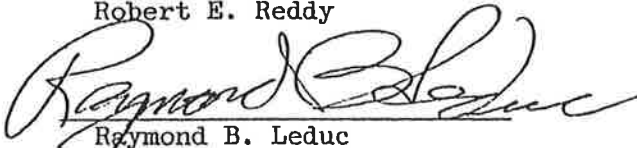
of proper expenses of termination, and the Trust Fund shall thereupon terminate. For the purposes of this Article, "Final Ruling" shall mean either (1) the initial letter ruling from the District Director in response to the Town's original application for a ruling, or (2) if such letter ruling is unfavorable and a written appeal is taken or protest filed within sixty (60) days of the date of such letter ruling, it shall mean the ruling received in response to such appeal or protest.

The foregoing Retirement Plan is hereby approved by the Retirement Board.


Matthew J. Flynn


Paula M. Lajeunesse


Esther D. Smith

Robert E. Reddy

Raymond B. Leduc

MEMORANDUM OF UNDERSTANDING

The parties to the Pension Plan, in accordance with Article I of said Plan, hereby mutually agree to revise Article VI, Death Benefits, in accordance with the terms and conditions contained herein.

In particular, the current plan language in Article VI will be replaced with the following:

Death Benefit

Section 6.01 If:

- (a) a Participant who was eligible for the early retirement option under Section 5.4 of the Plan ceases to be a Participant by reason of his death; or
- (b) a Participant who was eligible for normal retirement ceases to be a Participant by reason of his death; or
- (c) a Retired Participant dies before receiving his Retirement Benefit,

the Surviving Spouse of such Participant shall be entitled to receive a death benefit, in accordance with Sections (a) and (b) below:

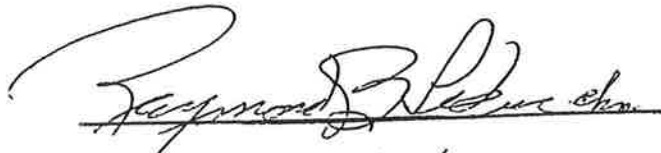
- (a) In the case of a Participant or Retired Participant who died after attaining his earliest Early Retirement Date:
- (i) The Participant applied for, and was granted an Early Retirement Date which was the first day of the month in which the day before the date his death occurred, and retired on that day without waiving the Joint and Survivor Annuity; and
- (b) Such death benefit shall be payable monthly during the life of the Spouse, commencing on the first day of the month following the later of:
- (i) the Participant's death; or (ii) the day on which the Participant would have reached his earliest Retirement Date if he had separated from service on the date which in actuality was his date of death and survived until such earliest Retirement Date; and shall be payable monthly thereafter for the life of the Spouse.

Section 6.02


Such benefit shall be in the form of a survivor annuity for the life of his Spouse payable monthly commencing after the Participant's death and equal to one-half (1/2) of the joint annuity. Said annuity shall be the Actuarial Equivalent of the standard form of Retirement Benefit that would have been payable if the Participant had been unmarried on his Retirement Date. This form of benefit shall be known as the Joint and Survivor Annuity.

Section 6.03

If a Participant dies before retirement and is not eligible for early or normal retirement, there shall be no benefits or payment under the plan, except that there shall be paid to his beneficiary or beneficiaries a lump sum equal to the total contributions made by the Participant, plus simple annual interest at 5% up to the time of death.



11/4/92
Date



11-5-92
Date

0250T

TOWN OF PUTNAM
PENSION COMMITTEE MEETING
TUESDAY OCTOBER 27, 1992

Chairman Raymond Leduc opened the meeting at 5:00 p.m.

Members present were Raymond Leduc, Owen Tarr, Roland Gardner, Esther Smith and Paula Lajeunesse. Member absent was Matt Flynn.

A discussion took place on Death Benefits in the Town Retirement Plan. Mr. Leduc said his understanding was that all plans had a death benefit. Ms. Smith explained that some plans do not have one.

Paula Lajeunesse made a motion that the Town adopt a Death Benefit for the Retirement Plan and that it be retroactive to cover the death of Earl Jodoin who passed away on July 2, 1992. The Death Benefit Policy will be prepared by Attorney Michael Foley, Town Labor Attorney, and be signed by Pension Committee Chairman Raymond Leduc. Motion seconded by Mr. Gardner. Unanimously approved.


Mayor Rovero talked about upcoming Retirement Plan negotiations with the Town's Bargaining Units. Raymond Leduc and Roland Gardner were appointed as the negotiating team for the Pension Committee.

Paula Lajeunesse moved to adjourn at 5:24 p.m., seconded by Esther Smith. Unanimously approved.

Respectfully submitted,

Esther Smith
Acting Secretary

ATTEST:



Raymond Leduc, Chairman

TOWN OF PUTNAM PENSION PLAN

In order to resolve all outstanding disputes including, but not limited to, prohibited practice complaints, and to fully and finally resolve the unions' request to negotiate the pension plan, the undersigned parties hereby agree to the following terms and conditions:

1. All employees who are eligible to enroll in the Town of Putnam Retirement Plan, and who did not enroll during the appropriate window period in January 1989, may now enroll under the following conditions:

(a) Employees may elect to become a member under this plan by completing and delivering to the employer a payroll deduction order not more than thirty days after this document is ratified by both parties.

(b) This one-time election does not, in any way, revise the mandatory nature of the Pension Plan.

(c) Employees will be permitted to buy back their service since January 1, 1989 through payroll deductions. These payroll deductions will be spread over the next three years. These payroll deductions will not include interest.

(d) This one-time buyback provision will not become a part of the Pension Plan. The plan document will not be construed by any party to contain a buyback provision.

2. The Union(s) hereby agrees to withdraw all outstanding complaints with prejudice and agrees not to file any new

complaints regarding the implementation, negotiation, and preparation of the Town of Putnam Retirement Plan in January 1989.

3. The Retirement Plan shall not be subject to change and/or amendment through the negotiation process as provided in the Connecticut Municipal Employee Relations Act, as amended, prior to June 30, 1998.

4. Eligible employees must elect to enroll in the Town Pension Plan in accordance with the terms and conditions contained therein within thirty (30) days of the execution of this Agreement.

Daniel J. Rouvo
TOWN

7-13-93
Date

Thomas Rondeau, President
UNION

8-30-93
Date

Daniel Hanklin
BOARD OF EDUCATION

7-14-93
Date

Paul P. Shuba, Staff Rep.
UNION

9-20-93
Date

Edward J. Lee, chm.
PENSION COMMITTEE

7-13-93
Date



TOWN OF PUTNAM

TOWN HALL
126 CHURCH STREET
PUTNAM, CONNECTICUT 06260



March 20, 1996

Ms. Kate Duguay
Hooker & Holcombe, Inc.
65 LaSalle Road
West Hartford, CT 06107

Dear Ms. Duguay:

At the Town of Putnam Pension Committee meeting held on October 17, 1995, the pension committee approved the following changes:

1. Change the vesting years of the pension plan from 10 years to 5 years.
2. Change the years of participation in the pension plan from 30 years to 40 years.

Enclosed is a copy of the minutes of the Town of Putnam Pension Committee meeting for your records.

If you have any questions concerning these changes, please do not hesitate to contact this office.

Sincerely,

Daniel S. Rovero, Mayor

DSR/cp

Enclosure

cc: Attorney Joseph Lander,
Pepe & Hazard

Mayor's Office	963-6800	Economic Development	963-6834	Planning Commission	963-6803	Town Clerk	963-6807
Animal Control	963-6804	Fire Marshal	963-6805	Public Works	963-6813	Town Hall Fax	963-6814
Assessor	963-6802	Inland-Wetlands	963-6803	Revenue Collector	963-6806	Treasurer	963-6809
Building/Zoning	963-6803	Parks & Recreation	963-6811	Social Services	963-6810	ZBA Commission	963-6803

**RESULTS OF SPECIAL TOWN MEETING
DECEMBER 4, 2000**



The meeting was called to order by Mayor Rovero at 7:30P.M.

There were approximately 20 people present.

The call of the meeting read by Caroline Perron.

Item #1 – To choose a moderator for said meeting.

Motion made by Richard Place, seconded by Gary Kendall to nominate Daniel S. Rovero as moderator.

There were no other nominations.

Motion made by Gary Kendall, seconded by Robert Viens to close nominations.

SO VOTED

Vote on original motion.

SO VOTED

Daniel S. Rovero declared moderator.

Item #2 – To determine the wishes of those present and eligible to vote upon a proposed Resolution:

BE IT RESOLVED, by the Town Meeting of the Town of Putnam, acting pursuant to the Charter of the Town of Putnam and State Statutes, that the Town of Putnam does hereby authorize the sale of a certain tract or parcel of land known as 13-15 Battey Street, and shown as Map 8, Lot 144, on the Assessor's records of the Town of Putnam, with half of the parcel being sold to Raymond and Gail Vandal, or the Vandals' designee, at a price of \$3,150, and the other half of the parcel being sold to Robert and Gloria Gilbert, or the Gilberts' designee, at a price of \$3,150, and

BE IT FURTHER RESOLVED, the Town of Putnam shall convey said premises by Quit Claim Deed subject to whatever state of facts an accurate survey might disclose and to such reservations, restrictions and covenants as of record appear.

Motion made by Richard Place, seconded by Gary Kendall to sell the parcel of land at 13-15 Battey Street to the Vandals and Gilberts at \$3,150.00 each.

SO VOTED

Item #3-To determine the wishes of those present and eligible to vote upon the following proposed Resolutions amending the Town of Putnam Retirement Plan:

RESOLVED, that Article II-Definition of Employee, be amended by the addition of the following language.

The exclusion of appointed officials under this Plan shall only apply to unpaid appointed officials, and not to salaried or hourly rate appointed officers of the Town who shall be considered as employees eligible for pension coverage if their employment meets the other requisites of this definition. Provided further, that the Town Clerk of the Town of Putnam shall be considered an employee of the Town for pension purposes with such eligibility commencing as of the date of adoption of this Amendment to the Pension Plan. Notwithstanding ant other provision of this Plan, length of service of the Town Clerk shall be measured from the effective date of this Amendment forward. And,

RESOLVED, that Article V – Section 5.6(a)– Deferred Retirement, be amended by changing the maximum period of credited service from thirty (30) years to forty (40) years. And,

RESOLVED, that Article VII – Section 7.1 – Termination of Employment, be amended by changing the one hundred percent (100%) vested provisions from ten (10) years of continuous service to five (5) years of continuous service. And,

RESOLVED, that Article VI – Death Benefits, the current plan language in Article VI will be replaced with the following:

Death Benefit

Section 6.01 If:

- (a) a Participant who was eligible for the early retirement option under Section 5.4 of the Plan ceases to be a Participant by reason of his death; or
- (b) a Participant who was eligible for normal retirement ceases to be a Participant by reason of this death; or
- (c) a Retired Participant dies before receiving his Retirement Benefit,

the Surviving Spouse of such Participant shall be entitled to receive a death benefit, in accordance with Sections (a) and (b) below:

- (a) In the case of a Participant or Retired Participant who died after attaining his earliest Early Retirement Date:

- (i) The Participant applied for, and was granted an Early Retirement Date which was the first day of the month in which the day before the date his death occurred, and retired on that day without waiving the Joint and Survivor Annuity; and
- (b) Such death benefit shall be payable monthly during the life of the Spouse, commencing on the first day of the month following the later of: (I) the Participant's death; or (ii) the day on which the Participant would have reached his earliest Retirement Date if he had separated from service on the date which in actuality was his date of death and survived until such earliest Retirement Date; and shall be payable monthly thereafter for the life of the Spouse.

Section 6.02

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Section 6.03

If a Participant dies before retirement and is not eligible for early or normal retirement, there shall be no benefits or payment under the plan, except that there shall be paid to his beneficiary or beneficiaries a lump sum equal to the total contributions made by the Participant, plus simple annual interest at 5% up to the time of death.

Motion made by Nicholas Longo, seconded by Richard Place to approve the changes to the Town of Putnam Retirement Plan.

Discussion followed.

Mr. Rovero stated that according to the Town Charter the Assessor and Treasurer are appointed positions but they have been participating in the Pension Plan. The only change is to include the Town Clerk, no other elected official.

Mr. Peter Seraphin, 607 Five Mile River Rd. – feels that the only way you can make the Town Clerk, a town employee is to change two (2) things: the Town Charter and the Pension Plan. And that this should be tabled and do a Charter Revision.

Mr. Nicholas Longo: Providence Pike – A survey conducted of the area Town Clerk's shows that they are included in the Town 's Pension Plan. Historically Town Clerks have

served in excess of ten (10) years in office. And urges that we not table the issue but adopt.

Hand Vote taken:

YES
12

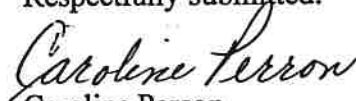
NO
1

MOTION CARRIES

Motion made by Richard Place, seconded by Gary Kendall to adjourn at 8:00P.M.

SO VOTED

Respectfully submitted.


Caroline Person
Recording Secretary



TOWN OF PUTNAM

TOWN HALL
126 CHURCH STREET
PUTNAM, CONNECTICUT 06260



November 7, 2005

Ms. Sara D'Elia
Town Clerk
126 Church Street
Putnam, CT 06260

Dear Ms. D'Elia:

The Town of Putnam Pension Committee will hold their **Annual Pension Committee Meeting on Thursday, November 10, 2005 at 3:30 p.m.** in the Selectmen's Chambers at the Town Hall for the following:

1. To choose a Pension Committee Chairman.
2. Annual meeting with Ms. Cheryl Morgan, Vice President and Manager of Bank of America Retirement Plan Services, to review investments of the Town of Putnam Pension Plan.
3. To approve any investment changes to the Town of Putnam Pension Plan as recommended too be in the best interest of the Town of Putnam.
4. To approve a clarification in the Town of Putnam Pension Plan, Article VI, Section 6.01.

Sincerely,

Caroline Perron
Benefit & Payroll Clerk

cc: Pension Committee Members

P.S. If you are unable to attend this meeting, please call the Mayor's Office.