

AGENDA AND PROPOSED ORDERS  
GORHAM TOWN COUNCIL  
SPECIAL MEETING  
TUESDAY, June 19, 2012 7:00 PM  
Gorham Municipal Center, Burleigh H Loveitt Council Chambers

In accordance with Section 2 of the Rules of Council, a Special Meeting of the Gorham Town Council is hereby called by Chairman Brenda Caldwell to be held in Council Chambers at the Gorham Municipal Center at 7:00 p.m. on Tuesday, June 19, 2012.

Pledge of Allegiance to the Flag

Roll Call of the Town Council

Item #8184      Action to consider withdrawing from MainePERS.

Proposed

Order #8184      Whereas the Town of Gorham joined the Maine Public Employees Retirement System (MainePERS) as a participating local district on July 1, 2009 and selected to participate in Plan 3C for its police and fire employees, and

Whereas, when the Town joined MainePERS, it wanted to ensure that it's future costs for retirement plans were reasonable and that the cost of the MainePERS Plan did not significantly increase, and

Whereas, many Local governments, State governments and National governments are currently facing severe financial hardships even after making significant reductions in services to the citizens they serve because of the increasing costs of their retirement plans, and

Whereas, the Town also wanted to ensure that it paid similar contributions towards the retirement plans for the employees not in MainePERS as it paid for employees in MainePERS, and

Whereas, the normal employer contribution rate to MainePERS for Plan 3C when the Town joined was 6.6% but has since increased to 10%, an increase of 51.5% over 36 months, and

Whereas the Town has a labor contract with the Maine Association of Police and a labor contract with the Gorham-Windham Firefighters Association (IAFF local 4095, AFL-CIO-CLC) that contains language allowing the Town to withdraw from MainePERS if the Town's contribution rate to MainePERS exceeds the contribution rate to the ICMA-RC 457 plan by 5%, and

Whereas that contribution rate of 10% to MainePERS is now 33% higher than the 7.5% contribution rate to the ICMA-RC 457 Plan, and

Whereas, the Town provided a notice on April 3, 2012, to the Maine Association of Police, of the Town's intent to withdraw from MainePERS and has reaffirmed that notice on several other occasions, and

Whereas, the Town provided a notice on April 4, 2012, to the Gorham-Windham Professional Firefighters Association (IAFF local 4095, AFL-CIO-CLC), of the Town's intent to withdraw from the MainePERS and provided additional notification on several other occasions, and

Whereas, the Town understands that existing employees who are currently enrolled in MainePERS Plan 3C are allowed to remain in MainePERS, even after the Town withdraws from the system, but that new employees will not be allowed to join,

Now Therefore Be It Ordered, that the Gorham Town Council, pursuant to Title 5, MRSA Section 18203 vote to withdraw from MainePERS on July 1, 2012 or at the earliest effective date thereafter, and

Be It Further Ordered that the Town Manager is authorized to take any other steps necessary to implement this order, and

Be It Further Ordered that the Town Manager shall provide a copy of this order to MainePERS, the Maine Association of Police and the Gorham-Windham Professional Firefighters Association.

Item #8185      Action to consider accepting a proposal for insurance.

Proposed  
Order #8185      Ordered, that the Town Council accept a proposal for insurance from the Maine Municipal Association, as recommended by an independent Insurance Consultant.

Item #8186      Action to go into Executive Session.

Proposed  
Order #8186      Ordered, that the Town Council go into Executive Session pursuant to Title 1, MRSA, Section 405 (6) (C) to discuss the potential acquisition of real estate and pursuant to Title 1, Section 405 (6) (D) to discuss negotiations with the Firefighters, and pursuant to Title 1, MRSA, Section 405 (6) (E) to consult with the Town Attorney regarding current litigation.

Adjourn