

**Committee as a Whole—Retirement Incentive,
Code of Ordinance, Section 14-17
Danbury City Council
15-April-2013**

Honorable Mayor Mark D. Boughton
Members of the Common Council

Council President Joseph Cavo called the meeting to order at 8:26 pm in the Council Chambers.

PRESENT:

Philip Curran, Jack Knapp, Warren Levy, Gregg Seabury, Donald Taylor, Joseph Cavo, Thomas Saadi, Fred Visconti, Elmer Palma, Andrew Wetmore, Peter Nero, Benjamin Chianese, Paul Rotello, Joseph Scozzafava, and Mary Teicholz.

ABSENT: Michael Haddad, Colleen Stanley, Phillip Colla, Shay Nagarsheth, Michael Halas, and Duane Perkins.

PRESENT: 15 ABSENT: 6

Council Members Stanley, Halas and Perkins were absent due to business
Council Members Haddad, Colla, and Nagarsheth were attending to family business.

ALSO PRESENT: Mark Boughton, Mayor; Lazlo Pinter, Deputy Corporation Counsel; David St. Hilaire, Director of Finance.

Committee of the Whole--Retirement Incentive, Code of Ordinance, Section 14-17

Councilman Scozzafava recused himself from discussion and vote on this item.

Councilman Seabury made a motion to recommend the adoption of Code of Ordinance, Section 14-17, establishing the 2013 Retirement Incentive program for the non-union and non-school city employees and the adoption of the resolution for the Retirement Incentive Program for employees. The motion was seconded by Councilman Nero.

Mayor Boughton gave a brief overview of the process they went through to reduce the risk of the current pension system. He further explained that beginning within the next few weeks letters would be sent eligible employees with the Incentive amount and meetings would be held in groups and individually to discuss employees' options under the incentive program. He concluded by stating that there would be re-organization of the City's Departments after those who chose to retire had been determined. This plan will dramatically decrease the obligations of the City under the current pension system in future years. Further discussion regarding the funding sources, the time frame, employee groups eligible, replacement employees, and the new defined contribution retirement plan took place.

Vote, all in favor, motion unanimously approved.

As there was no more business before the Committee as a Whole, Councilman Levy made a motion which was seconded by Councilman Wetmore to adjourn. The Committee as a whole adjourned at 8:48 pm

Respectfully Submitted

Shani Burke Specht,
Recording Secretary



ORDINANCE

CITY OF DANBURY, STATE OF CONNECTICUT

CITY COUNCIL

_____ A.D. 2013

Be it ordained by the City Council of the City of Danbury:

That the Code of Ordinances of Danbury, Connecticut, is hereby amended by adding a section, to be numbered 14-17, which said section reads as follows:

14-17 - 2013 Retirement Incentive Program

1. The City of Danbury hereby adopts the 2013 Retirement Incentive Program ("Incentive Program") for non-union employees of the City, excluding the City of Danbury Board of Education.
2. Those eligible for the Incentive Program include only full-time active employees who meet the following criteria:
 - a. are participants in the General Employees Pension Plan (GEPP); and
 - b. whose age and years of credited service are equal to at least 75 as of June 30, 2013.
3. The Incentive Program shall not apply to individuals currently receiving a pension or previously retired under the GEPP.
4. Eligible employees shall elect participation in the Incentive Program no later than June 13, 2013, by submitting a written election to the City of Danbury Director of Finance. Such election to retire under this offering shall be irrevocable after June 13, 2013. The retirement date of an eligible employee shall be effective July 1, 2013. An employee must elect one of the optional forms of benefit as follows: Life Annuity, Monthly Annuity, Full Lump Sum, or Combination Payment (Lump Sum and Annuity Payment) at the time he or she elects to retire, no later than June 13, 2013.
5. An employee who is interested in electing participation in the Program should schedule a personal review meeting with the City's Finance Department staff as soon as possible to determine eligibility and benefits. It is the employee's responsibility to investigate whether he/she is eligible.
6. An employee who retires under this Incentive Program shall receive the following benefits:
 - a. Employee Credited Service Award: one thousand dollars (\$1,000.00) for each year of credited service, payable to the retiree as a lump sum and subject to applicable state and federal taxes or into a tax qualified retirement account or plan; and
 - b. An option to receive their retirement benefits in accordance with one of the following:
 1. Life Annuity pursuant to Section 14-5 of the City's Code of Ordinances;
 2. Lump Sum;
 3. Monthly Annuity in accordance with Section 14-6 of the City's Code of Ordinances; or
 4. "Combination" Payment: Lump Sum and Monthly Annuity.

- c. Payment for unused sick and vacation time, if any, in accordance with the terms of the City Non-Union Handbook and City Council Resolution, payable to the retiree as a lump sum and subject to applicable state and federal taxes or into a tax qualified retirement account or plan; and
 - d. Retiree health and life insurance benefits in accordance with the terms of the City Non-Union Handbook and City Council Resolution, provided that the retiree meets any and all of the criteria set forth therein to qualify for such benefits.
7. The City reserves its right to withdraw the Program for any reason whatsoever, provided the City makes a written election to do so no later than May 8, 2013 and so notifies those who elected to participate in accordance with Section 4 above. In the event that the City withdraws the Program, an employee who has made an election to participate shall have the right to withdraw his/her application for retirement by written notice to the Director of Finance.

30-4

RESOLUTION

CITY OF DANBURY, STATE OF CONNECTICUT

_____ A.D. 2013



RESOLVED BY THE CITY COUNCIL OF THE CITY OF DANBURY

WHEREAS, the City of Danbury desires to offer an optional Retirement Incentive Program ("Incentive Program") to active full-time union employees of the City who are members of the General Employees Pension Plan, excluding the Danbury Board of Education; and

WHEREAS, the unions representing those eligible employees have been provided notice of and have consented to this Incentive Program.

NOW THEREFORE BE IT RESOLVED THAT: In accordance with Section 7-474 of the Connecticut General Statutes, with the consent of Danbury Municipal Employees Association, Local 424, Unit 14, UPSEU, and Teamsters Local 677, the City Council hereby authorizes the City to offer the following optional Incentive Program:

1. Those eligible for the Incentive Program include only full-time active employees who meet the following criteria:
 - a. are participants in the General Employees Pension Plan ("GEPP"); and
 - b. whose age and years of credited service are equal to at least 75 as of June 30, 2013.
2. The Incentive Program shall not apply to individuals currently receiving a pension or previously retired under the GEPP.
3. Eligible employees shall elect participation in the Incentive Program no later than June 13, 2013, by submitting a written election to the City of Danbury Director of Finance. Such election to retire under this offering shall be irrevocable after June 13, 2013. The retirement date of an eligible employee shall be effective July 1, 2013. An employee must elect one of the optional forms of benefit as follows: Life Annuity, Monthly Annuity, Full Lump Sum, or Combination Payment (Lump Sum and Annuity Payment) at the time he or she elects to retire, no later than June 13, 2013.
4. An employee who is interested in electing participation in the Program should schedule a personal review meeting with the City's Finance Department staff as soon as possible to determine eligibility and benefits. It is the employee's responsibility to investigate whether he/she is eligible.
5. An employee who retires under this Incentive Program shall receive the following benefits:
 - a. Employee Credited Service Award: One thousand dollars (\$1000.00) for each year of credited service, payable to the retiree as a lump sum and subject to applicable state and federal taxes or into a tax qualified retirement account or plan; and

b. An option to receive their retirement benefits in accordance with one of the following:

1. Life Annuity pursuant to Section 14-5 of the City's Code of Ordinances;
2. Lump Sum;
3. Monthly Annuity in accordance with Section 14-6 of the City's Code of Ordinances; or
4. "Combination" Payment: Lump Sum and Monthly Annuity.

c. Payment for unused sick and vacation time, if any, in accordance with the terms of the applicable collective bargaining agreement, payable to the retiree as a lump sum and subject to applicable state and federal taxes or into a tax qualified retirement account or plan; and

d. Retiree health and life insurance benefits in accordance with the terms of the applicable collective bargaining agreement, provided that the retiree meets any and all of the criteria set forth therein to qualify for such benefits.

6. The City reserves its right to withdraw the Program for any reason whatsoever, provided the City makes a written election to do so no later than May 8, 2013 and so notifies those who elected to participate in accordance with Section 4 above. In the event that the City withdraws the Program, an employee who has made an election to participate shall have the right to withdraw his/her application for retirement by written notice to the Director of Finance.