

**INSURANCE & PENSION COMMISSION  
CLIFF HURGIN MUNICIPAL CENTER  
1 SCHOOL STREET, BETHEL, CT 06801**

**INSURANCE & PENSION COMMISSION  
NOTICE OF A REGULAR MEETING  
WEDNESDAY, SEPTEMBER 12, 2012  
7:30P.M. – MEETING ROOM A**

**RECEIVED**

**2012 SEP 27 P 2:24**

**TOWN OF BETHEL  
TOWN CLERK**

**COMMISSION MEMBERS PRESENT:** Chairman E Tomasko; Vice Chairman S. Brill, K. Adams, and T. O'Leary.

**GUESTS:** Bill Guerrero, Senior Vice President of USI, Mike Forte, and Frank Mendillo.

**INSURANCE RENEWAL OUTCOME FOR 7/1**

Mr. Guerrero handed out a letter dated September 12, 2012 that gives a summary of the insurance and what is covered and what wasn't covered before, but should have been insured. There was an increase on the property liability by 5% with the additional coverage. Worker's Compensation went up to 150,000.

**MIKE FORTE, TOWN PERFORMANCE**

Mr. Mendillo went over the people that retired from the town and police that are currently collecting. The average age of retirement for the police is 63. The commission discussed the future exposure Bethel has with both the Defined Benefit pension plans and the retiree health plans. These two programs offer excellent benefits to town employees, but are becoming more and more difficult to comprehend in terms of cost to Bethel taxpayers. While the pension programs have actuarial projections and funding designed to plan for future events. Mr. Mendillo suggested that the current structures are

possibly not supportable very far into the future due to variables such as early retirements and the # of years these plans are designed to pay out benefits versus the actuality of longer life spans and potential earlier payouts. After discussions, the commission went into detail about unfunded liability of retiree health insurance and the increasing cost associated with this benefit. The commission all agreed that a special meeting should be set for further discussions and to meet with the Board of Finance for their input on future budgets.

### **BLACK ROCK ASSET ALLOCATIONS**

Meghan Heil and Mike Guthery were representing Black Rock Asset. They handed out a portfolio of their company and what kind of investments they do. They are currently the largest assets in the world. Black Rock Asset is able to invest any where in the world. Over 700 securities are in their portfolio. 52 Billion in US funds in assets of management. They are a diversified company. Out of the 23 years they are been around, they only had 4 negative ones. Mike Forte discussed the LDI process with the commission.

Motion made by E. Tomasko and seconded by K. Stevens to adjourn at 10:02 p.m. Motion passed unanimously.

Respectfully submitted:

*Coleen P. Cote'*

Coleen P. Cote'