

**TOWN OF BLOOMFIELD**  
**RETIREMENT INCOME PLAN**

**As amended and restated effective**

**July 1, 2003**

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## INTRODUCTION - SECTION 1

### 1.1 History of Plan

As of July 1, 1958, the Town of Bloomfield (hereinafter referred to as the "Employer") established a program for providing retirement income and other benefits for certain of its employees and their beneficiaries. This program was set forth in Group Annuity Contract No. GR729 issued by Connecticut General Life Insurance Company.

As of January 1, 1976, a decision was made to convert the method of funding benefits to an IPG basis, in order to provide a greater flexibility of funding. In connection with such revision, the Plan had been restated in the form of the Town of Bloomfield (Town Employees) Retirement Income Plan.

Effective January 1, 1979, this program was further amended and restated. The name of such amended program was the Town of Bloomfield Retirement Income Plan. As a result of negotiations between the Town of Bloomfield and NAGE Local RI-201 and the decision of a panel of arbitrators, effective January 1, 1989, the Plan (hereinafter referred to as the "Prior Plan") was further amended and restated in its entirety in the form of this document.

As a result of negotiations between the Town of Bloomfield and CILU #7 and #15, effective January 1, 1996, the Plan (hereinafter referred to as the "Prior Plan") was further amended and restated in its entirety in the form of this document, which is in effect until December 31, 2000.

As a result of negotiations between the Town of Bloomfield and CILU #7 and #15, effective January 1, 2000, the Plan (hereinafter referred to as the "Prior Plan") was further amended and restated in its entirety in the form of this document, which is in effect until December 31, 2009.

### 1.2 Preservation of Rights Under Prior Plan

Each Participant under the Prior Plan who is in the active employ of the Employer on December 31, 1988, shall continue to be a Participant under this Plan on and after January 1, 1989, in accordance with its terms.

Each former Employee who is receiving retirement income payments under either of the Prior Plans on December 31, 1988, shall receive such payments on and after January 1, 1989, in accordance with the terms of the Relevant Prior Plan.

Each former Employee who terminated employment prior to January 1, 1979, or January 1, 1989, with a vested retirement income benefit under the Prior Plan and who had not

commenced receiving retirement income benefits on such date, will be eligible to receive retirement income on his retirement date, as determined by this coverage under the Prior Plan.

Each former Employee who terminated employment prior to January 1, 2000, with a vested retirement income benefit under the Prior Plan and who had not commenced receiving retirement income benefits on such date, will be eligible to receive retirement income on his retirement date, as determined by this coverage under the Prior Plan.

No provisions of this Plan shall operate to diminish or otherwise adversely affect the amount or terms of retirement income accrued in respect to a Participant's coverage under a Prior Plan.

## **DEFINITIONS - SECTION 2**

### **2.1 Definitions**

- (A) Employer - Town of Bloomfield
- (B) Effective Date - July 1, 1958
- (C) Plan Year - the period of twelve consecutive months commencing on July 1, 1958, and on each July 1 thereafter.
- (D) Plan Conversion Date - January 1, 2001
- (E) Fund - the fund or funds established by separate written agreement between the Employer and an insurance company and/or trustee or trustees for the purpose of accumulating contributions made in accordance with the Funding of Benefits Section and paying the benefits described in certain other sections of this Plan.
- (F) Employee - any full-time, bargaining unit employee in the employ of the Employer whose customary employment is for 20 hours or more per week for 120 days or more per year.
- (G) Participant - any Employee who becomes covered under this Plan.
- (H) Retirement Date - the date on which the payment of a Participant's retirement income is to commence, as determined in accordance with the further terms of the Plan.
- (I) Normal Retirement Date - the first date of the month coincident with or immediately following the month in which the employee has attained any

combination of credited service and age which total seventy-five.

(J) Service - continuous employment with the Employer. Service will not be counted during the following periods of absence, but they will not be considered an interruption of Service:

- (1) Absence from employment for more than one calendar year on account of leave of absence authorized by the Employer pursuant to the Employer's established leave policy, provided that such leave of absence is not of more than two years' duration and provided further that the Employee returns to active Service with the Employer at the end of such leave of absence. The Employer's leave policy shall be applied in a uniform and nondiscriminatory manner to all Participants under similar circumstances.
- (2) Absence on account of active duty with the Armed Forces of the United States, provided that the Employee returns to active Service with the Employer within 90 days after he becomes eligible for release from active duty. However, Service shall be counted if the absence is required to be counted by federal or state law, provided that the Participant returns to active Service during the period provided by law.

A transfer in employment between Employers shall not be considered to be an interruption of continuous employment or Termination of Employment or retirement.

Continuous employment under Contract GR-2176 followed immediately by Service under this Contract GR-729 shall be included as Service under this Contract GR-729 for the purposes of the eligibility requirement in the ELIGIBILITY Section 3, and the VESTING PERCENTAGE Schedule of Part 2, but shall not be included for the purposes of determining a yearly amount of Retirement Annuity in accordance with Section 4.

In no event will any Service be counted during which the Participant was eligible to make Participant Contributions under the Plan, but did not have a payroll deduction order in effect.

(K) Credited Service - that portion of a Participant's Service which is included for purposes of determining the amount of his accrued retirement income. With respect to any employment period, a Participant's Credited Service shall include employment with the Employer, corresponding with Service allowed, except:

- (1) Service prior to July 1, 1958 or, if applicable, July 1, 1965, if the Employee was not a Participant as of such applicable date.

- (2) During a leave of absence for more than one calendar year or while on active duty with the Armed Forces of the United States, unless the absence is required to be counted by federal or state law, and the Participant returns to active Service during the period provided by law.
- (L) Termination of Employment - a Participant's cessation of service for reason other than retirement or death.
- (M) Spouse - the lawful wife of a male Participant, or the lawful husband of a female Participant.
- (N) Vesting Percentage - the percentage which may be applied to a Participant's accrued retirement income in accordance with the further terms of the Plan, as determined below:

Years of Service	Percentage
If he has 10 years:	100%
If he has less than 10 years:	0%

If the Plan Administrator deems that a Participant's Total and Permanent Disability has arisen out of and in the course of the Participant's employment with the Employer as defined by the Connecticut Workmen's Compensation Act, the ten years of Service requirement described above will be waived, and the Participant shall become vested to the point of his disability.

- (O) Adjustment Factor - the appropriate adjustment factor(s) which may be applicable to a Participant's retirement income in accordance with the further terms of the Plan, as shown in the Table Section hereto.
- (P) Earnings - total compensation received during a twelve (12) month period, including regular pay, overtime pay, bonuses, and pay-back for accrued time, provided, however, that the Earnings for a year in which a Participant worked for less than a full year, as a result of an approved leave of absence, shall include the amount of compensation that the Participant would have received but for the leave of absence.
- (Q) Final Earnings - earnings received during the best thirty-six (36) consecutive months or the three highest consecutive calendar years, if greater.
- (R) Accrued Benefit - the yearly retirement income commencing on the Participant's

Normal Retirement Date determined in accordance with Sections 4 and 6, as if the Participant's Termination of Employment occurred on the date of termination and he had a Vesting Percentage of 100%.

- (S) Employee Accrued Benefit - that portion of the Participant's Accrued Benefit which is derived from the Participant's Contributions.

The Employee Accrued Benefit shall not exceed the Participant's Accrued Benefit. The Participant's right to his Employee Accrued Benefit cannot be forfeited.

- (T) Employer Accrued Benefit - that portion of the Participant's Accrued Benefit which is derived from Employer contributions. The Employer Accrued Benefit is equal to the excess of the Participant's Accrued Benefit over his Employee Accrued Benefit.

- (U) Prior Annuity - the term Prior Annuity is applicable to each Participant with respect to whom Retirement Annuity was canceled as of July 1, 1971 pursuant to the terms of the July 1, 1971 amendment and the Prior Plan.

### **PARTICIPATION - SECTION 3**

#### **3.1 Eligibility for Participation**

Each Employee who was covered under a Prior Plan on the day before January 1, 2001, and whose Service had not previously ceased, will continue to be a Participant under this Plan on and after January 1, 2001.

Each other Employee will be eligible to become a Participant under this Plan on the Plan Conversion Date, or the first day of the month thereafter when he first meets all of the following requirements:

- (A) He has attained his 18<sup>th</sup> birthday;
- (B) He is not a police officer or a certified Employee of the Town's Board of Education.

#### **3.2 Date of Participation**

Each Employee shall become a Participant under this Plan by completing and delivering to the Employer a payroll deduction order. An Employee will become a Participant as of the date he becomes eligible for participation if his election is made not more than 31 days thereafter; otherwise, as of the first day of the month following the date he makes the

election, provided he then meets all of the eligibility conditions.

#### **NORMAL RETIREMENT INCOME - SECTION 4**

4.0 Participants desiring to retire under the provisions of this agreement are encouraged to give one year's written notice of intent to retire. The employee shall be required to give six (6) months' written notice prior to the day they wish to end their employment.

#### 4.1 **Basic Formula**

The yearly amount of basic retirement income payable under the Plan is determined as follows:

2.0% of Participant's Final Earnings multiplied by his years of Credited Service

In no event will the total yearly amount of retirement income to be provided for a re-employed Participant on account of all periods of employment be greater than the yearly amount of retirement income which would have been provided for him if his prior cessation of service had not occurred.

#### 4.2 **Eligibility and Commencement - Normal Retirement Income**

Each Participant who retires from the employ of the Employer on his Normal Retirement Date will receive a normal retirement income commencing on such date.

#### 4.3 **Amount of Normal Retirement Income**

The yearly amount of normal retirement income payable to such Participant will be equal to the amount described in subsection (A) or (B) below, whichever applies:

- (A) The Participant's yearly retirement income shall be the amount determined in Section 4.1.
- (B) If, in lieu of Section 4.1 above, the Participant elects to receive his retirement income on the basis of the optional form of payment provided in accordance with the further terms of the Plan:

The Participant's yearly retirement income shall be determined by adjusting the amount determined in Section 4.1 in the manner described in the Optional Form of Payment Section.



#### 4.4 Maximum Benefit

The total benefit payable to any Participant, whether under this Plan, Workmen's Compensation benefits, long-term disability benefits or from any other plan to which the Employer contributes which provides benefits at the time of retirement, or from any one or more of the foregoing, shall not exceed 100% of the Participant's Earnings as reflected in the W-2 Form for the calendar year immediately preceding the Participant's Retirement Date.

### EARLY AND LATE RETIREMENT INCOME - SECTION 5

#### 5.1 Eligibility and Commencement - Early Retirement Income

With the consent of the Employer, each Participant who retired from the employ of the Employer prior to his Normal Retirement Date may elect to receive an early retirement income, provided

- (A) he has attained the age of 55 and has completed 15 years of Service; or
- (B) he has attained age 62 and has 10 years of Credited Service. Payment of this retirement income will commence on the first day of any month between the date the election is made and the Participant's Normal Retirement Date, as specified by the Participation in his election.

#### 5.2 Amount of Early Retirement Income

The yearly amount of early retirement income payable to this Participant will be equal to the amount described in the applicable subsection(s) of Section 4.3, based on Credited Service to the date the Participant's employment ceases. This amount shall be actuarially reduced to reflect that payments may be made over a longer period of time. Such an actuarial reduction shall be 6-2/3% for each of the first five years and 3-1/3% for each additional year by which the Participant's early retirement precedes his Normal Retirement Date. Notwithstanding the above, the Participant's payments will not be actuarially reduced if one of the following conditions is met:

- (A) he has attained the age of 55 and has completed 15 years of Service; or
- (B) he has attained age 62 and has 10 years of Credited Service. Payment of this retirement income will commence on the first day of any month between the date the election is made and the Participant's Normal Retirement Date, as specified by

the Participation in his election.

**5.3 Eligibility and Commencement - Late Retirement Income**

A Participant's employment with the Employer may continue after his Normal Retirement Date. The Participant shall accrue Credited Service during such period provided he continues to contribute to the plan. Late Retirement Income shall commence on the first day of the month immediately following the calendar month in which his employment ceases by reason other than death.

**5.4 Amount of Late Retirement Income**

The yearly amount of late retirement income payable to such Participant will be equal to the amount described in the applicable subsection(s) of Section 4.3, based on years of Credited Service and Final Earnings when the Participant actually retires.

**TERMINATION OF EMPLOYMENT AND VESTED RETIREMENT INCOME -  
SECTION 6**

**6.1 Eligibility and Commencement - Vested Retirement Income**

Each Participant whose Termination of Employment occurs, and who will not receive early or normal retirement income in accordance with the preceding sections, will be eligible to receive a vested retirement income, commencing upon his Normal Retirement Date, provided his Vesting Percentage is other than 0%.

With the consent of the Employer, such a Participant may instead elect to receive retirement income commencing on the first day of any month following the date the election is made and within the 10-year period immediately preceding his Normal Retirement Date, as specified by the Participant in his election.

**6.2 Amount of Vested Retirement Income**

The yearly amount of vested retirement income payable to such Participant will be equal to the amount described in Section 4.3 as in effect on his Termination of Employment date, based on Credited Service to the date the Participant's employment ceases, and then adjusted by reducing by 6-2/3% for each of the first five years and 3-1/3% for each additional year by which the Participant's Retirement Date precedes his Normal Retirement Date.

**NORMAL FORM OF PAYMENT - SECTION 7**

**7.1 Normal Form of Payment - Modified Cash Refund**

The normal form of payment is the Modified Case Refund form. This form provides that payments will be made to a Participant in a level amount during his lifetime. Upon the Participant's death, there will be paid to his Beneficiary an amount equal to the excess, if any, of the Participant's Contributions, together with Credited Interest computed thereon to his Retirement Date, over the sum of all retirement income payments made to the Participant.

## **7.2 Optional Form of Payment**

In lieu of receiving his retirement income on the normal form applicable to his coverage, a Participant may elect to receive a benefit of equal value based on an optional form of payment provided in accordance with the further terms of the Plan.

## **7.3 Election of Option**

The election of an option must be made at least one year prior to the Participant's Retirement Date or Normal Retirement Date, whichever is earlier.

If a Participant elects a Contingent Pensioner, the reduced amount of retirement income payable to him must be more than 50% of the retirement income payable to the Participant had the option not been elected, if the Contingent Pensioner is not the Participant's Spouse; otherwise, such election will be inoperative.

If the option is in effect when a Participant elects an early Retirement Date, such option will remain effective provided the Participant furnishes evidence of his good health to the Employer. If such evidence is not furnished, this option will cease to be effective, but will again become effective on the Participant's Normal Retirement Date or the first anniversary of his early Retirement Date, whichever is earlier, if the Participant is living on such date.

Subject to the written consent of the Employer, a Participant may revoke, modify, or change his election of an option at any time before his Retirement Date by filing written notice with the Employer. However, a Participant may not elect more than one option to be effective at the same time.

## **7.4 Payment of Retirement Income to Participant**

Participant's retirement income will be payable monthly, with each payment equivalent to 1/12 of the yearly amount. The first of such monthly payments will be made at the Participant's Retirement Date, with subsequent monthly payments being made at the first of each month thereafter until the Participant's death occurs.

## RETIREMENT INCOME: OPTIONAL FORMS OF PAYMENT - SECTION 8

### 8.1 Contingent Pensioner Option

The Participant who elects this option will receive a reduced amount of retirement income during his lifetime, so that after his death, retirement income in the same amount or 66-2/3% or 50% thereof (as specified, in the election) will be paid for the life of the Contingent Pensioner designated by the Participant, if surviving the Participant.

If the option is in effect on the Participant's Retirement Date, the amount of retirement income payable to the Participant will be determined by multiplying the amount which would otherwise be payable to him, assuming the normal form described in Section 7.1 is effective, by the appropriate Adjustment Factor.

This option will be inoperative if the Contingent Pensioner dies before the Participant's Retirement Date or the Participant dies before his Retirement Date and the terms of the next paragraph are not applicable.

If a Participant who has elected this option dies on or after his Normal Retirement Date, but before his retirement income is due to commence, his Contingent Pensioner will receive retirement income payments beginning on the first day of the month next following the Participant's death and continuing for the balance of his life.

These retirement income payments will be equal to the amount which would have been payable to the Participant had he retired hereunder on such first day of the month with the option in effect, as adjusted by the continuation percentage (100%, 66-2/3% or 50%) elected by the Participant.

## DEATH BENEFITS AND BENEFICIARY PROVISIONS - SECTION 9

### 9.1 Death Before Retirement Date

If a Participant dies before his Retirement Date and the "Special PreRetirement Death Benefit - Employment Related" as described in Section 9.3 is not applicable, the benefit payable will equal (A) or (B) below:

- (A) If Participant dies before his Retirement Date or Normal Retirement Date, whichever is earlier, the Participant's Beneficiary will receive a refund equal to the Participant's Contributions together with Credited Interest computed thereon to his date of death.
- (B) If a Participant dies on or after his Normal Retirement and before his late Retirement Date, and an optional form of payment was in effect on such

Participant's death; any benefit payable will be paid in accordance with such optional form. If on such Participant's death no optional form was in effect, his Beneficiary will receive a refund of his Participant's Contributions with Credited Interest computed thereon to the date of the Participant's death.

## **9.2 Death On or After Retirement Date**

Upon the death of a Participant on or after his Retirement Date (or if the Contingent Pensioner form of payment is in effect, upon the death of the survivor of the Participant and Contingent Pensioner), the Participant's Beneficiary will receive a refund equal to the excess, if any, of (A) over (B) below, where:

- (A) is the Participant's Contributions together with Credited Interest computed thereon to his Retirement Date, and
- (B) is the sum of accrued retirement income payments made to the Participant (and any other payee, if any).

## **9.3 Special Pre-Retirement Death Benefit - Employment Related**

Upon the death of a Participant who is then actively employed by the Employer, or upon the death of a disabled Participant prior to retirement, and if such death is demonstrated to the Plan Administrator's satisfaction to have arisen out of and in the course of the Participant's employment with the Employer as defined by the Connecticut Workmen's Compensation Act, a survivor's benefit shall be paid as follows:

If the Participant is killed in the course of employment with the Employer, the survivor's benefit shall equal the greater of:

- (a) 50% of the Participant's Earnings for the calendar year immediately preceding the year of death, or
- (b) 50% of the normal retirement benefit to which the Participant would have been entitled had he lived to his Normal Retirement Date.

The total survivor's benefits payable shall not exceed 75% of the Participant's annual Earnings for the calendar year immediately preceding the year of death, less any disability or old age insurance benefits payable to such survivor(s) under the Social Security Act, and less the amount payable to Survivor's under the Worker's Compensation Act in weekly or other regular payments. For the purpose of this benefit, eligible survivors are the Participant's spouse, dependent children and dependent parents, if any.

Survivor's benefits, although not payable separately to each eligible survivor, shall be

deemed to consist of as many equal parts as there are eligible survivors at the Participant's date of death. Such part of a benefit payable in respect of an eligible survivor shall be reduced by \$1 for each \$2 of such eligible survivor's earnings over \$4,000.00 per year.

Upon the remarriage of a spouse entitled to survivor's benefits under the Plan, such survivor's benefits shall cease. However, dependent children of the Participant shall continue to receive benefits until reaching 18 years of age, unless a dependent child is disabled, in which event payment of benefits shall continue so long as the dependent child's disability continues.

Moreover, if there remains a difference between the benefits received and the refund of contributions that would have been received if the benefit described in Section 9.1 had been applicable, then such difference would be paid to the Participant's Beneficiary in one lump sum.

#### **9.4 Beneficiary**

If a death benefit may become payable to a Beneficiary because of a Participant's coverage, the Participant will designate a Beneficiary, and may change from time to time his designation of Beneficiary by filing a written notice with the Employer.

If a death benefit payable upon the death of the Participant, it shall be paid to the Beneficiary most recently designated by the Participant, if then living. If a designated Beneficiary is not living at the time such a death benefit becomes payable, or if no Beneficiary has been designated, the death benefit shall be paid to the Participant's Widow or Widower, if living; otherwise, in equal shares to surviving children of the Participant; and in the event none of the above-named individuals survives the Participant, the death benefit shall be paid to the executor or administrator of the Participant.

#### **9.5 Life Insurance**

The Town will provide group life insurance for persons retiring after November 1, 2001 in the amount of \$75,000.

### **DISABILITY BENEFIT - SECTION 10**

#### **10.1 Participant's Disability Coverage**

Benefits payable as a result of a disability incurred prior to August 1, 1979, will be payable in accordance with the terms of the Prior Plan.

The Employer will provide, at his cost, long-term disability income insurance which will be in lieu of any disability benefits formerly provided under this Plan.

Each Participant receiving benefits under such long term disability insurance shall be eligible to receive retirement income benefits under this Plan as of the latest of:

- (a) the Participant's Normal Retirement Date (Section 6); or
- (b) the date of commencement of Late Retirement Income (Section 5.3).

## **PARTICIPANT'S CONTRIBUTIONS: SPECIAL PROVISIONS - SECTION 11**

### **11.1 Amount of Participant's Contributions**

During each calendar year in which Participant receives Earnings and has a payroll deduction order in effect, the Employer shall deduct 5.75% of Participant's annual earnings.

No Participant's Contributions, however, shall be deducted during a period in which the Participant is not accruing Credited Service.

### **11.2 Credited Interest**

Participant's Contributions deducted as provided above shall be paid by the Employer to the Fund and shall be accumulated therein with Credited Interest.

Credited Interest on a Participant's Contributions means interest for the number of full months from the January 1 following the date each such contribution was paid to the fund to the date specified herein.

The rate of Credited Interest is 5% per annum, compounded monthly. Any change in the rate of Credited Interest will apply to interest allowed for months occurring after the effective date of change.

### **11.3 Refund of Participant's Contributions**

If a Participant's Service ceases by reason other than death prior to his Normal Retirement Date, he may elect prior to or on his Retirement Date to receive a refund of his Participant's Contributions together with Credited Interest computed thereon to the date the election is made.

This refund shall be no later than sixty (60) days after the date such election is made.

Upon the election of such refund, a Participant will forfeit his Accrued Benefit.

**11.4 Minimum Retirement Income**

If a Participant's Service ceases by reason other than death prior to his Normal Retirement Date, he will be eligible to receive a minimum retirement income, commencing on his Normal Retirement Date, equal to the amount which can be provided by his own contributions with interest.

A minimum retirement income, as described above, will not be payable if the Participant received a refund of his Participant's Contributions plus Credited Interest.

**FUNDING OF BENEFITS - SECTION 12**

**12.1 Contributions to the Fund**

The Employer shall pay Participant's Contributions, when deducted, to the Fund. From time to time, the Employer shall make such additional contributions to the Fund as the Employer determines are required to maintain the Plan on a sound actuarial basis. In determining the amounts and incidences of such contributions, the Employer will take into account such actuarial recommendations as may be provided by an enrolled actuary as defined by Public Act No. 77-468.

**12.2 Fund for Exclusive Benefit of Participants**

The Fund is for the exclusive benefit of Participants and other persons who may become entitled to benefits hereunder, and may also be used to pay any reasonable expenses arising from the operation of the Plan. Prior to the satisfaction of all liabilities for benefits provided hereunder, no contribution made to the Fund will be refunded to the Employer unless a contribution was made in recognized actuarial error.

**12.3 Disposition of Credits and Forfeitures**

No credit or forfeitures arising from the operation of the Plan may be used to increase the benefit of any Participant or group of Participants but will instead be taken into account in determining contributions to be made by the Employer.

**PLAN ADMINISTRATOR - SECTION 13**



### **13.1 Appointment and Acceptance**

The Employer has appointed a Plan Administrator of this Plan by designating either an individual to act in this capacity or office or position whose occupant will act in this capacity. The person designated as Plan Administrator shall signify acceptance of this position in writing.

### **13.2 Duties and Authority**

The Plan Administrator shall administer the Plan on behalf of the Employer in a nondiscriminatory manner for the exclusive benefit of Participants and their Beneficiaries.

The Plan Administrator shall perform all such duties as are necessary to operate, administer, and manage the Plan in accordance with the terms thereof, including but not limited to the following:

- (A) To determine all questions relating to a Participant's coverage under the Plan;
- (B) To maintain all necessary records for the administration of the Plan;
- (C) To compute and authorize the payment of retirement income and other benefit payments to eligible Participants and Beneficiaries;
- (D) To interpret and construe the provisions of the Plan and to make regulations which are not inconsistent with the terms thereof.
- (E) To advise or assist Participants regarding any rights, benefits, or elections available under the Plan.

The Plan Administrator shall take such actions as are necessary to establish and maintain the Plan as a retirement program which is at all times in full and timely compliance with any law or regulation having pertinence to this Plan.

The Plan Administrator shall be granted by the Employer all reasonable powers necessary or appropriate to accomplish his duties as Plan Administrator.

There shall be a committee established consisting of the Town Manager and/or the Plan Administrator, the Director of Finance, and two members each from CILU #7 and #15 which shall meet quarterly to discuss and review the status and performance of the fund.

### **13.3 Expenses and Assistance**

All reasonable expenses necessary to operate and administer the Plan shall be borne by

the Employer. The Employer shall furnish the Plan Administrator with such clerical and other assistance as is required in the performance of his duties.

**13.4 Participants and Other Payees - Data**

Participants and other persons affected by the Plan shall furnish the Plan Administrator upon request such documents, evidence or information which the Plan Administrator considers necessary or desirable for the purpose of administering the Plan. The Plan Administrator may cause to be withheld any benefit payment, otherwise due the Participant or other person, until the required document, evidence or other information is so furnished.

**13.5 Resignation of Removal of Plan Administrator**

The Plan Administrator may resign at any time by delivering to the Employer a written notice of resignation, to take effect at a date specified therein. Such date should not be less than 30 days after the delivery of the resignation, unless waived by the Employer.

The Plan Administrator may be removed with or without cause by the Employer through delivery to him of written notice of removal, to take effect at a date specified therein.

**13.6 Appointment of Successor Plan Administrator**

In the event the office of Plan Administrator is vacant, the Employer shall promptly designate a successor Plan Administrator who must signify acceptance of this position in writing. In the event no successor is appointed, the Board of Directors or other governing body of the Employer shall function as the Plan Administrator until a new Plan Administrator has been appointed and has accepted such appointment.

**13.7 Plan Administration - Miscellaneous**

- (A) **Filing a Claim for Benefits.** A Participant or Beneficiary shall notify the Plan Administrator of a claim for benefits under the Plan. Such request may be in any form adequate to give reasonable notice to the Plan Administrator and shall set forth the basis of such claim and shall authorize the Plan Administrator to conduct such examinations as may be necessary to determine the validity of the claim and to take such steps as may be necessary to facilitate the payment of any benefits to which the Participant or Beneficiary may be entitled under the Plan.
- (B) **Denial of Claim.** Whenever a claim for benefits by any Participant or Beneficiary has been denied, written notice prepared in a manner calculated to be understood by the Participant will be provided, setting forth the specific reasons for the denial and explaining the procedure for an appeal and review of the decision by the Plan

Administrator.

- (C) **Governing Law.** The Retirement Income Plan and any amendments thereto shall be in complete compliance with all Federal and Connecticut State Laws governing municipal retirement plans.
- (D) **Masculine and Feminine, Singular and Plural.** In construing the text of this Plan, the masculine shall include the feminine and the singular shall include the plural, and the plural, the singular wherever the context shall plainly so require.
- (E) **Reference to Laws.** Any reference herein to any section of the Federal Internal Revenue Code, or any other statute or law shall be deemed to include any successor statute of law of similar import.
- (F) **Non-Assignment.** All retirement income payments, and other payments, are provided for the Participant or other payee for the support and the benefit of such payee, and shall not be assigned or anticipated, and shall be free from the claims of all creditors, to the fullest extent permitted by law.
- (G) **Small Benefits.** In cases where the monthly installment of retirement income would be less than \$10.00, the Plan Administrator may adopt alternate payment procedures in lieu of making monthly installments, provided that a benefit of equivalent value is paid.
- (H) **Limitation.** Participation in the Plan shall not grant any Participant the right to be retained in the service of the Employer or any other rights other than those to which he is entitled under relevant law or regulations.
- (I) **Divestment of Benefits for Cause Precluded.** In no event may a Participant be divested for cause of retirement income or other benefits which he is eligible to receive.
- (J) **Overpayment or underpayment.** In case of misstatement or error, there shall be no liability for any greater payment than that which would be payable on the basis of the true facts. Overpayments may be deducted from and under payments may be added to any payments due under the Plan shall be otherwise corrected.

### **13.8 Pension Administration Board**

The CILU Locals #7 and #15 reserve the right to have a member of their unit represent the bargaining unit on a Pension Administration Board if such a Board is ever established by the Town Council.

### **13.9 Pension Benefit Review**

The Plan Administrator shall cause a study to be made by the Plan Actuary and prepare a report to the Town Manager for submission to the Town Council every five (5) years on the current status of the pension benefits made to all retirees who were previously employees of the bargaining unit and the effect of economic conditions on the payments over that period.

The Town Council, after receiving the report, shall have the right in its sole and exclusive discretion to make adjustments in the payments being made to former employees in the bargaining unit previously retired under this Plan. The Town Council shall vote on any such proposed adjustments within ninety (90) days from the date it receives the report from the Town Manager.

## **AMENDMENT AND TERMINATION OF PLAN - SECTION 14**

### **14.1 Amendment - General**

The Employer reserves the right to amend or modify the Plan in whole or in part from time to time. No such action shall adversely affect the accrued benefits of Participants, provided, however, that the Employer may make any amendment or modification (of retroactive effect, if necessary) to establish and maintain the Plan's qualification under Section 401(a) of the Federal Internal Revenue Code.

### **14.2 Amendment - Merger or Consolidation of Plan**

This Plan may be amended by the Employer to provide for the merger or consolidation of the Plan with another retirement plan, or for the transfer of assets and liabilities hereunder to another retirement plan. Such an event, however, may not occur unless each Participant would receive a retirement benefit under such other retirement plan after the merger, consolidation or transfer (assuming that plan had then terminated) which is at least as great as the benefit he would have received under this plan immediately prior to the merger, consolidation or transfer (assuming this Plan had then terminated).

### **14.3 Partial Termination of Plan**

In the event a partial termination of the Plan occurs with respect to a specified group or groups of Participants, the Employer shall cause to be allocated and segregated for the benefit of such Participants a proportionate interest in the Fund. Such proportionate interest shall be determined by an enrolled actuary and applied by the Employer to provide retirement income to such Participants in accordance with the following terms of this section.

#### 14.4 Termination of Plan

The Employer intends to continue the Plan indefinitely, but reserves the right to terminate it at any time. The date when the Plan is terminated shall be referred to in this Section as the Plan Termination Date.

As of the Plan Termination Date, retirement income accrued on account of Participants' coverage hereunder shall be non-forfeitable to the extent then funded. After any final expenses and Premiums for repurchasing all Prior Annuities have been withdrawn from the Fund, the Employer shall cause the amount remaining in the Fund to be allocated according to the following categories, in the order given:

- (A) First, there shall be allocated an amount necessary to provide each Participant's Employee Accrued Benefit.
- (B) Second, there shall be allocated an amount necessary to provide retirement income for Participants and other individuals who, three years prior to the Plan Termination Date, were either receiving retirement income, or would have been eligible to receive retirement income had they then retired. (For this purpose, "retirement income" means retirement income determined for the Participant or individual in accordance with provisions of the Plan in effect five years prior to the Plan Termination Date).
- (C) Third, there shall be allocated an amount necessary to provide all other retirement income which vests in each Participant in accordance with Section 6, assuming that the Plan Termination Date is his Termination of Employment Date.
- (D) Fourth, there shall be allocated an amount necessary to provide all other retirement income accrued by Participants as of the Plan Termination Date but not then vested in accordance with Section 6.

The amount necessary to provide the retirement income specified in each of the above categories shall be determined in accordance with annuity purchase rate assumptions selected by the Employer in accordance with such governmental regulations as may apply.

Amounts allocated on a Participant's behalf under any category above shall be appropriate adjusted if:

- (A) An amount has been allocated on such Participant's behalf under a prior category, and/or
- (B) All or a portion of a Participant's retirement income has been guaranteed under an

insurance company contract prior to the Plan Termination Date.

If the amount available for allocation under any category is not sufficient to fully provide retirement income specified for such category, a pro rata allocation of the amount available will be made and reduced retirement income will be provided to the extent possible.

In the event a Participant elects a refund of his Participant's Contributions together with Credited Interest after the Participant's Termination of Employment date, there will remain to his credit the Employer Accrued Benefit.

After the assets of the Fund have been withdrawn and allocated in accordance with the preceding terms of this Section, any amount remaining in the Fund will be returned to the Employer.

Notwithstanding the foregoing provisions the amount of any retirement income otherwise to be provided in accordance with this Section will be restricted in accordance with the next Section to any extent required.

## **LIMITATION ON BENEFITS - SECTION 15**

### **15.1 Limitation on Benefits**

This Section is included in the Plan to conform to the requirements of Treasury Regulation 1-401-4(c).

For the purposes of this Section, the term Plan Date means the date an Employer becomes covered under the Plan and each later date when there is effected under the Employer's Plan an increase in the benefits to be provided for highly compensated Employees by Employer contribution.

With respect to each Plan Date of an Employer, the term Restricted Employee means any of the 25 highest paid Employees of the Employer on such date whose anticipated yearly amount of retirement income provided by Employer contributions exceeds \$1,500.

If, at any time during the ten-year period beginning on a Plan Date, the Plan is terminated, the Employer contributions which may be used for the benefit of a Restricted Employee shall not exceed the greatest of the following amounts:

- (A) \$20,000.
- (B) An amount computed by multiplying 20% of the first \$50,000 of the Employee's average regular annual compensation during his last five years of Service by the

number of years for which the full current costs of the Plan have been met since the latest Plan Date, plus, if there is more than one Plan Date to be taken into account, the Employer contributions which would have been applied to provide benefits for the Employee if the Plan had terminated on the day before the latest Plan Date.

- (C) If there is more than one Plan Date to be taken into account, the Employer contributions which would have been applied to provide benefits for the Employee if the Plan as in effect on the day before the latest Plan Date had been continued without change.

If at any time during the ten-year period beginning on a Plan Date the full current costs of the Plan have not been met, then, until the full current costs are funded for the first time, thereafter, the benefits payable on the coverage of a Restricted Employee shall not exceed the benefits that would have been payable on his coverage had the Plan been terminated when such costs were not met.

When the limitation on contributions is being determined for more than one Plan Date, the applicable limitation will be the greatest of the amounts determined for each Plan Date.

The foregoing conditions shall not restrict the current payment of the full benefits called for by the Plan with respect to a Restricted Employee while the Plan remains in effect and the full current costs have been met.

The terms of this Section shall prevail over any other terms of the Plan that may be inconsistent herewith.

The limitations described in this Section shall automatically become inoperative and of no effect upon a ruling by the Internal Revenue Service that they are not required.

## **HEALTH INSURANCE/MEDICARE SUPPLEMENT - SECTION 16**

### **16.1 Health Insurance**

Each employee who is a Participant in the Plan shall have deducted from the gross amount of each pay check the amount specified in Section 16.5 below. The Employer shall use this dedicated amount to support a fund to assist in providing for retiree medical insurance.

The Employer shall make available to each full-time Employee who retires during the term of this contract Blue Cross/Blue Shield coverage similar to what the employee had

during their employment. This coverage shall be provided from the date of retirement until the first date the retiree and/or spouse becomes eligible for Medicare or some other national health insurance benefits of a comparable nature from or through another employer. The Employer shall pay one hundred percent (100%) of the retiree's and dependent's premium coverage.

## **16.2 Medicare Supplement**

Each Participant shall have deducted from the gross amount of their paycheck, the amount specified in Section 16.5 below. The Employer shall use the funds from this deduction to support a supplemental Medicare insurance program for the retiree and spouse. The supplemental Medicare insurance shall be Blue Cross/Blue Shield Medicare Policy 65 High Option and 65 Plan 81 or their equivalent.

For the purposes of this section, there shall be a re-opener January 1, 2010, for the purpose of examining the viability of the fund to support future retirees. The options available to negotiators at that time are:

1. To continue the fund as started above.
2. To increase the Participants' contributions.
3. To reduce the Participants' contributions.
4. To discontinue the fund, leaving the amount required to sustain coverage for those Participants already retired based on actuarial figures and rebate the remainder plus interest to those Participants not yet retired.

Any Participant who terminates employment with the Employer before the Participant is eligible to retire and withdraws their contributions from the retirement income plan, shall have returned to them any contributions to the retiree health and Medicare fund which were deducted from wages along with credited interest.

**16.3** Contributions returned to employees under Sections 16.1 and 16.2 may be refunded as allowed under the IRS pretax regulations.

**16.4** If a Participant's Services ceases by reason other than death prior to his Normal Retirement Date, he may elect prior to or on his Retirement Date to receive a refund of his Participant's Contributions together with Credited Interest computed thereon to the date the election is made.



Upon the election of such refund, a Participant will forfeit his Accrued Benefit.

- 16.5 Employees shall contribute one and one-quarter percent (1.25%) of their base pay to the pension plan as required in Sections 16.1 and 16.2 above.

This Agreement shall be effective November 1, 2001 and continue in effect through December 31, 2009.

Accepted for the Town of Bloomfield:

Steve Chapman, Jr., TOWN MANAGER  
Name and Title

11/6/01  
Date

Bainie D. Wild  
Witness

Accepted for CILU Local #7

Pete Blythe, Pres  
Name and Title

11-6-01  
Date

Bainie D. Wild  
Witness

Accepted for CILU Local #15:

Rexanne Vorbridge, President  
Name and Title

11/6/01  
Date

Bainie D. Wild  
Witness

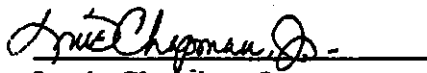
MEMORANDUM OF AGREEMENT  
BETWEEN  
THE TOWN OF BLOOMFIELD  
AND CILU LOCALS #7 AND #15

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That the Town of Bloomfield and the Connecticut Independent Labor Union, Locals #7 and #15 agree that the following language be incorporated into the current contracts and pension agreement.

1. Employees who elected not to participate in the Town Pension Plan for any length of time shall be allowed to have this time of employment credited to their pension by buying back their time as follows:
  - a. Employees shall contribute the percent of salary they earned during the non-participating year(s) that they would have contributed had they been a participant, and in addition, the percent interest that the Pension Plan would have earned during the buy back period, based upon actual interest during these years.
  - b. Employees shall be notified by the Town of the amount required to buy back time. Upon notification by the Town, employees shall have ninety (90) days to commence payments to buy back their time.
  - c. Employees may pay by lump sum or payroll deduction, and must notify the Town of selected method of payment within ninety (90) days of the receipt of notification from the Town of amount due.
  - d. Employees shall have five (5) years to buy back their time after notifying the Town of their intent to do so. The Town Manager may grant an extension of the five-year period that the employee is allowed to amortize the cost of prior service buy-back in exceptional cases. The employee may request such an extension if necessary. The Town Manager shall communicate in writing the decision on such a request.

FOR THE TOWN

  
Louie Chapman, Jr.

FOR THE UNION

  
Peter Joseph, CILU #7

  
Roxanne Verbridge, CILU #15

10/26/01  
Date

**ACTUARIAL ADJUSTMENT FACTORS**

Normal Form of Annuity

Actuarial  
Adjustment  
Factor

1. Single Life Annuity (without ancillary benefits) 1.0

Actuarial Adjustment Factor

	<u>Joint &amp; 100% Survivor</u>	<u>Joint &amp; 66-2/3%* Survivor</u>	<u>Joint &amp; 50% Survivor Reduced After Participant's Death</u>
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2. Joint & Survivor Annuity:

20 or more years** older than participant	.96	.97	.98
15-19 years older than participant	.93	.95	.96
10-14 years older than participant	.90	.93	.95
5-9 years older than participant	.85	.90	.92
0-4 years older than participant	.79	.85	.88
0-4 years younger than participant	.79	.85	.88
5-9 years younger than participant	.73	.80	.84
10-14 years younger than participant	.69	.78	.82
15-19 years younger than participant	.65	.74	.79
20 or more years younger than participant	.63	.73	.78

\* Survivor reduced after participant's death.

\*\* Years means completed whole years.

Actuarial  
Adjustment  
Factor

3. Life Annuity with period certain (certain and continuous)

<u>Years Certain Guaranteed</u>	
5 years	.98
10 years	.91
Installment Refund	.90
15 years	.83

## NOTICE OF INTENT TO OFFER AN EARLY RETIREMENT INCENTIVE

13-1  
Passed  
5/28/03

This is a revised proposal of an early retirement incentive program for the members of CILU #15.

1. The Early Retirement Agreement Program (ERAP) will be available to members until June 6, 2003 at 3:00 pm. In order to take advantage of the retirement incentive program, retirement must occur on or before June 30, 2003.
2. Employees whose age and years of service total 70 ("Rule of 70") with 10 or more years of service as of 6/30/03 are eligible to participate.
3. Each plan participant opting to participate in the ERAP will receive 2.5 credited service years. The additional 2.5 years of credited service may be used to attain the rule of 70. If the 2.50 years is not necessary to initially qualify, then it will be added to the employee's total credited service. The two options may not be combined.
4. Participants accepting the ERAP will receive full retiree health insurance benefits as defined in the Town Employees Pension Plan.
5. All CILU #15 employees of the Town of Bloomfield hired on and after June 30, 2003 will participate in a 401-A defined contribution plan. The rate of the defined contribution to be made by the Town of Bloomfield shall be set at ten percent (10%) of the applicable annual wages. The rate of the defined contribution to be made by employees covered by the 401-A Plan shall be a minimum of seven percent (7%) of the applicable annual wages.
6. Participants in the 401-A defined contribution plan shall be entitled to the same post retirement health benefits, after fifteen (15) years of service, and group life insurance continuation benefits currently available to other defined benefit participants and will contribute to the medical insurance and Medicare supplement funds in the amounts and or percentages previously agreed to.
7. Under this retirement incentive program, accumulated time will be paid to the employee in three installments. Installment #1 will be made at the time of separation, 50% of accumulated time. The second and third installments will be made in August 2004 and August 2005 each installment will be 25% of the remaining balance. The full value of accumulated time will be calculated into the formula to determine the retirement benefit. Accumulated time totaling \$15,000 or less will be paid in full by single installment upon retirement.
8. The lock out period for negotiation on the defined benefit plan will be extended beyond the current end period of December 31, 2009 for an additional fifteen (15) years to December 31, 2024.
9. Existing CILU #15 pension plan participants will be "grandfathered" into the plan until the year 2024.

5/28/03

**FIRST AMENDMENT TO  
AMENDED AND RESTATED TOWN OF BLOOMFIELD  
RETIREMENT INCOME PLAN**

This **FIRST AMENDMENT** to the amended and restated Town of Bloomfield Retirement Income Plan (the "Plan") effective July 1, 2003, unless otherwise provided herein, is made by the Town of Bloomfield, a Connecticut municipality, hereinafter referred to as the "Employer".

**WITNESSETH:**

**WHEREAS**, the Employer and Union previously adopted an amended and restated Profit Sharing Plan effective as January 1, 2001: and

**WHEREAS**, the Employer reserves the right to amend the Plan from time-to-time; and

**WHEREAS**, the Employer desires to amend the plan per the negotiated agreements entered into between the Employer and CILU #7 and CILU #15. effective July 1, 2003.

**NOW THEREFORE**, the Employer hereby agrees as follows:

**First:** Section 1.1 of the Plan is amended by adding the following sentence:

"As a result of negotiations between the Town of Bloomfield and CILU #7 and #15, effective July 1, 2003, the Plan is amended to be in effect until December 31, 2024."

and

**Second:** Section 2.1 (F) of the Plan is amended in its entirety to read as follows:

“ (F) Employee- any full-time, bargaining unit employee in the employ of the Employer, hired on or before June 30, 2003 whose customary employment is for 20 hours or more per week for 120 days or more per year.”

**IN WITNESS WHEREOF**, the Town of Bloomfield does hereby adopt this First Amendment to the amended and restated Town of Bloomfield Retirement Income Plan and has caused this document to be duly executed effective July 1, 2003.

Town of Bloomfield

By: Louie Chapman, Jr.  
Louie Chapman, Jr.  
Town Manager

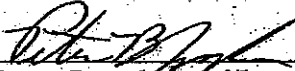
## **NOTICE OF INTENT TO OFFER AN EARLY RETIREMENT INCENTIVE**


This is a revised proposal of an early retirement incentive program for the members of CILU #7:

1. The Early Retirement Agreement Program (ERAP) will be available to members until May 30, 2003 at 3:00 pm. In order to take advantage of the retirement incentive program, retirement must occur on or before June 30, 2003.
2. Employees whose age and years of service total 70 ("Rule of 70") with 10 or more years of service as of 6/30/03 are eligible to participate. Each plan participant opting to participate in the ERAP will receive 2.5 credited service years. The additional 2.5 years of credited service may be used to attain the rule of 70. If the 2.50 years is not necessary to initially qualify, then it will be added to the employee's total credited service. The two options may not be combined.
3. Participants in this ERAP will receive full retiree health insurance benefits.
4. All CILU #7 employees of the Town of Bloomfield hired on and after June 30, 2003 will participate in a 401-A defined contribution plan. The rate of the defined contribution to be made by the Town of Bloomfield shall be set at ten per cent (10%) of the applicable annual wages. The rate of the defined contribution to be made by employees covered by the 401-A Plan shall be a minimum of seven per cent (7%) of the applicable annual wages.
5. Participants shall be entitled to the same post retirement health benefits, after fifteen (15) years of service, and group life insurance continuation benefits currently available to other defined benefit participants and will contribute to the medical insurance and Medicare supplement funds in the agreed upon amounts.
6. Under this retirement incentive program, accumulated time will be paid to the employee in three installments. Installment #1 will be made at the time of separation, 50% of accumulated time. The second and third installments will be made in August 2004 and August 2005 each installment will be 25% of the remaining balance. The full value of accumulated time will be calculated into the formula to determine the retirement benefit. Accumulated time totaling \$15,000 or less will be paid in full by single installment upon retirement.
7. The lock out period for negotiation on the defined benefit plan will be extended beyond the current end period of December 31, 2009 for an additional fifteen (15) years to December 31, 2024.
8. Existing CILU #7 pension plan participants will be "grandfathered" into the plan until the year 2024.

5/28/03

**Tentative Agreement**

  
Peter Joseph, President CILU #7

  
Louie Chapman, Town Manager



**FIRST AMENDMENT  
TO AMENDED AND RESTATED TOWN OF BLOOMFIELD  
RETIREMENT INCOME PLAN**

This **FIRST AMENDMENT** to the amended and restated Town of Bloomfield Retirement Income Plan (the "Plan") effective July 1, 2003, unless otherwise provided herein, is made by the Town of Bloomfield, a Connecticut municipality, hereinafter referred to as the "Employer".

**WITNESSETH:**

WHEREAS, the Employer desires to amend the plan per the negotiated agreements entered into between the Employer and CILU #7 and CILU #15, effective July 1, 2003.

NOW, THEREFORE, the Employer agrees as follows:

First: Section 1.1 of the Plan is amended by adding the following sentence:

"As a result of negotiations between the Town of Bloomfield and CILU #7 and #15, effective July 1, 2003, the Plan is amended to be in effect until December 31, 2024", and

Second: Section 2.1 (F) of the Plan is amended in its entirety to read as follows:

"(F) Employee – any full-time bargaining unit employee in the employ of the Employer, hired on or before June 30, 2003 whose customary employment is for 20 hours or more per week for 120 days or more per year."

IN WITNESS WHEREOF, the Town of Bloomfield does hereby adopt this First Amendment to the amended and restated Town of Bloomfield Retirement Income Plan and has caused this document to be duly executed effective July 1, 2003.

Town of Bloomfield

CILU #7

CILU #15

By: Louie Chapman, Jr.  
Louie Chapman, Jr.  
Town Manager

By: Peter Joseph  
Peter Joseph  
President, CILU #7

By: Laura James  
Laura James  
President, CILU #15

Dated this 27<sup>th</sup> day of January, 2004.