

Town of Old Lyme Regular Pension and Deferred Compensation Plans

Education Policy Statement

March 23, 2022

Executive Summary

It is the intention of the Town of Old Lyme Pension Committee (hereby referred to as “Sponsor”) to offer semi-annual group education sessions for Town of Old Lyme Employees. These offerings will be coordinated with the retirement plan Record Keeper, T. Rowe Price (hereby referred to as “Educator”), and Financial Advisor, PASI Investments, LLC (hereby referred to as “Advisor”). The intention of these offerings will be to encourage active participation in the Town of Old Lyme Retirement Plans for eligible employees and to increase general financial literacy of all town employees.

Education Objective

The Statement will assist the Sponsor in effectively designing, monitoring and evaluation of an employee education plan. The education plan will:

- Provide educational materials to help employees make informed investment decisions.
- Educate employees about the relative risk and return of investing in different asset classes.
- Inform employees about the potential reduction of risk from diversified investing.
- Encourage employees to participate in the plan.

Goals of Education Program

The plan’s quantifiable goals are:

- Remind/Educate participants on service providers (Educator and Advisor).
- Increase participation rate.
- Increase average deferral rate.
- Increase general financial literacy of town employees.

Frequency of Education

The Sponsor has agreed upon group education with a target of semi-annual meetings. Each group education session will conclude with an additional offer of a 1:1 participant meeting with the Advisor. These meetings will be held at a later date virtually in 20-minute increments and will be coordinated by the Sponsor with the Advisor.

Roles & Responsibilities

Advisor:

- Develop education process that provides guidance to employees.
- Proactively coordinate the scheduling of the two education dates with the coordinators for each subsection of employee groups.
- Educate employees about the relative risk and return of investing in different asset classes.
- Inform employees about the potential reduction of risk from diversified investing.
- General retirement plan details to include eligibility, contribution allowances, & employer responsibilities.
- Investment lineup overview.
- Help participants understand a basic calculation for how much they should be saving towards the future.
- Encourage employees to participate in the plan.

Sponsor:

- Sponsor will engage with Advisor to determine which existing calendar events are appropriate to schedule with education sessions, or to determine a standalone event.
- Approving a written document defining the goals and objectives of the plan.
- Encourage employees to participate in the plan.

Educator:

- Provide reports on account activities to track various rates and asset allocations.
- Provide educational materials to help employees make informed investment decisions.
- Encourage employees to participate in the plan.

PASI Investments recommend sending out a survey to staff annually to determine financial literacy topics of interest to participants.

PASI Participant Education Offerings*

- Group education seminars
- Lunch & Learns
- Enrollment meetings
- Add on sessions to already scheduled meetings
- 1:1 participant meetings
- Termination meetings

**All offerings will be provided virtually unless otherwise requested and coordinated. In addition, T. Rowe Price offers a variety of education materials for distribution to employees.*

Group Education Overview

Semi-annual group education will include the following topics:

- General retirement plan details to include eligibility, contribution allowances, & employer responsibilities.
- Investment lineup overview.
- Help participants understand a basic calculation for how much they should be saving towards the future.

This statement creates no obligation to act in any particular way. This Education Policy Statement can be amended to reflect changes in the capital markets, plan participant objectives, or other factors relevant to the Plan.

