CCM-101

City of Cambridge

~~-37.-~~
CALENDAR ITEM # 7
IN CITY COUNCIL

~~-August 3, 1992--~~
September 14, 1992

COUNCILLOR WALSH
COUNCILLOR TOOMEY

WHEREAS: Section 48 (copy attached) of the Commonwealth's Budget for FY93, signed by Governor Weld on July 20, 1992, provides for cities, towns and counties to offer a retirement incentive program to municipal employees to retire early, subject to certain legislative, statutory and temporal restraints; and

WHEREAS: Among the restraints calling for cautious scrutiny is that which dictates that those who are eligible to benefit from the program "...shall have filed a written application (to the retirement board) after July 1, 1992, but not later than July 15, 1993 to retire for superannuation as of the date which shall be specified in such application; provided, however, that said date for retirement shall be no earlier than September 1, 1992 and no later than 45 days after the acceptance of this act by the city, town or county". The varied desires of City of Cambridge employees eligible to take part in this retirement incentive program according to their personal projected time schedule deserve care, i.e., some may want to file application earlier, other, later. But if there is this seemingly statutory time squeeze for those eligible to apply, i.e. no later than 45 days after the city's acceptance of this program, they must be notified accordingly so that they do not lose out; now therefore be it

ORDERED: That this City Council accepts Section 48 of the Commonwealth's Budget for the FY93 for implementation within the City of Cambridge for eligible City of Cambridge employees and orders the City Manager to take the steps to assure said implementation as soon as possible; and be it further

ORDERED: That the City Manager be and hereby is requested to clarify the query raised in paragraph #2 above so that City of Cambridge employees who are eligible and eager to take advantage of the plan will know precisely the time frame by which they are restricted and be advised accordingly as soon as possible; and be it further

ORDERED: That the City Manager be and hereby is requested to report back to the Council with full details on all of the above no later than September 14, 1992.

REFERRED TO THE CITY MANAGER ON MOTION OF COUNCILLOR WALSH

SECTION 48 Notwithstanding the provisions of chapter thirty-two of the General Laws or of any other general or special law to the contrary, and upon the acceptance of this section by the legislative and executive authority within a city, town or county, the provisions of this section providing for a retirement program for municipal and county employees shall apply to a municipal or county employee who is a Group 1, Group 2, or Group 4 employee as defined in section three of said chapter thirty-two, who is a member of the appropriate municipal or county retirement system and who (i) shall be an employee of the municipality on the effective date of this section, (ii) shall be eligible to receive a superannuation retirement allowance in accordance with the provisions of subdivision (1) of section five or subdivision (1) of section ten of said chapter thirty-two upon the effective retirement date specified in his written application to said board and (iii) shall have filed a written application after July first, nineteen hundred and ninety-two, but not later than July fifteenth, nineteen hundred and ninety three to retire for superannuation as of the date which shall be specified in such application; provided, however, that said ate for retirement shall be no earlier than September first, nineteen hundred and ninety-two and no later than forty-five days after the acceptance of this act by the city, town or county. For the purposes of this section the legislative authority shall mean a town meeting in a town, the city council in a city, the county advisory board in a county other than the counties of Suffolk and Nantucket in which cases the county commissioners shall serve as the legislative authority; and the executive authority shall mean the board of selectmen in a town, the mayor in a city, and the county commissioners in a county. Said program shall be administered by the appropriate municipal or county retirement system, which also shall promulgate regulations to implement the provisions of said program.

Notwithstanding the foregoing, no city, town or county may adopt the provisions of this section unless said city, town or county has established a retirement system funding schedule pursuant to the provisions of section twenty-two D of Chapter thirty-two of the General Laws or subdivision six A of section twenty-two of said chapter thirty-two prior to the effective date of this act or adopts the provisions of section twenty-two D of said Chapter thirty-two after the effective date of this act.

Notwithstanding any provisions of said chapter thirty-two to the contrary, the normal yearly amount of the retirement allowance for an eligible employee who is employed by a city, town or county which accepts the applicable provisions of this act and who has paid the full amount of regular deductions on the total amount of regular compensation as determined under paragraph (a) of subdivision (2) of section five of said chapter thirty-two, shall be based on the average annual rate of regular compensation as determined under said paragraph (a) and shall be computed according to the table contained in said paragraph (a) based on the age of such member and his number of years and full months of creditable the commissioner of public employee retirement administration filed in accordance with the provisions of this section; and provided further, that said board shall triennially update such schedule until said June thirtieth, two thousand and eight. Said board shall file such funding schedule with the joint committee on public service and the house and senate committees on ways and means on or before March first, nineteen hundred and ninety-four, and shall file updates thereto triennially on or before March first of each year. In each of the fiscal years until the actuarial liability determined under this section shall be reduced to zero, it shall be deemed an obligation of the applicable city, town or county to fund such liability and there shall be appropriated to the applicable pension reserve fund in each such fiscal year the amount required by the funding schedule and the updates thereto.

service at the time of his retirement increased by up to five years of age or by up to five years of creditable service or by a combination of additional years of age and service the sum of which shall not be greater than five; provided however that the executive authority in a city or town may limit the amount of additional credit for service or age or a combination of service or age offered and the number of employees for whom it will approve a retirement calculated under the provisions of this section; provided further that if participation is limited, the retirement of employees with greater creditable service shall be approved before approval is given to employees with lesser creditable service.

For the purpose of this section words shall have the same meanings as in Chapter thirty-two of the General Laws, unless otherwise expressly provided or unless the context clearly requires otherwise. An employee who retires and receives an additional benefit in accordance with the provisions of this section shall be deemed to be retired for superannuation under the provision of said chapter thirty-two and shall be so subject to any and all provisions of said chapter thirty-two.

The total normal yearly amount of the retirement allowance, as determined in accordance with the provisions of section five of said chapter thirty-two, of any employee who retires and receives additional benefit under the retirement incentive program for municipal and county employees in accordance with the provisions of this section shall not exceed four-fifths of the average annual rate of his regular compensation received during any period of three consecutive years of creditable service for which the rate of compensation was the highest or of the average annual rate of this regular compensation received during the periods, whether or not consecutive, constituting his last three years of creditable service preceding retirement, whichever is greater.

The commissioner of the public employee retirement administrations shall analyze, study, and valuate the costs and the actuarial liabilities attributable to the additional benefits payable in accordance with the provisions of this section of the retirement incentive program for municipal and county employees established by this section for each retirement system; provided, that said commissioner shall file a report in writing of his findings to the board on or before December thirty-first, nineteen hundred and ninety-three, and shall send a copy thereof to the county commissioners, the mayor, or the board of selectmen, as the case may be; provided further, that said reports shall be filed with the joint committee on public service on or before December thirty first, nineteen hundred and ninety-three.

The applicable retirement board shall prepare a funding schedule which shall reflect the costs and the actuarial liabilities attributable to the additional benefits payable under the retirement incentive program in accordance with the provisions of this section and said schedule shall be designed to reduce the applicable retirement system's additional pension liability attributable to such costs and liabilities to zero on or before June thirteenth, two thousand and eight; provided, that in preparing such schedule, the board shall consider the analysis of

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City of Cambridge

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IN CITY COUNCIL

August 3, 1992

COUNCILLOR WALSH
COUNCILLOR TOOMEY

WHEREAS: Section 48 (copy attached) of the Commonwealth's Budget for FY93, signed by Governor Weld on July 20, 1992, provides for cities, towns and counties to offer a retirement incentive program to municipal employees to retire early, subject to certain legislative, statutory and temporal restraints; and

WHEREAS: Among the restraints calling for cautious scrutiny is that which dictates that those who are eligible to benefit from the program "...shall have filed a written application (to the retirement board) after July 1, 1992, but not later than July 15, 1993 to retire for superannuation as of the date which shall be specified in such application; provided, however, that said date for retirement shall be no earlier than September 1, 1992 and no later than 45 days after the acceptance of this act by the city, town or county". The varied desires of City of Cambridge employees eligible to take part in this retirement incentive program according to their personal projected time schedule deserve care, i.e., some may want to file application earlier, other, later. But if there is this seemingly statutory time squeeze for those eligible to apply, i.e. no later than 45 days after the city's acceptance of this program, they must be notified accordingly so that they do not lose out; now therefore be it

ORDERED: That this City Council accepts Section 48 of the Commonwealth's Budget for the FY93 for implementation within the City of Cambridge for eligible City of Cambridge employees and orders the City Manager to take the steps to assure said implementation as soon as possible; and be it further

ORDERED: That the City Manager be and hereby is requested to clarify the query raised in paragraph #2 above so that City of Cambridge employees who are eligible and eager to take advantage of the plan will know precisely the time frame by which they are restricted and be advised accordingly as soon as possible; and be it further

ORDERED: That the City Manager be and hereby is requested to report back to the Council with full details on all of the above no later than September 14, 1992.

CHARTER RIGHT EXERCISED BY COUNCILLOR WALSH.

SECTION 48 Notwithstanding the provisions of chapter thirty-two of the General Laws or of any other general or special law to the contrary, and upon the acceptance of this section by the legislative and executive authority within a city, town or county, the provisions of this section providing for a retirement program for municipal and county employees shall apply to a municipal or county employee who is a Group 1, Group 2, or Group 4 employee as defined in section three of said chapter thirty-two, who is a member of the appropriate municipal or county retirement system and who (i) shall be an employee of the municipality on the effective date of this section, (ii) shall be eligible to receive a superannuation retirement allowance in accordance with the provisions of subdivision (1) of section five or subdivision (1) of section ten of said chapter thirty-two upon the effective retirement date specified in his written application to said board and (iii) shall have filed a written application after July first, nineteen hundred and ninety-two, but not later than July fifteenth, nineteen hundred and ninety three to retire for superannuation as of the date which shall be specified in such application; provided, however, that said ate for retirement shall be no earlier than September first, nineteen hundred and ninety-two and no later than forty-five days after the acceptance of this act by the city, town or county. For the purposes of this section the legislative authority shall mean a town meeting in a town, the city council in a city, the county advisory board in a county other than the counties of Suffolk and Nantucket in which cases the county commissioners shall serve as the legislative authority; and the executive authority shall mean the board of selectmen in a town, the mayor in a city, and the county commissioners in a county. Said program shall be administered by the appropriate municipal or county retirement system, which also shall promulgate regulations to implement the provisions of said program.

Notwithstanding the foregoing, no city, town or county may adopt the provisions of this section unless said city, town or county has established a retirement system funding schedule pursuant to the provisions of section twenty-two D of Chapter thirty-two of the General Laws or subdivision six A of section twenty-two of said chapter thirty-two prior to the effective date of this act or adopts the provisions of section twenty-two D of said Chapter thirty-two after the effective date of this act.

Notwithstanding any provisions of said chapter thirty-two to the contrary, the normal yearly amount of the retirement allowance for an eligible employee who is employed by a city, town or county which accepts the applicable provisions of this act and who has paid the full amount of regular deductions on the total amount of regular compensation as determined under paragraph (a) of subdivision (2) of section five of said chapter thirty-two, shall be based on the average annual rate of regular compensation as determined under said paragraph (a) and shall be computed according to the table contained in said paragraph (a) based on the age of such member and his number of years and full months of creditable service at the time of his retirement increased by up to five years of age or by up to five years of creditable service or by a combination of additional years of age and service the sum of which shall not be greater than five; provided however that the executive authority in a city or town may limit the amount of additional credit for service or age or a combination of service or age offered and the number of employees for whom it will approve a retirement calculated under the provisions of this section; provided further that if participation is limited, the retirement of employees with greater creditable service shall be approved before approval is given to employees with lesser creditable service.

For the purpose of this section words shall have the same meanings as in Chapter thirty-two of the General Laws, unless otherwise expressly provided or unless the context clearly requires otherwise. An employee who retires and receives an additional benefit in accordance with the provisions of this section shall be deemed to be retired for superannuation under the provision of said chapter thirty-two and shall be so subject to any and all provisions of said chapter thirty-two.

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The commissioner of the public employee retirement administrations shall analyze, study, and valuate the costs and the actuarial liabilities attributable to the additional benefits payable in accordance with the provisions of this section of the retirement incentive program for municipal and county employees established by this section for each retirement system; provided, that said commissioner shall file a report in writing of his findings to the board on or before December thirty-first, nineteen hundred and ninety-three, and shall send a copy thereof to the county commissioners, the mayor, or the board of selectmen, as the case may be; provided further, that said reports shall be filed with the joint committee on public service on or before December thirty first, nineteen hundred and ninety-three.

The applicable retirement board shall prepare a funding schedule which shall reflect the costs and the actuarial liabilities attributable to the additional benefits payable under the retirement incentive program in accordance with the provisions of this section and said schedule shall be designed to reduce the applicable retirement system's additional pension liability attributable to such costs and liabilities to zero on or before June thirteenth, two thousand and eight; provided, that in preparing such schedule, the board shall consider the analysis of the commissioner of public employee retirement administration filed in accordance with the provisions of this section; and provided further, that said board shall triennially update such schedule until said June thirtieth, two thousand and eight. Said board shall file such funding schedule with the joint committee on public service and the house and senate committees on ways and means on or before March first, nineteen hundred and ninety-four, and shall file updates thereto triennially on or before March first of each year. In each of the fiscal years until the actuarial liability determined under this section shall be reduced to zero, it shall be deemed an obligation of the applicable city, town or county to fund such liability and there shall be appropriated to the applicable pension reserve fund in each such fiscal year the amount required by the funding schedule and the updates thereto.

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City of Cambridge

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IN CITY COUNCIL

Councillor Walsh

August 3, 1992

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WHEREAS: Among the restraints calling for cautious scrutiny is that which dictates that those who are eligible to benefit from the program "...shall have filed a written application (to the retirement board) after July 1, 1992, but not later than July 15, 1993 to retire for superannuation as of the date which shall be specified in such application; provided, however, that said date for retirement shall be no earlier than September 1, 1992 and no later than 45 days after the acceptance of this act by the city, town or county " . The varied desires of City of Cambridge employees eligible to take part in this retirement incentive program according to their personal projected time schedule deserve care, i.e., some may want to file application earlier, others, later. But if there is this seemingly statutory time squeeze for those eligible to apply, i.e., no later than 45 days after the City's acceptance of this program, they must be notified accordingly so that they do not lose out; now therefore be it

ORDERED: That this City Council accepts Section 48 of the Commonwealth's Budget for FY93 for implementation within the City of Cambridge for eligible City of Cambridge employees and orders the City Manager to take the steps to assure said implementation as soon possible; and be it further

ORDERED: That the City Manager clarify the query raised in paragraph #2 above so that City of Cambridge employees who are eligible and eager to take advantage of the plan will know precisely the time frame by which they are restricted and be advised accordingly as soon as possible; and be it further

ORDERED: That the City Manager report back to the Council with full details on all of the above no later than September 14, 1992.

(ATTACHMENT)

CAMBRIDGE CITY COUNCIL

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139
(617) 349-4280
FAX (617) 349-4287

William H. Walsh
City Councillor

BY HAND

July 22, 1992

MEMORANDUM:

TO: D. Margaret Drury
Temporary City Clerk

FROM: David Noonan, for
Councillor Walsh

ATTENTION: MS. Donna Lopez

RE: Council Order (NON CONSENT AGENDA) for
August 3, 1992

Councillor Walsh requests that the enclosed Council Order dealing with the Early Retirement Incentive Program, Section 48 of the Commonwealth's Budget for FY93, as applicable to the City of Cambridge, be included in the NON-CONSENT AGENDA for the Council Session on August 3, 1992.

Your customary courtesy and cooperation in assuring response to this request are appreciated.

(ENCLOSURE)

CC: COUNCILLOR WALSH

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IN CITY COUNCIL

August 3, 1992

COUNCILLOR WALSH

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NON- CONSENT ORDER #37

F-378

Toomey,
Councillor Walsh re: Early Retirement Incentive Program.

In City Council,

August 3, 1992

Charter Right
exercised by
Councillor Walsh.
9/14/92 - Referred to the
City Manager on
motion of Councillor
Walsh.
Copy sent to City Mgr.
9/16/