

City of Cambridge

MASSACHUSETTS

In City Council June 17, 2002

Manager's Agenda 9A Accept Sec. 6 of Ch. 116 of the
Acts of 2002

YEA	NAY	ABSENT	PRESENT	
✓				Vice Mayor Henrietta Davis
✓				Ms. Marjorie C. Decker
✓				Mr. Anthony D. Galluccio
✓				Mr. David P. Maher
✓				Mr. Brian Murphy
✓				Mr. Kenneth E. Reeves
✓				Ms. Denise Simmons
✓				Mr. Timothy J. Toomey, Jr.
✓				Mayor Michael A. Sullivan

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City of Cambridge

Consent Agenda #9

IN CITY COUNCIL

June 17, 2002

ORDERED: That this City Council go on record accepting Section 6 of Chapter 116 of the Acts of 2002 to provide qualified veterans to obtain creditable retirement service for military service time.

In City Council June 17, 2002.

Adopted by a ye and nay vote:-

Yeas 9; Nays 0; Absent 0.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

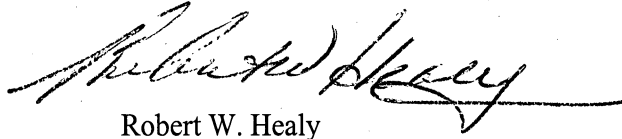
ATTEST:-

A handwritten signature in black ink, reading "D. Margaret Drury". The signature is written in a cursive style with a large, stylized "D" and "M".

D. Margaret Drury
City Clerk

In the interest of disclosure and avoidance of any perception of conflict of interest, I inform the City Council that this "executive authority", regardless of the plan recommended, could be eligible to opt for this legislation as part of a plan that must be developed by the executive authority under the statute.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy", written in a cursive style.

Robert W. Healy
City Manager

RWH/mec



9.

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager

Richard C. Rossi, Deputy City Manager

June 17, 2002

To The Honorable, The City Council:

In an update regarding Chapter 116 of the Acts of 2002 please be advised as follows:

On May 20, 2002, the City Council accepted the Workforce Reduction through Early Retirement Incentive portion of Chapter 116 of the Acts of 2002, as described in Section 1 of the Act.

There is another, unrelated provision in Chapter 116 relating to reopening a window for qualified veterans to buy back military service time as creditable service under the City-State Retirement System. This provision is included in Section 6 of the Act.

According to the best advice of the Public Employees Retirement Commission Administration (PERAC), separate local legislative acceptance is required to implement the provisions of Section 6 concerning reopening the window for qualified veterans to buy back this military time.

Section 6 of Chapter 116 of the Acts of 2002 provides qualified veterans who have not previously bought back military service time during the window of opportunity provided pursuant to Chapter 71 of the Acts of 1996 with a one hundred and eighty day window of opportunity (after local acceptance of the Act) to obtain such credit.

In order to provide qualified veterans with the opportunity to obtain creditable retirement service for military service time, it is recommended that the City Council accept the provisions of Section 6 of Chapter 116 of the Acts of 2002.

In regard to the "early retirement" provisions of the Act, I have requested the City's outside audit firm to conduct an actuarial analysis of the costs of implementation of such a program. The results of this analysis are not ready at this time. It is clear however, that any plan would need to be limited in the number of participants, the number of Group IV participants and, in all likelihood, the additional credit would not exceed three years of age/years of service. The number eligible will most likely be less than the 75 that opted for the 1992 legislation. When a numerical limit is included "the retirement of employees with greater years of creditable service (in the Massachusetts Retirement System) shall be approved before approved shall be given to employees with lesser years of creditable service."

While it is not possible to determine what the "cut off" would be, as some guide for employee expectations, it would appear that at least 25 years of service, and more likely 30 years of service would be necessary to qualify.

S-203

Consent Agenda #9

Update to Chapter 116 of the
Acts of 2002 Workforce
Reduction through Early
Retirement Incentive.

In City Council June 17, 2002

**A. ACCEPTED
SECTION 6
OF CHAPTER 116 OF
THE ACTS OF 2002.
9-0-0.**

B. PLACED ON FILE.