

Early Retirement Incentive Program
Memorandum of Agreement

The Borough of Naugatuck (hereinafter referred to as the “Borough”) and AFSCME, Council 15, AFL-CIO, Local 1126 (hereinafter referred to as the “Union”) hereby agree to the following:

1. The Borough will afford the following Union pension plan members, who each have at least twenty (20) years of service as a Borough police officer, an opportunity to take a voluntary early retirement. It is agreed that no more than eight (8) of the ten (10) eligible union pension plan members will be eligible for this early retirement incentive program. In the event that more than eight (8) eligible union pension plan employees declare in writing their intentions to accept this early retirement incentive program, the eight (8) eligible employees shall be determined by seniority.

1. Patrolman James Cegielski
2. Detective Larry Calhoun
3. Lieutenant Todd Brouillette
4. Detective Francis Cavanaugh
5. Lieutenant Robert Allen
6. Training Officer Theron Johnson
7. Detective Raymond Walsh
8. Lieutenant Robert Harrison
9. Captain Jeremiah Scully
10. Sergeant Laura Harrison

2. Eligible employees, who choose to retire in accordance with this Early Retirement Incentive Program, may elect to do so in accordance with the following terms:

Eligible employees making this retirement election, who have at least twenty (20) years of credited service, shall receive the incentive benefit of five (5) years of additional service added to their pension calculation, provided, that no eligible employee shall receive a pension in excess of seventy-five percent (75%) of his/her average gross pay, excluding private duty pay, for the three (3) calendar years that he/she earned his/her highest gross pay (excluding private duty pay) (final average earnings), provided that said employee has contributed to this fund for all prior years of service. It is understood that accumulated sick time paid upon retirement is included in calculating the highest gross pay/year’s base salary for the three (3) calendar year average.

3. The ten (10) eligible Union pension plan members must declare, in writing, their intention to participate in this Early Retirement Incentive Program within thirty (30) days of the ratification of this Agreement by the Board of Mayor and Burgesses and the Union membership. Such declaration shall be irrevocable. Furthermore, said employees must in fact transfer from active employment to retired status in accordance with the provisions of the Early Retirement Incentive Program, as described herein, on or before December 31, 2012.
4. The parties agree that this Early Retirement Incentive Program shall be available to a maximum of eight (8) eligible employees. In the event that more than eight (8) eligible employees declare their interest in accordance with paragraph 2 herein, the eight (8) most senior employees shall be eligible for the Early Retirement Incentive Program.
5. It is further agreed that upon ratification of this agreement the Borough will automatically calculate the projected pensions of each of the ten (10) eligible employees and present these calculations to them no later than ten (10) days after the ratification. In the event that it takes longer than ten (10) days to provide this information to the eligible employees the thirty (30) day declaration period, as described in paragraph 3 above, shall be extended one day for each day over the ten (10) day calculating period that it takes for the Borough to provide eligible employee the projected pension calculations.
6. In the event that more than one Union pension plan members decides to participate in the early retirement incentive program, they must determine a mutually agreed upon retirement date with the Chief of Police. In determining the order in which Union pension plan members will retire, department seniority shall prevail. In the event that the Chief of Police and the eligible union pension plan member cannot mutually agree upon a retirement date, the Mayor shall make the final determination.
7. The parties agree that regardless of the eligible employee's last date of actual employment with the Borough, the employee shall be eligible for the health insurance benefits set forth in the collective bargaining agreement between the parties dated July 1, 2006 through June 30, 2010 (and extended by the parties via a Memorandum of Agreement for two (2) years through June 30, 2012). Accordingly, eligible employees shall receive health insurance benefits based upon Section 17.05 of the collective bargaining agreement between the parties dated July 1, 2006 through June 30, 2010 (and extended by a Memorandum of Agreement between the parties through June 30, 2012). The parties agree that in the event an employee elects the HDHP Plan, the Borough's contribution toward funding the deductible is not an element of the underlying plan, but rather relates to the manner in which the deductible shall be funded for active employees. Accordingly, the Borough shall have no obligation to fund any portion of the deductible

under the HDHP Plan for retirees or other individuals upon their separation from employment. The employee will be responsible for any bank fees associated with maintaining the HDHP account.

8. The Union acknowledges and agrees that, aside from this Memorandum of Agreement and the timelines set forth herein, the Borough has no contractual or legal obligation to offer employees the Early Retirement Incentive Program specified herein.
9. Furthermore, the Union accepts, covenants and agrees that the Borough has no obligation to offer an early retirement incentive program in the future and this Memorandum of Agreement (and the terms set forth herein) shall not be used, serve as or be claimed as a past practice or precedent by the Union in any future collective bargaining negotiations or other dealings involving the Borough with any bargaining unit represented by the Union. In addition, the parties agree that no future negotiations shall in any way alter or change the terms of this specific Early Retirement Incentive Program for any eligible employee or their dependents that elected this specific Early Retirement Incentive Program.
10. Any employee employed by the Borough as of the date that this Early Retirement Incentive Program Memorandum of Agreement is fully executed by the parties who either elect not to participate in this Early Retirement Incentive Program or is ineligible for such Early Retirement Incentive Program shall continue to be covered under the current Pension Plan (entitled "the Borough of Naugatuck Police Pension Plan) for the remainder of their employment with the Borough.
11. The Union agrees that any employee who declared their intention to participate in this Early Retirement Incentive Program and in fact retired under this Program, shall neither seek nor be employed by the Borough in any paid Borough position, provided, however, that the Borough may, at its discretion, utilize such individual(s) on a per diem basis in accordance with the following: (1) the use; and (2) per diem rate of pay of such individual(s) is approved by a two-third (2/3) vote of the Board of Mayor and Burgesses. Any individual(s) utilized on a per diem basis shall not be eligible for any benefits provided by the Borough, except for the per diem rate of remuneration established by the Borough.
12. The Union agrees that during the period of time that the Borough is attempting to fill positions that are vacant as a result of employees electing early retirement, the one hundred twenty (120) day period for posting and filing a vacancy set forth under Article XXVII, Section 27.12 of the collective bargaining agreement between the parties dated July 1, 2006 through June 30, 2010 (and extended via a Memorandum of Agreement through June 30, 2012) shall be waived, provided however that such period shall not

extend beyond one hundred eighty (180) days, except by mutual written agreement of the parties.

13. This Early Retirement Incentive Program Memorandum of Agreement is subject to approval by the Board of Mayor and Burgesses and ratification by the bargaining unit's membership.

Mayor Robert Mezzo
For the Borough of Naugatuck

AFSCME, Council 15, AFL-CIO,
Local 1126

Dated: _____

Dated: _____

Witness: _____

Witness: _____