

**CITY OF NEW HAVEN**

**CITY EMPLOYEES RETIREMENT FUND**

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**CERF Plan Document**

**Revised as of July 1, 2024**

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CITY OF NEW HAVEN

CITY EMPLOYEES' RETIREMENT FUND

WHEREAS, a defined benefit pension plan (this "Plan") provides terms for the operation of the Fund established to provide pension benefits to Eligible Employees of the City, their Survivors and their Survivor Annuitants (all capitalized terms being further defined in Article I); and

WHEREAS, the provisions of the Plan have been amended from time to time by collective bargaining between the City and the following unions:

Unit 34 of United Public Service Employees Union Local 424 ("Local 424 Unit 34"),

Unit 128 of United Public Service Employees Union Local 424 (previously UE Local 222 CILU/CIPU) ("Local 424 Unit 128")

Local 884 of the American Federation of State, County and Municipal Employees ("Local 884"),

Local 1303-464 of Attorneys Union, Council 4, AFSCME, AFL-CIO ("Local 1303-464"),

Local 1303-467 of The Public Health Nurses' Union, Council 4, AFSCME, AFL-CIO ("Local 1303-467"), and

New Haven Management & Professional Management Union, Local 3144, Council 4, AFSCME, AFL-CIO ("Local 3144"); and

WHEREAS, the provisions of the Plan have also been amended from time to time by collective bargaining between the New Haven Board of Education and the following unions.

AFL-CIO ("Local 217"),

Board of Education Employees Local 287 of Council 4 AFSCME, AFL-CIO ("Local 287"),

United Brotherhood of Carpenters and Joiners of America, Local 24; Brotherhood of Painters and Allied Trades, District Council 11; International Brotherhood of Electrical Workers, Local 90; and United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada Local 777 (collectively the "Trade Unions"); and

WHEREAS, the provisions of the Plan have also been amended from time to time by the EMCE Manual as applicable to EMCE Employees who are Eligible Employees; and

WHEREAS, the provisions of the Plan have also been amended from time to time by agreement between the City and the Retirement Board in order to take into account changes in the applicable law and regulations, to reflect a favorable private Internal Revenue Service (“IRS”) letter ruling and to clarify the administration of the Plan; and

WHEREAS, the Plan is intended to be a “governmental plan” as defined in Internal Revenue Code section 414(d) and shall be interpreted consistently with such designation; and

WHEREAS, the City intends that the Plan comply with and be interpreted consistently with all other relevant provisions of the Code; and

WHEREAS, the Plan as last restated in its entirety was approved by the Internal Revenue Service in a determination letter issued during the pendency of the its periodic filing program for individually designed retirement plans and has since been amended from time to time as previously stated; and

WHEREAS, the City and the Retirement Board again wish to amend and restate the Plan in its entirety to incorporate all such changes and the provisions of newer collective bargaining agreements.

NOW THEREFORE, effective the first day of the Plan Year beginning July 1, 2024 (the general “Effective Date” of this restatement, with special effective dates entered in the text), the City and the Retirement Board hereby amend and restate the Plan in its entirety as follows:

## **ARTICLE I**

### **DEFINITIONS**

1.1 “Actuarially Equivalent” means a form of benefit under the terms of this Plan differing in time, period, or manner of payment from a specific benefit provided under the Plan but having the same value when computed using the mortality, COLA (cost of living adjustment), and interest assumptions from the most recent CERF actuarial valuation report.

1.2 “Appointed Official” means a City employee whose position is created by statute, Charter or ordinance, whose duties are described in the creating authority and who either serves for a fixed term or can be removed for cause, and also includes for purposes of this Plan, Coordinators appointed pursuant to the City Charter, the Budget Director, the Chief Technology Officer, and the Chief of Staff.

1.3 “Average Annual Rate of Pay” for purposes of computing the normal retirement annuity means Pay as defined in Section 1.26, subject to the

averaging and special computational rules of this Section 1.3. For this purpose, "budgeted" or "basic" rate of Pay in the varying language of the relevant CBAs shall be treated as synonymous and shall mean the rate of Pay for a position exclusive of overtime, bonuses, allowances or other additions available to an individual. Under the averaging and special computational rules of this Section 1.3, the normal retirement annuity is computed using the greater of (a) or (b) below, except as modified in (c) through (e).

(a) the average of the best five (5) years of actual Pay or budgeted Pay for the same five (5) years, whichever is greater, or

(b) the last fiscal year's budgeted Pay.

(c) For Members of Local 424 Unit 34, the computation of Average Annual Rate of Pay shall be based on such Member's basic rate of Pay; provided that solely with respect to Local 424 Unit 34 Members hired prior to December 3, 2014, total earnings including overtime, if greater, will be used for any year when such Member's contributions were based on such larger amount.

(d) For Members of Local 424 Unit 128, Local 884, Local 3144, and EMCE Employee Members, computation of Average Annual Rate of Pay shall be based on the Member's basic rate of Pay except that total earnings including overtime, if greater, will be used for any year when such Member's contributions were based on such larger amount. Notwithstanding the preceding sentence, for members of Local 424 Unit 128 with fewer than 10 years of service as of July 1, 2010, Average Annual Rate of Pay shall mean the budgeted rate of Pay.

(e) For Members of Local 287 who had fewer than ten (10) years of service as of December 31, 2012, Average Annual Rate of Pay shall mean the average of the best three (3) years of such Member's budgeted salary. Notwithstanding the foregoing, for Members of Local 287 who were hired on or after December 31, 2012, Average Annual Rate of Pay shall mean the best five (5) years of such Member's budgeted rate of Pay.

1.4 "Beneficiary" means the person the Member designates under Section 7.3 to receive, a return of the Member's contributions from the Fund after the Member's death, if applicable.

1.5 "Board of Alders" and "City or Town Clerk" mean, with reference to the City Charter (a) the legislative body defined in Article IV and (b) the Elected Official defined in Article V, Section 1, respectively.

1.6 "Board of Education" means the Board established under Article VII, Section 3.A of the City Charter and State law.

1.7 "Child" or "Children" mean the Member's child or children entitled to death benefits under Article VII.

1.8 "City" means the City of New Haven, Connecticut.

1.9 “City Charter” means the Annotated Charter of the City of New Haven, effective as of January 1, 2024, as the same may be amended from time to time.

1.10 “Code” means the Internal Revenue Code of 1986, as amended, or replaced from time to time.

1.11 “Collective Bargaining Agreements” or “CBAs” mean the agreements between the City and Local 424 Unit 34, Local 424 Unit 128, Local 884, Local 1303-464, Local 1303-467, and Local 3144, and between the Board of Education and Local 217, Local 287 and the Trade Unions including any amendments, restatements, memoranda of understanding, or stipulations to which the relevant parties from time to time enter into as modifications of such agreements and further including successors to the signatory units. The EMCE Manual shall be considered a CBA for purposes of the Plan.

1.12 “Compensation,” except as otherwise provided herein, means all monies received or accrued, while an employee, from the City during a fiscal year ending June 30; being the sum, of the amounts of salary or wages regularly payable during such fiscal year, also including overtime Pay and bonuses paid, and the value of maintenance, if any, other employee benefit plan now or hereafter adopted, with the exception, of any amount contributed by the City pursuant to a salary reduction agreement, which amount shall be included if such contributions are excluded from gross income by reason of Code Sections 125, 402(h), 403(b), 414(h)(2), 457, or effective for Plan Years commencing after January 1, 2001, Code Section 132(f)(4). Annual Compensation considered under the Plan shall not exceed the limit under Section 401(a)(17) of the Code, as adjusted for cost of living from time to time by the Secretary of the Treasury.

1.13 “Conditional Member” means a Member who has terminated employment with the City and who has ceased to contribute to the Fund but who has retained eligibility rights for a deferred pension pursuant to the provisions of Article VI.

1.14 “Credited Service” means, except as provided below, that number of full and fractional years (calculated on daily basis) with respect to which a Member’s Pay is reduced by the amounts provided in Article III.

(a) For Local 424 Unit 34 Members, at the Member’s option, service credit for absences due to work-related injuries shall be considered. Credited Service, provided the Local 424, Unit 34 Members who receive such credit make such contributions as required under Article III during such absences.

(b) For Local 287 Members, service will be credited for retirement purposes for any period of time in which they are on leave due to an on-the-job injury and for which they receive Worker’s Compensation benefits so long as the Members pay their contribution as required under Article III for the period of time during which they were out injured (subject to any cap in the Plan for total allowable Credited Service).

(c) Credited Service for Local 217 Members will not include any year in which the Local 217 Member has not been in actual service for at least eight (8) months.

(d) Credited Service for Local 287 Members will not include any year in which the Local 287 Member has not been in actual service for at least nine (9) months.

(e) Local 424 Unit 34, Local 424 Unit 128, Local 884, Local 3144, Trade Unions, and EMCE Employee Members shall receive Credited Service for those full and fractional years (calculated on a daily basis) during which a Member receives a disability benefit, provided such Member recovers from such disability, is rehired by the City and thereafter earns at least five (5) years of Credited Service.

(f) Notwithstanding anything contained herein to the contrary, in the event a Member separates from the City service and receives a refund of the Member's contributions pursuant to Article VI, the Member's Credited Service shall include only those full and fractional years (calculated on a daily basis) occurring after the latest such refund, with respect to which the Member's Pay is reduced by the amounts provided in Article III, unless:

(1) The Member (except for Members of Local 287), in accordance with the buyback rules of subsection (j) below, requests a reinstatement of the Member's Prior Credited Service;

(2) The Member's Prior Credited Service calculated as of the date of the latest refund exceeds the number of full and fractional years (calculated on a daily basis) falling between the date the Member last separated from the City's service and the date first following such separation on which the Member contributes to the Fund pursuant to Article III; provided however, that this Section 1.13(f)(2) shall not apply to Members of Local 217 and Local 287; and

(3) The Member repays the latest refund in accordance with the buyback rules of subsection (j) below.

In the event a Member satisfies all of the foregoing conditions the Member's Credited Service shall consist of those full and fractional years (calculated on a daily basis) occurring after the latest such refund with respect to which the Member's Pay is reduced by the amounts provided in Article III plus the Member's Prior Credited Service.

(g) For purposes of Section 1.14(f), the term "Prior Credited Service" means those full and fractional years (calculated daily) with respect to which the latest refund was made.

(h) Credit shall be given for periods of military service in accordance with Section 9.12 (USERRA).

(i) A Member who incurs a break in service on account of an absence due to a work-related injury for which Workers' Compensation is paid, shall restore Credited Service by repaying to the Fund the amount of contributions that would have been required to maintain unbroken service plus interest as hereinafter provided.



(j) Buyback Rules.

(1) A Member described in subsection (i) must make a mandatory payment of the amount necessary to restore Credited Service. Except as provided in paragraph (2) of this subsection (j), such amount shall be paid in a lump sum at the time of retirement and shall include interest at the rate of three percent (3%) compounded annually for an interest accrual period beginning on the date as of which the Member stopped making required contributions while absent on Workers' Compensation and ending on the date of repayment.

(2) A Member described in subsection (i) may alternatively restore Credited Service by paying the Member's contributions as required under Article III in installments as provided in a written installment agreement with the Fund. Interest on the installment payments shall be three (3%) compounded annually from the dates that the contributions were due until full repayment.

(3) A Member described in subsection (f) may optionally elect to restore Credited Service by making a lump sum payment, within six months of re-employment of the Member's refunded contributions plus interest at the rate of three percent (3%) compounded annually beginning on the date of the last refund of the Member's employee contributions and ending on the date of repayment.

(4) A Member described in subsection (f) may alternatively restore Credited Service by repaying the Member's refunded contributions in installments over a period not to exceed three (3) years as provided in a written installment agreement with the Fund. Interest on installment payments shall be three percent (3%) compounded annually from the date of the last refund until six (6) months after the Member's return to work. Interest on any balance remaining after the close of such six (6) month period and until full repayment shall be at the rate of the Prime Rate of the Fund's Custodian plus 2%.

(5) A Member described in subsection (h) may restore Credited Service in accordance with the provisions of Section 9.12(d).

1.15 "Custodian" means a financial institution holding Fund assets as described in Sections 2.2(d) and (f)(1).

1.16 "Eligible Employee" means any General Fund Full-time Employee of the City or of the Board of Education who is covered by any CBA and who is deemed eligible pursuant to such CBA to be a participant in this Plan. Eligible Employee shall not include any employee receiving benefits from or participating in any of the other pension retirement funds sponsored by the City. Eligible Employee shall also not include any employee in a bargaining unit whose CBA permits the employee to elect to participate in the Plan where such employee does not make the election in accordance with the provisions of the CBA.

1.17 "Effective Date" means, as applied to this Restatement of the Plan, July 1, 2024, with special effective dates of specific provisions as entered in the text.

1.18 "Elected Official" means an official whose position is established by the City Charter and is filled by popular election.

1.19 “EMCE Employees” are those employees who are covered by the EMCE Manual, whose employment is not subject to collective bargaining and who are eligible to participate in the Plan.

1.20 “Executive Management and Confidential Employees Personnel and Procedures Manual” or “EMCE Manual” as it may be amended from time to time, means the Personnel and Procedures Manual which has been duly adopted by the City for EMCE Employees whose employment with the City is not subject to collective bargaining.

1.21 “Full-time Employee” means any permanent employee who works twenty (20) hours or more per week;

1.22 “Fund” means the trust fund known as the City of New Haven City Employees’ Retirement Fund (or “CERF”) as established for the benefit of Eligible Employees and their Survivors and their Survivor Annuitants pursuant to various Connecticut Special Acts and City Ordinances, and as the same may be amended from time to time by CBAs.

1.23 “Investment Adviser” means the financial service institution described in Section 2.2(e).

1.24 “Member” means an Eligible Employee who is enrolled in the Plan and making contributions to the Plan pursuant to Article III or who has qualified for a disability annuity or a retirement annuity by reason of age and service.

1.25 “Normal Retirement Date” means the date under Section 4.1 when a Member first becomes eligible to make a written application to the Retirement Board for a normal retirement annuity based on Years of Credited Service.

1.26 “Pay of a Member” or “Pay” means all Compensation for services but shall not include allowance for a motor vehicle or other transportation. Notwithstanding the foregoing, “Pay” shall mean:

(a) for Local 217 and Local 287 Members, all Compensation for services, including living quarters or maintenance, or both, as such figures as may be determined by the Board of Alders, but shall not include an allowance for a motor vehicle or other transportation;

(b) for Local 424 Unit 128 Members with fewer than ten (10) years of service as of July 1, 2010, budgeted rate of Pay, e.g. exclusive of overtime;

(c) for Local 424 Unit 34 Members hired on or after December 3, 2014 and for Local 1303-464 Members, for purposes of determining Member contributions under Article III, basic (base) rate of Pay excluding any overtime or other bonuses.

(d) for Local 1303-467, basic rate of Pay, except that for purposes of computing benefits, total earnings including overtime, if greater, shall be used for any year when the Member’s contributions were based on such larger amount.

1.27 “Plan” means this Plan document specifying how the Fund is to be operated.

1.28 “Plan Administrator” means the person or entity designated by the Retirement Board to administer the Plan as provided in Section 2.1(b).

1.29 “Plan Year” means the 12-month period beginning July 1 of each calendar year.

1.30 “Retirement Board” means the board of trustees described in Article II of this Plan.

1.31 “Service Disability” means a disability defined in Section 5.2(a)(2).

1.32 “Surviving Spouse” means a spouse of the Member entitled to benefits from the Fund under the requirements of Article VII, including, to the extent applicable, the requirements of Section 7.1(f) as to having been married to, or residing with the deceased Member at certain times.

1.33 “Survivor” means a Member’s Surviving Spouse or Child or Children.

1.34 “Survivor Annuitant” means an individual or legal entity designated by a Member at the time of the Member’s retirement to receive a survivor benefits pursuant to Section 7.4.

1.35 “USERRA” means The Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C.4301, as amended.

1.36 “Vested Benefit” means the portion of a retirement annuity provided by the Plan that is non-forfeitable. A retirement annuity shall be wholly vested upon attainment of normal retirement age, qualification for early retirement or disability retirement, upon earning ten years of service or upon becoming a Conditional Member pursuant to Article VI. If the City completely discontinues its contribution to the Fund, or the Fund is terminated, or the Fund is partially terminated, all benefits of the affected Members shall become non-forfeitable regardless of years of Credited Service or any other provision concerning qualification for retirement annuities. To the extent there is a forfeiture of the non-vested benefits of a Member under the Plan, such forfeiture shall not increase the benefit of any other Member but shall be applied to reduce the funding obligation of the City.

1.37 “Workers’ Compensation” means benefits paid under the Connecticut Workers’ Compensation Act, Chapter 568 of the Connecticut General Statutes.

## **ARTICLE II**

### **RETIREMENT BOARD**

#### **2.1 RETIREMENT BOARD**

(a) The Fund shall be administered according to the Plan by a Retirement Board of seven (7) trustees, subject to the following rules:

(1) The Mayor and Controller of the City shall be trustees ex officio,

(2) The Mayor shall appoint three (3) persons to be trustees;  
and

(3) The Members of the Fund shall nominate and elect two (2) trustees, with no more than one at any time being from the same Union or an EMCE Employee.

(4) The terms of appointed trustees shall be three (3) years, beginning on January first, the terms of one expiring at the end of each year.

(5) The terms of elected trustees shall be three (3) years, beginning as of the May regular monthly meeting following their election, said terms running concurrently.

(6) A trustee shall serve until a successor is named and has qualified, and the Mayor shall make such appointments as may be necessary to fill vacancies occurring during the term, except a vacancy in the positions of Member representatives which shall be filled by the Members of the Fund.

(7) No trustee shall incur any liability for any act done or omitted in the exercise of the trustee's duty, except due to the trustee's own willful misconduct and/or lack of good faith. The Fund shall indemnify and hold harmless each trustee for all claims or liabilities asserted against the trustee by reason of the trustee's status as a trustee, except those claims or liabilities occasioned by the trustee's own willful misconduct and/or lack of good faith.

(b) The Retirement Board shall determine the eligibility of a Member of the Fund and the Member's rights under this Plan; shall make bylaws and regulations not inconsistent with law for the administration of the Plan; may delegate such administrative functions of the Plan as it may determine to a Plan Administrator; and shall engage such expert actuarial, legal, auditing, investment and medical services as it deems advisable.

## 2.2. RETIREMENT FUND; ASSETS, ADMINISTRATION

(a) The Fund is established for the benefit of the Members, their Survivors, and their Survivor Annuitants and is held in trust by the Retirement Board pursuant to this Plan.

(b) The Fund shall consist of such cash and other assets of whatever kind held in the Fund from time to time, together with all City and Member contributions and the income, gains and earnings thereon.

(c) The members of the Retirement Board shall be the trustees under this Plan and shall have full control and management of the Fund assets. The Retirement Board shall invest and reinvest the same in accordance with the provisions of the General Statutes governing the investment of trust funds. Such investments may be in securities, real property and other assets permissible for the investment of such funds under the Connecticut Uniform Prudent Investor Act, Conn. Gen. Stat. § 45a-541 et seq..

(d) The Retirement Board may enter into agreements with one or more incorporated banks or trust companies to act as Custodians or payment agents for the Fund.

(e) The Retirement Board may enter into agreements with one or more financial service institutions to act as Investment Advisers to the Retirement Board. An Investment Advisor may make recommendations as to the investment of the Fund assets and may carry out other functions as specified in subparagraph (f) of this Section 2.2.

(f) In addition to advising the Retirement Board on investment matters, an Investment Adviser may, to the extent approved by the Retirement Board:

(1) act as Custodian of such portion of the Fund as the Retirement Board may decide and use such funds to purchase investments on behalf of the Fund, to transfer funds to investment managers, and/or to pay benefits, expenses or returns of contributions in connection with the operations of the Plan: or

(2) enter into agreements with sub-Custodians acceptable to the Retirement Board, including incorporated banks or trust companies not directly contracted by the Retirement Board, to make such expenditures.

(g) The Retirement Board may acquire the services of investment managers either directly or indirectly through the Fund's purchase of interests in limited partnerships or limited liability companies utilizing such managers, or by authorizing a manager to allocate all or any portion of the Fund assets under its management to sub-managers.

(h) The Retirement Board shall submit annually to the Mayor of the City a schedule of estimated appropriations of money necessary for the administration of this Plan; and shall receive, control, manage and expend the Fund assets, including any monies contributed by the City and by Members; and shall invest and reinvest all of such assets in accordance with the provisions of the General Statutes governing trust funds and in accordance with the Plan.

### 2.3 PAYMENT BY CITY

The City of New Haven shall pay to the Retirement Board such amounts to fund the benefits provided by this Plan as shall be determined by the Retirement Board based on sound actuarial principles.

### 2.4 ANNUAL REPORTS OF RETIREMENT BOARD

The Retirement Board shall report annually to the Board of Alders of the City on the condition of the Fund.

### 2.5 ACCOUNTS & RESERVES

The Retirement Board shall maintain proper accounts and actuarial reserves for all benefits provided by this Plan. These actuarial reserves shall include the following items:

(a) A reserve to cover future payments on retirement annuities granted due to age and service;

(b) A reserve to cover future payments on annuities granted due to disability;

(c) A reserve to cover future payments of benefits granted to Survivors and Survivor Annuitants; and

(d) The balance representing the remainder of the accumulated contributions made by the Members and by the City and interest earned on the Fund's assets, to be held as a reserve for benefits accruing in future years in accordance with the provisions of this Plan.

## 2.6 ACTUARIAL VALUATION

A complete valuation shall be made periodically (but at least bi-annually) by a qualified actuary to determine the amount of the reserve prescribed in Section 2.5 of this Article and the City's contributions prescribed in Sections 2.2 and 2.3 of this Article.

## ARTICLE III

### EMPLOYEE CONTRIBUTIONS AND PARTICIPATION REQUIREMENTS

Past employee contributions were as provided from time to time in the relevant CBAs. This Article III sets forth the contributions required of Members from the specified beginning dates and those continuing as of the Effective Date.

#### 3.1 LOCAL 424 UNIT 34

For Local 424 Unit 34 Members, the rate of contributions shall be nine percent (9%) of Pay effective July 1, 2014.

#### 3.2 LOCAL 424 UNIT 128

For Local 424 Unit 128 Members, the rate of contributions shall be nine percent (9%) of Pay effective July 1, 2014.

#### 3.3 LOCAL 884

For Local 884 Members, the rate of contributions shall be nine percent (9%) of Pay effective July 1, 2013.

#### 3.4 LOCAL 3144 and EMCE Employees

For Local 3144 Members, the rate of contributions shall be ten and one-half percent (10.5%) of Pay effective June 5, 2023. For EMCE Employee Members, the rate of contributions shall be the greater of the contribution rate for Local 3144 Members or the FICA employee contribution rate.

#### 3.5 LOCAL 217

For Local 217 Members, the rate of contributions shall be eight percent (8%) of Pay effective July 1, 2018.

### 3.6 LOCAL 287

For Local 287 Members, the rate of contributions shall be nine percent (9.0%) of Pay effective July 1, 2012.

### 3.7 TRADE UNIONS

For Trade Union Members, the rate of contributions shall be ten percent (10%) of Pay effective July 1, 2018.

### 3.8 MANNER OF PAYMENT; PICK-UP

(a) Contributions under this Article shall be deducted from the Member's Pay and transmitted to the Retirement Board.

(b) Effective July 1, 2003, the Members' total contributions under this Article shall be tax deferred by reason of the City's "picking up" such contributions under Code Section 414(h)(2).

### 3.9 SOCIAL SECURITY OPTION

For Locals 884 and 3144, any Eligible Employee who, at the time of hiring, was 60 years of age or older shall have the option of joining the Fund or Social Security. For Local 217, any Eligible Employee who is hired prior to the Effective Date has the option of joining the Fund or Social Security. EMCE Employees who are Eligible Employees may elect to join the Fund or Social Security. If an Eligible Employee elects not to join the Fund, there shall be no contribution to the Plan required of the employee. The Retirement Board may adopt policies and procedures for the uniform administration of these options.

### 3.10 LOCAL 1303-464

(a) Only Members who were full-time, bargaining unit Eligible Employees initially hired before July 1, 2008, shall continue to be Members of the Plan. For Employees initially hired after July 1, 2008, the City contributes to a defined contribution plan, and such employees are covered by Social Security.

(b) The rate of contributions shall be ten percent (10%) of Pay effective upon the date of the award in Case No. 2013-MBA-430, such percentage to be deducted from each eligible participating Member's Pay and transmitted to the Retirement Board.

### 3.11 LOCAL 1303-467

For Local 1303-467 Members, the rate of contributions shall be nine percent (9%)

## ARTICLE IV

### NORMAL AND EARLY RETIREMENT BENEFITS

#### 4.1 NORMAL RETIREMENT AGE

A Member shall be deemed to have attained Normal Retirement Age and be eligible for retirement upon the satisfaction of the earlier of (a) and either (b) or (c), as applicable:

(a) Completion of ten (10) years of Credited Service for the City and attainment of age sixty-five (65) [sixty (60) years and hire date before July 1, 2008, for Local 1303-464 Members, and sixty (60) years for Elected Officials and Appointed Officials].

(b) Rule of 80. A Member of the following units shall be eligible for retirement when the sum of the Member's age and years of Credited Service for the City equals or exceeds eighty (80).

(1) Local 217, Local 424 Unit 34, Local 424 Unit 128, Local 884, Local 1303-467, or Trade Unions, in each case provided the Member had at least ten (10) years of service as of July 1, 2010,

(2) Local 287, provided the Member had at least ten (10) years of service as of December 31, 2012,

(3) Local 3144 and EMCE Employees who are not Elected or Appointed Officials, provided the Member had at least ten (10) years of service as of July 1, 2013; and

(4) Local 217, provided the Member had completed ten (10) years of serviced on July 1, 2016.

(c) Rule of 85. A Member of the following units shall be eligible for retirement when the sum of the Member's age and years of Credited Service for the City equals or exceeds eighty-five (85), provided the Member has also attained age sixty-two (62), except as such age requirement is modified for Local 287 under paragraph (2) below:

(1) Local 424 Unit 34, Local 424 Unit 128, Local 884, Local 1303-467 or Trade Unions, provided in each case that the Member had not completed at least ten (10) years of service as of July 1, 2010,

(2) Local 287, provided the Member had not completed at least ten (10) years of service as of December 31, 2012, and provided the Member has reached the following ages:

(A) minimum age 55 for retirements on or before  
December 31, 2012, and

(B) minimum age 62 for retirements on or after January 1,  
2013.



(3) Local 3144 or EMCE Employee who are not Appointed Officials or Elected Officials, provided the Member had not completed at least ten (10) years of service as of July 1, 2013, and

(4) Local 217 provided that the Member had not completed at least ten (10) years of credited service as of July 1, 2016.

(d) Notwithstanding paragraphs (b) and (c) of this Section 4.1, the "Rule of 80" and "Rule of 85" in such paragraphs, respectively, shall not apply to any:

- (1) Local 884 Member hired after June 5, 2023;
- (2) Local 424 Unit 34 Member hired after September 5, 2023
- (3) Local 424 Unit 128 Member hired after April 3, 2023,
- (4) Local 1303-464 Member
- (5) Elected Official or Appointed Official.

#### 4.2 RETIREMENT ANNUITY

(a) For Members retiring by reason of age and service pursuant to the terms of Section 4.1, the normal retirement annuity shall be calculated at a rate of two percent (2%) of the Member's Average Annual Rate of Pay for each of their first twenty (20) years of Credited Service, plus three percent (3%) on each additional year of Credited Service after twenty (20) years; provided such annuity shall not exceed seventy percent (70%) of the Member's Average Annual Rate of Pay. Such annuity shall be paid monthly at the rate of one-twelfth of the annual amount so determined. Notwithstanding the foregoing, a minimum annual pension will be paid under this Section 4.2(a) in the amount of two thousand dollars (\$2,000.00) or eighty percent (80%) [seventy percent (70%) for Local 884 Members, Local 3144 Members and Trade Unions Members] of the Member's annual rate of Pay at the time of the Member's retirement, whichever is smaller.

(b) Any Member who is:

- (1) an Elected Official whose period in office expires or,
- (2) an Elected Official, an Appointed Official, or a Local 1303-464 Member, whose service is terminated involuntarily, not due to malfeasance or misfeasance in office, or who resigns after completion of ten (10) years of Credited Service, shall receive, commencing upon the attainment of the age of sixty (60) or upon qualification for disability annuity according to the provisions of Article V, an annuity for life equal to forty percent (40%) of the greater of the Member's (i) last fiscal year's budgeted salary or (ii) Average Annual Rate of Pay plus two percent (2%) of such Average Annual Rate of Pay for each full year of service in excess of ten (10) years, provided such annuity shall not exceed seventy percent (70%) of the Average Annual Rate of Pay. Nothing herein precludes any such Member from retiring upon attainment of Normal Retirement Age pursuant to the provisions of Section 4.1.

#### 4.3 EARLY RETIREMENT

(a) Any

(1) active Local 424 Unit 34, Local 424 Unit 128, Local 884, Local 3144, Trade Unions or EMCE Employee Member other than an Elected Official or an Appointed Official

(2) Local 424 Unit 34, Local 424 Unit 128, Local 884, Local 3144, Trade Unions or EMCE Employee Conditional Member other than an Elected Official or an Appointed Official who was covered by reason of having ten (10) or more years of Credited Service, or whose disability benefits are terminated by reason of having recovered, may elect early retirement on any date which is ten (10) or fewer years prior to the date on which the Member would first become eligible for normal retirement pursuant to Section 4.1, in the case of an active Member; or would have become eligible for normal retirement pursuant to Section 4.1(a) in all other situations covered by this Section 4.3(a) had the Member remained in the City's employ.

(b) For purposes of paragraph (a), the Member's annuity, as determined under Section 4.2 or Section 6.2 shall be reduced in amount by

(1) two percent (2%), except as provided in paragraphs (2)-(5),

(2) three percent (3%) for Local 3144 Members, except as set forth in Subsection (3)(C), and EMCE Employees who are not Elected Officials or Appointed Officials from and after June 5, 2023,

(3) three and one-half percent (3.5%) for

(A) Local 424 Unit 34 Members, except as set forth in subsection (4) below, Local 884 Members, and Trade Union Members with fewer than ten (10) years of service (including new hires) as of July 1, 2010,

(B) Local 424 Unit 128 Members, hired on or after July 1, 2013, and

(C) Local 3144 Members with fewer than ten (10) years of service (including new hires) at any time from and after June 5, 2023,

(4) four percent (4%) for Local 217 Members,

(5) five percent (5%) for Local 424 Unit 34 Members hired after the signing date of their CBA and for Local 424 Unit 128 Members hired after April 3, 2023,

(5) six percent (6%) for Local 287 Members with fewer than ten (10) years of service as of December 31, 2012.

for each full year by which the Member's early retirement date precedes the earliest eligibility date for normal retirement pursuant to Section 4.1, in the case of an active Member, or Section 4.1(a) in all other situations covered by Section 4.3(a), with a further proportionate reduction for any fraction of a year.

#### 4.4 ILLEGAL CONDUCT

Any Member who has engaged in illegal conduct in relation to such Member's official duties may, upon a final determination of such malfeasance by a State court,

suffer a reduction or elimination of pension benefits from the Fund pursuant to Conn. Gen. Stat. Sec. 1-110a.

## **ARTICLE V**

### **DISABILITY RETIREMENT BENEFITS**

#### **5.1 DISABILITY RETIREMENT**

(a) **General.** Any Member who has completed ten (10) years of Credited Service for the City shall be eligible for retirement on account of disability if found to be disabled according to the provisions of this Article V.

(b) **Service Disability.** Any Member who incurs a Service Disability shall be eligible for retirement on account of disability irrespective of the duration of the Member's employment by the City.

(c) Disability retirement benefits under (a) or (b) shall be as provided in Section 5.3.

#### **5.2 DETERMINATION OF DISABILITY**

(1) **General.** To qualify for disability retirement under Section 5.1(a) or (b), Member a Member must be permanently disabled from performing duties of the nature required by the Member's job. The disability must not have been incurred as a result of any other gainful employment than employment with the City.

(2) **Service Disability.** To qualify for a Service Disability a Member must show to the satisfaction of the Retirement Board that the Member has incurred a disability that arose out of and in the course of the Member's employment by the City, as defined in the Worker's Compensation Act. In the event a Member of Local 884, Local 1303-467, or the Trade Unions is separated from service pursuant to the City's Worker's Compensation Return to Work II program, that Member shall automatically be considered to have incurred a Service Disability.

(b) The Retirement Board shall cause examinations to be made by one or more impartial medical examiners to initially verify the existence of a disability qualifying the Member for disability retirement.

(c) The Retirement Board may, from time to time, call for similar medical evidence that the Member continues to be permanently disabled. Such Member shall be required to submit to any medical re-examination requested by the Retirement Board. Rules for such re-examinations shall be as follows:

(1) It shall be the policy of the Retirement Board to require at least three (3) annual re-examinations of the retired Member, the first to occur during the thirteenth (13<sup>th</sup>) month after the first anniversary date of the Member's disability retirement and the second and third annual re-examinations to occur during the first five (5) years of retirement. After the third such re-examination, the Member shall not be subject to routine re-examinations; provided, however, that the Retirement Board shall retain the right to re-examine the retiree at any time.

(2) If the Retirement Board, upon competent medical evidence, concludes that the disability for which the Member is receiving an annuity no longer exists, the Retirement Board shall thereupon order a discontinuance of all disability retirement annuities payable to such Member, effective ninety (90) days after the Retirement Board concludes that the disability no longer exists.

(d) Each Member whose benefits are terminated in accordance with Section 5.2(c) shall, regardless of Credited Service, thereafter, be entitled to those benefits for which the Member may qualify under Sections 4.3 or 6.1. Local 217 Members whose benefits are so terminated shall have the option, but shall not be required, to take a refund of any excess of their total contributions over the amount of disability annuity paid, without regard to their Credited Service.

(e) Any disability annuity which is approved by the Retirement Board under Sections 5.2 and 5.3 shall be subject to adjustment on account of the Member's earnings from employment or self-employment of any kind and the Member's pension shall be discontinued unless the Member files with the Retirement Board annually before April 30th a sworn statement of such earnings for the preceding calendar year as shown in the Member's federal income tax return. The reduction in the Member's disability annuity shall equal fifty (50%) percent of any excess of the Member's earnings in the preceding calendar year over six thousand eight hundred dollars (\$6,800.00). But in no event shall such reduction exceed the amount of disability annuity paid for the period during which such excess earnings were earned. Such deduction shall be spread evenly over twelve (12) months, starting with the payment due on April 30th. No such adjustments for earnings shall be made after the disabled Member attains the age of sixty-five.

### 5.3 COMPUTATION OF DISABILITY RETIREMENT BENEFITS

(a) General Computation. The general disability retirement benefit shall be an annuity for life equal to two percent (2%) of the Member's Average Annual Rate of Pay for each year (or fraction) of Credited Service; provided such annuity shall not exceed seventy percent (70%) of the Member's Average Annual Rate of Pay. Such annuity shall be paid monthly at the rate of one-twelfth of the annual amount so determined. Notwithstanding the foregoing,

(1) a minimum annual pension will be paid under this Section 5.3(a) in the amount of two thousand dollars (\$2,000.00) [one thousand dollars (\$1,000) for Local 217 or Local 287 Members] [or eighty percent (80%) [seventy percent (70%) for Local 884 Members, Local 3144 Members and Trade Unions Members] of the employee's annual rate of Pay at the time of the Member's retirement, whichever is smaller, and

(2) a disability retirement annuity shall not be less than one-half of the Member's annual rate of Pay at the time of disability.

### 5.4 EFFECT OF WORKERS' COMPENSATION

(a) Any Member receiving payments under the Workers' Compensation Act shall not, at the same time, receive a retirement annuity from the

Fund, except to the extent that such annuity for each month exceeds the Workers' Compensation benefit payable for the same month.

(b) Rules of Application for Workers' Compensation Offset

(1) When a Workers' Compensation offset to pension payments ends, the Member may thereafter receive a pension with no Workers' Compensation offset to the extent the Member is otherwise entitled to receive such pension at the time.

(2) If full payment of an award or stipulation of Workers' Compensation has been made, and the time covered by such award or stipulation ended before the Member became entitled to receive a pension, there shall be no Workers' Compensation offset to the pension.

(3) If a lump sum payment of Workers' Compensation allocable to a period before retirement is made pursuant to a final stipulation or settlement entered into after the Member has retired and begun receiving a pension, there shall be no Workers' Compensation offset to the ongoing pension.

(4) If a Member becomes entitled to a pension retroactively, and the period to which the retroactive pension pertains overlaps a period during which the Member was receiving Workers' Compensation, there shall be an offset to the retroactive pension for Workers' Compensation paid during the same period.

(5) If a Member becomes entitled, after retirement and other than by final stipulation or settlement, to a retroactive award of Workers' Compensation payable on a weekly basis during a period in which pension payments are otherwise due, there shall be a prospective Workers' Compensation offset to the ongoing pension payments, which may be implemented as a suspension of pension benefits, until an offset for the period of overlapping payments has been achieved.

(6) If there is an award of Workers' Compensation for a specific injury, including without limitation percentage loss of a limb, and the award is payable for a number of weeks that falls in whole or in part during the Member's retirement, an offset of pension benefits for the period of weeks shall be implemented as provided in subparagraph (5), regardless of whether the weekly Workers' Compensation payments are commuted in practice to a lump sum.

(7) There shall be no offset for the portion of an award or stipulation of Workers' Compensation that is allocated to the payment or reimbursement of medical expenses and/or attorneys' fees.

## **ARTICLE VI**

### **TERMINATION BEFORE RETIREMENT**

#### **6.1 TERMINATION OF EMPLOYMENT PRIOR TO COMPLETION OF TEN YEARS OF SERVICE**

(a) Withdrawal of contributions of a Member shall not be permitted except in the event of discontinuance of employment. In the event of such

discontinuance, the Retirement Board shall pay, upon request, to the Member or the Member's representative, designated or otherwise, an amount equal to the Member's total contributions to the Fund without regard to Credited Service.

(b) If a Member discontinues employment prior to earning ten (10) or more years of Credited Service, the Retirement Board, in its sole discretion, may pay to the Member, or to the Member's representative, designated or otherwise, an amount equal to the Member's total contributions to the Fund without interest. Notwithstanding the foregoing, no distributions of total contributions will be made to Members of Local 217 and 287 in the absence of a request from the Member.

(c) A Member whose disability benefits are terminated by reason of the Member's recovery pursuant to 5.2(c) shall be entitled to any benefits under this Article VI for which the Member is otherwise eligible. Each Member of Local 217 whose benefits are terminated in accordance with Section 5.2(c) shall only be entitled to a distribution of any excess of his or her total contributions over the amount of disability annuity paid. Notwithstanding anything in this Section to the contrary, the Retirement Board shall not have the authority to pay any such Member the amount of the Member's total contributions to the Fund except upon such Member's request.

## 6.2 TERMINATION OF EMPLOYMENT AFTER COMPLETION OF TEN OR MORE YEARS OF SERVICE

(a) In the event of a discontinuance of employment after ten (10) or more years of Credited Service, a Member may request a refund of the Member's contributions. In that event the refund shall include three percent (3%) interest compounded annually in lieu of any other pension benefits.

(b) If the Member does not request a refund, and provided the Member does not qualify for greater benefits under the provisions of Article IV, the terminating Member will be retained as a Conditional Member and will be eligible for a deferred pension commencing when the Member attains age sixty five (65) or upon such earlier date as may be elected by the Member pursuant to Section 4.3. Such deferred pension shall be for an amount determined as two percent (2%) of the Conditional Member's Average Annual Rate of Pay for each year of Credited Service, subject to a maximum of seventy percent (70%) of such Average Annual Rate of Pay and reduced as provided in Section 4.3, if applicable. Such Conditional Member and the Member's Survivors will not be eligible for any disability, survivorship or other benefits which are provided for non-conditional members under this Plan. Any changes in the benefits and/or eligibility requirements for such benefits prescribed in this Section 6.2(a) which are adopted after a Conditional Member has discontinued employment with the City shall not apply to such Conditional Member.

**ARTICLE VII**  
**DEATH BENEFITS**

7.1 General Death Benefits.

(a) In the event of a Member's death before retirement, if none of subsections (b) through (g) of this Section 7.1 applies, the Retirement Board shall pay to the Member's Beneficiary or to the Member's estate if no named Beneficiary is surviving, an amount equal to the Member's total contributions.

(b) If a deceased Member is survived by a Surviving Spouse or a Child or Children under age eighteen (18) the Retirement Board shall pay such survivorship benefits under subsections (c) through (h) of this Section 7.1 as may be applicable. If the total benefit payments to such Member and the Member's Survivors shall be less than the amount of the Member's total contributions, the amount of any excess shall be paid to the last Survivor or Survivors who received benefits or to the legal representative(s) thereof.

(c) Except as provided in Section 7.2, upon the death before retirement of a Member who has participated in the Fund for a period of not less than six (6) months but not more than ten (10) years, there shall be paid to or on account of the Member's Surviving Spouse or Child or Children under eighteen years of age monthly benefits consistent with the following table:

Monthly Benefit

Average Annual Pay	Surviving Spouse Only	Surviving Spouse and One Child	Surviving Spouse and Two or More Children	One Child	Two Children	Three or More Children
\$2,400	\$130	\$200	\$200	\$70	\$140	\$200
3,000	140	225	250	85	170	250
3,600	150	250	300	100	200	300
4,200	160	270	320	110	220	320
4,800	170	290	340	120	240	340
5,400	180	310	360	130	260	360
6,000	190	330	380	140	280	380
6,600	195	345	400	150	300	400
7,200	200	360	420	160	320	420
7,800	200	370	440	170	340	440
8,400	200	375	460	175	350	460
9,000	200	380	480	180	360	480
9,600	205	390	500	185	370	500
10,200	210	400	525	190	380	525
10,800	215	410	550	195	390	550
11,400	220	420	575	200	400	575
12,000	225	430	600	205	410	600

12,600	230	440	625	210	420	625
13,200	235	450	650	215	430	650
13,800	240	460	675	220	440	675
14,400	245	470	700	225	450	700
15,000	250	480	725	230	460	725
15,600	255	490	750	235	470	750
16,200	260	500	775	240	480	775
16,800	265	510	800	245	490	800

If payments are made pursuant to this Section to surviving children under eighteen years of age who are represented by more than one legal guardian, such payments shall be apportioned among such guardians in proportion to the number of children represented by each guardian, respectively.

(d) "Average Annual Pay" as used in computing survivorship benefits under the table in subsection (c) shall mean the average rate of Pay received by the deceased Member averaged over those five (5) years of service producing the highest average, or the duration of such service if fewer than five (5) years, subject to a maximum of sixteen thousand eight hundred dollars (\$16,800.00) [twelve thousand dollars (\$12,000) for Local 424 Unit 34 Members] for such average annual Pay. Notwithstanding the foregoing, for Local 424 Unit 128 Members with fewer than ten (10) years of service as of July 1, 2010, the Average Annual Pay shall mean the budgeted rate of Pay, e.g. exclusive of overtime.

(e) (1) Upon the death of a Member who

(A) has not retired but has completed ten (10) or more years of Credited Service for the City, or

(B) has qualified for a disability annuity or a retirement benefit by reason of age and service, and

(C) is not subject to the joint and survivor annuity provisions of Section 7.4, the Fund will pay a minimum monthly benefit to the Member's qualified Survivors, if greater than the amount payable to the Survivors of an unvested Member under the benefit table in subsection (c). Said minimum monthly benefit shall be equal to fifty percent (50%) of the amount of the monthly annuity to which the Member would have been entitled if the Member had been permanently disabled on the date of the Member's death, or fifty percent (50%) of the amount of the Member's actual monthly annuity in the case of a Member who has been receiving retirement or disability benefits from the Fund.

(f) In order to qualify for benefits under this Section a Surviving Spouse must have been married to the deceased Member at the time of the Member's death, and if such Member had been retired due to age and service or disability must have been married to the Member at the time of retirement. Proof of dates of birth of the children must be submitted before payment of benefits under this Section.

(g) The benefits under this Section 7.1 shall no longer apply to a Surviving Spouse who remarries. In such cases the Surviving spouse shall receive only



such benefits, if any, as are payable to the Surviving Spouse on behalf of the Member's Child or Children alone.

7.2 ALTERNATIVE DEATH BENEFITS(a) For Local 217 and Local 287 Members, the following table shall be substituted for the table in Section 7.1(c):

Monthly Benefit

Average Annual Pay	Surviving Spouse Only	Surviving Spouse and One Child	Surviving Spouse and Two or More Children	One Child	Two Children	Three or More Children
\$1,800	\$100	\$150	\$150	\$53	\$106	\$150
2,400	100	162	200	62	124	186
3,000	100	172	244	72	144	216
3,600	100	181	262	81	162	243
4,200	100	190	270	90	180	270
4,800	100	200	280	100	200	280
5,400	105	210	290	105	210	290
6,000	110	220	300	110	220	300

(b) "Average Annual Pay," as used in computing survivorship benefits under the table in subsection (a) of this Section 7.2 shall mean the average annual rate of Pay received by the deceased Member for the final five (5) years of the Member's service or employment by the City, or the duration of such service or employment if fewer than five (5) years, subject to a maximum of six thousand dollars (\$6,000.00) for such average annual Pay.

### 7.3 BENEFICIARY DESIGNATION

The designation of a Beneficiary shall be made on a form satisfactory to the Retirement Board. A Member may at any time revoke the designation of a Beneficiary or change the Beneficiary by filing written notice of such revocation or change with the Retirement Board.

### 7.4 SINGLE LIFE AND JOINT AND SURVIVOR ANNUITIES

Notwithstanding Section 7.1, under certain CBAs effective after January 1, 2023 and listed in subsection (c) below, after the effective dates specified in such subsection, retirement survivorship benefits under the Plan may be paid only in accordance with the forms of benefit provided in this Section 7.4. Members shall be excluded from applicability of this Section if they;

- are in units with CBAs not providing for joint and survivor annuities,
- die prior to retirement,
- die prior to the specified effective dates in subsection (c), or
- are excluded by a date of hire provision under subsection (c).

Benefits to Survivors of Members so excluded shall be paid only in accordance with Section 7.1.

(a) Subject to the terms and conditions of this Section 7.4, the available forms of benefit under this Section are:

(1) Standard Form: Single Life Annuity: A life annuity form of payment provides the Member with a monthly payment for the Member's lifetime. Upon the Member's death, monthly benefit payments will cease, with no survivorship benefits. This shall be the standard form of benefits paid under this Section 7.4 unless the Member files an election with the Plan Administrator to have the Member's retirement benefits paid under either paragraph (2) or paragraph (3) below.

(2) 10 Years Certain and Life Annuity: A 10 years certain and life annuity form of payment provides the Member with a reduced monthly payment for the Member's lifetime with 10 years of monthly payments guaranteed. Under this option, the Member accepts a reduced benefit payable for the Member's lifetime but is guaranteed a minimum scheduled number of monthly payments for 120 months. If the Member dies after retirement, but before the Member receives the scheduled number of monthly payments, the balance of the guaranteed payments will be paid to the Member's Survivor Annuitant.

(3) Joint and Survivor: A joint and survivor form of payment provides the Member with a reduced monthly payment for the Member's lifetime. Upon the Member's death, monthly payments of 50%, 75%, or 100% of the original amount will be made to the Member's Survivor Annuitant.

(b) Rules of Application

(1) All options are Actuarially Equivalent to the benefits otherwise payable under the Plan and to each other.

(2) A Member's Survivor Annuitant need not be the Member's spouse. However, if the Survivor Annuitant is not the Member's spouse and is 10 or more years younger than the Member, then, depending on the Member's age at retirement and the exact age difference between the Member and the Beneficiary, under IRS rules the available options under subsection (a)(3) of this Section 7.4 may be restricted to exclude the 100% survivor option and, depending on the exact ages, of the parties, the 75% option as well. In either case, the 50% option will still be available.

(3) A Member may not elect or change an option once retirement benefits have begun, regardless of subsequent deaths or changes in marital circumstances. Under the joint and survivor option, the survivor benefit is only payable if the Survivor Annuitant is alive at the Member's death. If the Survivor Annuitant predeceases the Member, no further benefit is payable under the Plan after the Member's death.

(c) Applicable Units. This Section 7.4 applies to the following units:

(1) Local 424 Unit 34 and Local 424 Unit 128. This Section 7.4 provides the exclusive forms of payment of survivorship benefits only for new hires on or after April 3, 2023 for Local 424, Unit 128 and for new hires on or after July 11, 2023 for Local 424 Unit 34 Members employed before these dates shall continue to have their survivorship benefits determined under Section 7.1

(2) Locals 884,1303-467 and 3144. This Section 7.4 provides the exclusive forms of payment of survivorship benefits with respect to both existing employees and new hires from and after the following dates: (A) Local 884- June 23, (B) Local 3144- May 23, 2023); and (C) Local 1303-467 - December 30, 2022).

## **ARTICLE VIII**

### **CODE SECTION 415 LIMITATIONS**

Notwithstanding anything to the contrary in the Plan, the limitations of Section 415 of the Code, to the extent applicable to a governmental plan, regarding maximum annual pension benefits payable to any Participant, are incorporated into the Plan by reference. The annual benefit shall not exceed the annual dollar limit of Code Section 415(b)(1)(A) subject to adjustment in accordance with Code Section 415 and the regulations issued thereunder. The dollar limit as of the Effective Date of the current Plan restatement is \$265,000. The annual compensation considered by the Plan shall not exceed the limitation of Code Section 401(a)(17), and, notwithstanding Section 1.1, in the event of difference, the actuarial assumptions shall be as prescribed by the Treasury Department for purposes of applying Section 415 of the Code.

## **ARTICLE IX**

### **MISCELLANEOUS**

#### **9.1 EXCLUSIVE BENEFIT**

No part of the Fund shall be diverted for any purpose other than for the exclusive benefit of Members, their Survivors and their Survivor Annuitants, and no portion of the Fund shall revert to or become property of the City.

#### **9.2 MEMBERSHIP CLASSIFICATION**

When a Member's status changes from one bargaining unit to another the Member will automatically become covered by the provisions of the bargaining unit which covers the Member's new classification, and the Member's years of Credited Service will not be broken or diminished by reason of such change.

#### **9.3 FUTURE COST-OF-LIVING ADJUSTMENTS**

(a) Annually on each July 1, the monthly payments on those service annuities, disability annuities, survivors' benefits and survivor annuitant benefits on

which at least eighteen (18) monthly payments have been made will be increased, or decreased, for changes in the cost-of-living as indicated by the Federal Consumer Price Index, Urban Wage Earners and Clerical Workers, All Cities, (CPI-W). For this purpose, the Retirement Board will determine an adjustment percentage for each July 1, by relating such index for the full calendar year prior to such July 1 to that for the next preceding full calendar year, but such adjustment shall not result in a benefit exceeding one hundred three percent (103%) or falling below ninety-seven percent (97%) of the prior benefit. Further, no adjustment will be made where increase or decrease for the year is less than one-quarter (1/4) of one percent. However, the monthly benefit originally provided for a retired Member, a Survivor or a Survivor Annuitant shall never be reduced because of the cumulative effect of all cost-of-living adjustments.

(b) Notwithstanding paragraph (a), for the units listed in this subsection (b), and with exceptions as noted, with respect to Members who had fewer than twenty (20) years of service as of the specified "service determination date," the annual adjustment percentage cap and floor shall be one hundred two percent (102%) and ninety-eight percent (98%), respectively, and there shall be a "lifetime cap" of twenty percent (20%) on the amount of increase.

(1) For Local 217, the service determination date is July 1, 2016.

(2) For Local 287, the service determination date is December 31, 2012, and the lifetime cap is ten percent (10%) for Members with fewer than twenty (20) years of service.

(3) For Local 884, Local 424 Unit 34, Local 424 Unit 128, and Local 1303-467, the service determination date is July 1, 2010. The lifetime cap of twenty percent (20%) shall apply to Members who had at least ten (10) years of service as of such date, and the lifetime cap shall be fifteen percent (15%) for Members who then had fewer than ten (10) years of service on the service determination date.

(4) For Local 1303-464, the service determination date is June 29, 2023..

(5) For Local 3144 and EMCE Employees, the service determination date is July 1, 2013.

(6) For the Trade Unions, the service determination date shall be October 3, 2014 for a limitation of any annual increase to two percent (2%), and the lifetime cap shall be:

(A) twenty percent (20%) for Members with greater than ten (10) years of service as of July 1, 2010, but less than twenty (20) years of service as of October 3, 2014; and

(B) fifteen percent (15%) for Members with less than ten (10) years of service (including new hires) as of July 1, 2010.

(c) Buyout Option. Upon retirement, a Member may elect to forego the benefits provided by this section 9.3 in exchange for a buyout of all future cost of living

adjustments (COLAs) at a rate of forty percent (40%) of the actuarial value of the benefit.

#### 9.4 MANDATORY DISTRIBUTION

Notwithstanding any other provision of the Plan to the contrary, distributions from the Plan shall comply with the beginning dates and distributions required by Section 401(a)(9) of the Code.

#### 9.5 NON-ALIENATION

No right of any Member, Beneficiary, Survivor, or Survivor Annuitant to any distribution or payment from the Fund shall be subject to any claim of any creditor of such person, nor shall such person have any right to alienate, anticipate, commute, pledge, encumber or assign any beneficial right to payment or any distribution created hereunder. The limitations on the alienability of benefits described in this Section 9.5 shall not apply with respect to qualified domestic relations orders as defined in Code Section 414(p). The Retirement Board shall have the right to determine the acceptability of any domestic relations order to the Fund and either to implement or to reject such order. Only domestic relations orders providing a "shared payment" approach shall be acceptable to the Fund. To the extent provided under an accepted domestic relations order, a former spouse of a Member shall be treated as the spouse or Surviving Spouse of the Member for all purposes under the Plan. A domestic relations order that is otherwise acceptable shall not be rejected solely because the order is issued after, or revises, another domestic relations order or is issued after the annuity starting date or after the Member's death.

#### 9.6 EXEMPTION OF FUND AND BENEFITS FROM TAXATION

The right of any person under the provisions of this Plan to any future payment from the Fund, and the Fund itself, is intended to be exempt from any state, municipal, transfer or inheritance tax to the extent provided by applicable law.

#### 9.7 BUY BACK LIMITATION; TRANSFERS FROM 457(b) PLAN

(a) To the extent that any CBA permits its Members to purchase service credit that is considered "nonqualified service" pursuant to Code Section 415(n),

(1) no Member shall be permitted to purchase more than five (5) years of nonqualified service credit; and

(2) no Member shall be permitted to purchase any nonqualified service credit until the Member shall have completed five (5) years of service with the City.

(b) Any purchase of qualified or nonqualified service may be made by a trustee-to-trustee transfer of some or all of the assets held for the benefit of a Member under the City's Section 457(b) Deferred Compensation Plan.

#### 9.8 MERGER/TRANSFER/TERMINATION

(a) The benefits of each Member shall not be decreased in the event this Plan merges or consolidates with another Plan or trust or there is a transfer of assets or liabilities to any other Plan or trust. The benefit each Member in this Plan

would (if the Plan then terminated) receive immediately after the merger, consolidation or transfer of assets shall be equal to or greater than the benefit the Member would have been entitled to receive immediately before the merger, consolidation or transfer of assets if the Plan had then terminated).

(b) Participation under the Plan will not give any Member any right or claim except to the extent such right is specifically fixed under the terms of the Plan and there are funds available therefor.

(c) If the Fund is terminated or if there shall be a complete discontinuance of the contributions to the Fund, the assets held in the Fund available for payment after provision for payment of all expenses of final liquidation or termination shall be allocated pursuant to the direction of the Retirement Board in accordance with applicable law.

(d) Except to the extent the provisions of Section 9.8(c) apply, in the event of the discontinuance of the Fund, Local 217 and Local 287 Members and Conditional Members shall be paid an amount equal to the Member's total contributions less any annuity payments made to the Member.

(e) In no event shall a Member or a Conditional Member have a vested interest in the funds of the Fund, in the amount, or any portion thereof, of the contributions of the City, or in any contribution except the Member's own.

#### 9.9 LIMITATIONS OF ACTIONS

No action for any amount due under the provisions of this Plan shall be brought but within two years after the right of action accrues. Any person legally incapable of bringing an action when the right accrues may sue at any time within two years after such individual becomes legally capable to institute suit. All amounts not claimed within said period shall remain absolutely a part of the Fund.

#### 9.10 NUMBER

Whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

#### 9.11 OPTIONAL TRANSFER OF PENSION CREDITS IN EVENT A MEMBER CHANGES TO, OR FROM, PERMANENT EMPLOYMENT COVERED BY THE POLICEMEN AND FIREMEN'S PENSION FUND

In the event of such change of employment within the City, the Member can elect that the period of prior service for which the Member made contributions to the first fund shall be included in determining the amount of the Member's pension benefits under the second fund to which the Member has transferred participation. Such transfer of credits shall be contingent on a transfer of cash between the funds equal to the actuarial reserve for the Member's participating service in the first fund, including both the Member's and the City's contributions therefor, and all rights to pension or other benefits under the first fund will be terminated by such transfer.

## 9.12 USERRA

(a) Notwithstanding any provision of this Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u).

(b) Effective January 1, 2007, if a Member dies while performing qualified military service as defined in Code section 414(u), the Member's Beneficiary, Survivors or the Member's Estate, as applicable, shall be entitled to any additional benefits (other than benefit accruals related to the period of qualified military service) provided under the Plan had the Member resumed and then terminated employment with the City on account of death.

(c) Effective for Plan Years commencing after December 31, 2008, "Compensation" for purposes of determining benefits shall include "differential wage payments," if any, as that term is defined in Code section 414(u)(12) received from the City while on active duty with the U.S. uniformed services.

(d) A Member may purchase Credited Service for time spent in qualified military service by paying into the Fund the contributions to the Fund the Member would have made had the Member, during that period, remained in the City's employ, calculated according to USERRA rules and without interest. Payment may be made, under an agreement with the Retirement Board, either in a lump sum or in increments completed within a time period equal to the lesser of

(1) three (3) times the period of the Member's qualified USERRA service, or

(2) five (5) years,

commencing, in either case, with the Member's USERRA reemployment date.

## 9.13 GENERAL PAYMENT RULE

Notwithstanding anything to the contrary stated herein, unless the Member makes a written election to have benefits commence at a later date, payment of benefits will commence not later than the 60th day after the latest of (1) the close of the Plan Year in which the Member attains the earlier of age 65 or the Member's Normal Retirement Date specified under the Plan, (2) the close of the Plan Year during which occurs the 10th anniversary of the year in which the Member commenced participation or (3) the close of the Plan Year in which the Member terminates Service with the City.

## 9.14 DIRECT ROLLOVER

Except to the extent that any Member contributions are required to be paid to a Member or a Beneficiary pursuant to Section 9.4 as a Mandatory Distribution to comply with Code section 401(a)(9), any Member or Beneficiary who elects to be paid the Member's contributions (with interest, if any) in lieu of receiving any benefits from the Fund may elect to have such contributions (and interest) paid directly to another eligible retirement plan in accordance with this Section 9.14. The Member or Beneficiary shall specify the eligible retirement plan that will receive the transfer in such written form and within such time as may be prescribed by the Plan Administrator. An eligible transferee retirement plan shall mean (A) a qualified defined benefit or defined contribution plan,

an individual retirement account, an annuity contract described in Code section 403(b) and an eligible plan under Code section 457(b) which (B) agrees to receive and separately account for amounts transferred from the Fund in compliance with Code section 401(a)(31). If the Plan Administrator should be required to make a Mandatory Distribution under Section 9.14 and is unable to locate a Member or Beneficiary after all due diligence, the Plan Administrator may make a direct transfer of the Mandatory Distribution to an individual retirement account of the Plan Administrator's choosing in the name of the Member or Beneficiary.

#### 9.15 INCORPORATION BY REFERENCE

For Member of Local 217 Connecticut Special Act 379 is hereby incorporated into this Plan by reference. Notwithstanding the foregoing, if any provision of the Local 217 CBA, or any successor CBA conflicts with the provisions of Connecticut Special Act 379, the provisions of the CBA shall be controlling.

#### 9.16 WAIVER OF PENSION

Notwithstanding anything herein to the contrary, as provided in the City's Code of Ordinances, Chapter 2, Article V Section 2-302, as it may be amended from time to time, any person entitled to a pension from the Fund may decline to accept all or any part of such pension by a waiver signed and filed with the Pension Administrator. Unless the waiver by its terms is irrevocable, the waiver may be revoked in writing at any time, but no payment of the waived pensions shall be made covering the period such waiver was in effect.

#### 9.17 HEADINGS

The headings and subheadings of this Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

#### 9.18 UNIFORMITY

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. To the extent that the provisions of the CBAs or any successor CBAs conflict with the provisions of this Restatement of the Plan, the provisions of the CBA, as applicable, shall be controlling.

(Signature page on the following page)



IN WITNESS WHEREOF, the Retirement Board and the City of New Haven have caused these presents to be signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

RETIREMENT BOARD  
City of New Haven City  
Employees Retirement Fund

CITY OF NEW HAVEN

By: \_\_\_\_\_  
Jerome Sagnella  
Chairman

By: \_\_\_\_\_  
Dr. Kristy Sampieri  
Controller