

Office of the President

P.O. Box 2008, New Britain, Connecticut 06050 (203) 827-7700

#### RESOLUTION

## extending

PROVISIONS OF THE PENSION AGREEMENT BETWEEN THE STATE OF CONNECTICUT AND SEBAC (July 1, 1988 - June 30, 1994)

to

MANAGEMENT AND CONFIDENTIAL PROFESSIONAL PERSONNEL OF THE BOARD OF TRUSTEES FOR CONNECTICUT STATE UNIVERSITY

## February 2, 1990

Provisions of the Pension Agreement between the State of WHEREAS, Connecticut and SEBAC (July 1, 1988 - June 30, 1994) have been approved; and

Provisions of this Agreement have been extended by DAS and OPM WHEREAS, to non-unionized and unclassified employees; now therefore, be

That the provisions of the Pension Agreement are extended to RESOLVED, management and confidential professional personnel of the Board of Trustees for Connecticut State University, effective on the implementation schedule adopted for unionized employees.

A Certified True Copy:

President





## STATE OF CONNECTICUT



# DEPARTMENT OF ADMINISTRATIVE SERVICES PERSONNEL DIVISION

STATE OFFICE BUILDING HARTFORD, CONNECTICUT 06106-1630

## MEMORANDUM

December 19, 1989

### MANAGEMENT PERSONNEL POLICY NO. 89-1

TO:

AGENCY HEADS

FROM:

Sandra Biloon, Director of

Personnel and Labor Relations

SUBJ:

Pension Changes for Managers, Confidentials and Exempts

In accordance with Connecticut General Statute 5-200(r), the Commissioner of Administrative Services with the approval of the Secretary of the Office of Policy Management approves the extension of the provisions of the Pension Agreement between the State of Connecticut and SEBAC (July 1, 1988 - June 30, 1994) to employees exempt from the classified service or not included in any prevailing bargaining unit contract and employees of state-aided institutions as defined in Section 5-175 effective July 1, 1988.

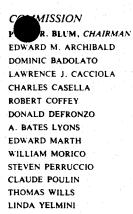
Sandra Biloon, Director of Personnel and Labor Relations

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JAN 1 2 1990

CONNECTICUT
STATE UNIVERSITY

Full agreement located in





## State of Connecticut

STATE EMPLOYEES
RETIREMENT COMMISSION
OFFICE OF THE STATE COMPTROLLER
55 ELM STREET
HARTFORD CONNECTICUT 06106
203-566-2126

RETIREMENT DIVISION MEMORANDUM

November 29, 1989

TO THE HEADS OF ALL STATE AGENCIES

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DEC HISOS

STATE UNIVERSITY

ATTENTION: Personnel and Payroll Officers

SUBJECT:

1988 - 1994 Pension Arbitration Award

### Introduction

On October 12, 1989, the General Assembly ratified an arbitrator's award in connection with collective bargaining negotiations between the State of Connecticut and the State Employees Bargaining Agent Coalition (SEBAC) concerning changes to the State Employees Retirement System (SERS). As it is the responsibility of the Retirement Division, under the guidance of the State Employees Retirement Commission, to administer SERS, the purpose of this memorandum is to (1) describe in summary fashion the changes contained in the arbitrator's award; and (2) preliminarily identify a proposed implementation plan for each such revision.

Implicit in the Division's plan to implement this award are the following actions: (1) modification, where appropriate, of retirement counselling procedures; (2) adjustment of internal processes to insure compliance with the arbitrator's decision; (3) revision of the SERS Summary Plan Descriptions; and (4) incorporation of the award's provisions in the annual Employee Benefits Statement issued by the Division.

Parenthetically, ratification by the General Assembly of this arbitration award operated to extend its provisions only to bargaining unit employees. However, the Division has been advised that the Commissioner of Administrative Services intends to issue an order under Connecticut General Statutes, Section 5-200(r) which will further extend the arbitrator's award to cover (1) state employees exempt from classified service; (2) state employees not included in any prevailing bargaining unit contract; and (3) employees of state-aided institutions, pursuant to C.G.S., Section 5-175. As of this writing, the Division is uncertain as to whether any Board of Trustees of the constituent units of the Higher Education System is contemplating similar action with respect to its unclassified employees. In any event, the Division anticipates that during the 1990 session of the General Assembly the arbitration award will be codified, resulting in application of the vast majority of its provisions without exception.

MEDICAL EXAMINING BOARD

ROBERT L. CHESANOW, M. D., CHAIRMA

MARIETTA SONIDO, M. D., SECRETARY

WILLIAM F. LYNCH, M. D.

ASHA QUSBA, M. D.

ROBERT W. SCARLATA, M. D.

XC. DN yc no Along these lines, in selecting a six year term for the below-described provisions, the arbitrator established for each an effective date of July 1, 1988, unless otherwise noted. Also, please bear in mind that the summary which follows is not intended to be a comprehensive review of the award's entire contents; rather, its purpose is to highlight those provisions of the arbitration award which the Division believes are especially meaningful for agencies, employees, and retirees. Finally, as the dissemination of information is critical to the Division's implementation and administration of the award, feel free to share this memorandum with the employees of your agency.

## II Discussion

Recently, copies of the award were distributed to state agencies by the Department of Administrative Services; therefore, this summary will reference the issue numbers utilized by the arbitrator. And, where an issue was resolved by the arbitrator, his descriptive identification will be employed; where resolution was through mutual agreement, the descriptive identification arrived at by the State and SEBAC will be used.

- 1. Issue No. 3: Spousal Consent for Waiver of Spousal Benefit.
- (a) <u>Summary</u>. Spousal consent will be required for a SERS member who has been married at least one year in order for such member to retire with an option that does not provide a lifetime guarantee of a benefit to the said member's spouse.
- (b) <u>Implementation</u>. The Division is in the process of developing a spousal consent form and a companion affidavit for affected SERS members, both of which will be transmitted to agencies with instructions through a separate memorandum.
- Issue No. 4: Five-Year Bridge.
- (a) <u>Summary</u>. SERS members reemployed within five years or the length of their period of prior service, if greater, will resume membership in their former Tier and may obtain credit for the prior service period under certain conditions.
- (b) <u>Implementation</u>. The Division will identify SERS members rehired from July 1, 1988, ascertain Tier placement, and take any corrective action which may be necessary. Agencies processing SERS rehires may direct any questions concerning this provision to the Division's Data Base Unit at 566-7348.
- 3. Issue No. 5: Personal/Family Leave and Unpaid Sick Leave Credit.
- (a) Summary. Tier I and Tier II SERS members may obtain retirement credit for leaves without pay which are granted (1) for the protection or improvement of the member's health; (2) pursuant to C.G.S., Section 5-248, entitled: "Family and medical leave from employment"; or (3) for family illness or eligible parental leave as provided in an applicable collective bargaining agreement. In either Tier, not more than fifteen months of such credit in any five year period is obtainable.
- (b) <u>Implementation</u>. This provision will be the subject of a separate Division communication; Form CO-896, which is used to purchase retirement credit in Tier I will be revised; and contact by the Division will be initiated with retirees and deferred vested SERS members who were still in state service on or after July 1, 1988.

- 4. <u>Issue No. 9:</u> Benefit Formula.
- (a) <u>Summary</u>. The arbitrator selected a last best offer which revises the current Tier II social security integration provisions so that the current formula will remain unchanged for the first thirty-five years of service and will equal 1.625% for each year in excess of thirty-five. In addition, the social security breakpoint will increase at a lower rate.
- (b) <u>Implementation</u>. Other than the implicit actions referenced in the "Introduction" section of this memorandum, nothing further is currently contemplated by the Division.
- 5. Issue No. 11: Tier II Reduced Retirement Age.
- (a) <u>Summary</u>. Currently, normal retirement benefits are not available to Tier II members who elect to retire prior to age sixty-five. For a Tier II member who retires on or after July 1, 1992, normal retirement benefits will be payable if such member (1) has attained age sixty with twenty-five or more years of vesting service or (2) has attained age sixty-two and met the minimum Tier II vesting service requirements.
- (b) <u>Implementation</u>. Other than the implicit actions referenced in the "Introduction" section of this memorandum, nothing further is currently contemplated by the Division.
- 6. Issue No. 12. Early Retirement Benefit Reduction.
- (a) <u>Summary</u>. The reduction to the amount of the monthly benefit for early retirement in Tier II for those members who retire on or after July 1, 1991 will be one-quarter of one percent (.0025) for each month such member's retirement precedes attainment of normal retirement age. The current reduction for early retirement of one-half of one percent (.005) for each month retirement precedes the member's attainment of age sixty-five will remain in effect for Tier II members who retire prior to July 1, 1991.
- (b) <u>Implementation</u>. Other than the implicit actions referenced in the "Introduction" section of this memorandum, nothing further is currently contemplated by the Division.
- 7. <u>Issue No. 15: Crediting Tier II Service for Persons Employed Prior to October 1, 1982.</u>
- (a) <u>Summary</u>. Tier II members will receive credited service for state employment rendered prior to October 1, 1982, which is recognized as vesting service.
- (b) <u>Implementation</u>. The Division will contact affected Tier II members who retired after July 1, 1988 and take such corrective action as may be appropriate.
- 8. <u>Issue No. 17: Social Security for Alternate Retirement Plan Participants</u>.
- (a) <u>Summary</u>. The arbitrator's award directs that social security coverage for Alternate Retirement Plan (ARP) participants commence on July 1, 1989; the State and SEBAC subsequently revised the effective date of such coverage to November 3, 1989.
- (b) Implementation. To the Commission, this portion of the award raised a significant legal issue, as it was uncertain to the Trustees whether the arbitrator possessed the requisite authority to confer social security coverage on ARP participants. Accordingly, on October 19, 1989 the Commission, as the state's agent for social security purposes, inquired of

the Social Security Administration as to the legally appropriate procedure to be followed for the purpose of covering ARP participants. To date, the Administration has not replied to the Commission's inquiry. Subsequent to the transmission of the Commission's letter, the State and SEBAC agreed to refrain from implementing this provision until a response is received from the Administration.

- 9. Issue No. 20: Disabled Retiree Medicare Supplement Coverage.
- (a) <u>Summary</u>. All retirees, annuitants, and spouses enrolled in Medicare Part B will receive one hundred percent reimbursement of the normal premium for such coverage. In consequence, such Medicare Part B recipients will be enrolled in either Blue Cross/Blue Shield Medicare supplement coverage or corresponding health maintenance organization coverage, as selected.
- (b) <u>Implementation</u>. The Division will contact retirees and annuitants directly in order to effectuate reimbursement and coverage adjustments; and this provision will be incorporated in the Division's standard acknowledgement letter, which is transmitted upon receipt of a retirement application.
- 10. Issue No. 22: Spousal/Dependent Coverage.
- (a) Summary. Two significant, independent changes flow from this mutually agreed upon issue: (1) a member retired prior to July 1, 1989 who elected either a straight life annuity or a ten or twenty year period certain form of retirement income will be permitted to elect a fifty or one hundred percent spouse option, provided such member was married to his/her spouse for at least one year prior to retirement; a surviving spouse who is the recipient of a monthly benefit may enroll in health insurance available to retirees; recalculated benefits will be implemented prospectively, based on the ages of the retiree and spouse at date of retirement; and (2) a surviving spouse and/or surviving dependent(s) under the age of eighteen of a deceased member, who died prior to July 1, 1989 and elected either a straight life or period certain form of retirement, will be eligible to receive state sponsored health insurance offered to retirees.
- (b) <u>Implementation</u>. Regarding the issue's first element, the Division will be contacting all eligible retirees around December 15, 1989 with a letter which explains this provision and contains instructions to be followed in order to elect a spouse option. Regarding the issue's second element, the dearth of meaningful data on such individuals makes implementation extremely problematic; accordingly, the Division's endeavors to devise a viable approach will continue.
- 11. Issue No. 24: Return to Work of Applicants for Disability Retirement.
- (a) <u>Summary</u>. In the event the Medical Examining Board determines an applicant for disability retirement is not permanently disabled from continuing to render the service in which such applicant has been employed, the agency where the said applicant was last actively employed will be required to return such applicant to service.
- (b) <u>Implementation</u>. Retrospectively, the Division will identify the disability retirement applicants who fall within the ambit of this provision, and initiate corrective action. Prospectively, the Division will inform affected agencies of pending Board proceedings; and follow-up will occur, as necessary.

- 12. Issue No. 25: Minimum Disability Coverage.
- (a) <u>Summary</u>. All disability retirees will receive a minimum retirement benefit of sixty percent of their rate of salary at the time their disability occurred, inclusive of social security and workers' compensation.
- (b) <u>Implementation</u>. The Division will identify disability retirees impacted by this provision and make necessary benefit adjustments; and, internal procedures will be adjusted to monitor this provision's application.
- 13. <u>Issue No. 27</u>: Entitlement to Full Pension Plus Workers' Compensation for Retirees on Disability Pension.
- (a) Summary. A disability retiree receiving payments under C.G.S., Section 5-142(a) will, if eligible, be entitled to the following combination of benefits: (1) disability retirement income, (2) Section 5-142(a) payments, (3) workers' compensation, and (4) social security; however, such combination of benefits may not exceed eighty percent of the said retiree's salary, assuming continuity of employment.
- (b) <u>Implementation</u>. The Division will make adjustments to its records and notify affected retirees of any revisions to their benefits.
- 14. Issue No. 29: Age Cap on Non-Service Disability Retirement.
- (a) <u>Summary</u>. Eligibility for non-service connected disability retirement will no longer be limited to Tier I members who become permanently disabled prior to reaching age sixty and Tier II members who become permanently disabled prior to reaching age sixty-five. No age restriction will be associated with entitlement to non-service connected disability retirement benefits.
- (b) <u>Implementation</u>. The Division will contact SERS members whose non-service connected disability retirement applications were rejected as a function of the former age-based criteria, ascertain intentions of such employees, and proceed accordingly.
- 15. Issue No. 31: 130% Cap on Earnings.
- (a) Summary. The last best offer selected by the arbitrator contains two changes: (1) with respect to any one of the three highest years' earnings, mandatory overtime will not be subject to the 130% cap and will be included in the member's salary for retirement purposes; and (2) for purposes of developing the 130% cap figure only, any reduction in the member's salary during the two year period used to construct the measurement will be disregarded and the appropriate salary level substituted.
- (b) <u>Implementation</u>. The Division is in the process of preparing a form for agencies to utilize in reporting voluntary and mandatory overtime, which will be introduced and discussed through a separate communication.
- 16. Issue No. 38: Minimum Pension.
- (a) <u>Summary</u>. Minimum monthly retirement incomes for Tier I and Tier II members with twenty-five or more years of qualifying service will be increased, as follows: (1) for members retiring on or after July 1, 1988, and before July 1, 1989, \$320.00; (2) for members retiring on or after July 1, 1989, and before July 1, 1990, \$340.00; and for members retiring on or after July 1, 1990, and before July 1, 1991, \$360.00.
- (b) Implementation. The Division will identify SERS members who retired between July 1, 1988 and June 30, 1989, and from July 1, 1989 to date for the purpose of taking any corrective action which may be necessary. Retirees will be apprised of any resultant changes in benefits.

- 17. Issue No. 39: Hazardous Duty Definition and Procedure.
- (a) Summary. The arbitrator directed the preparation of an appendix, which will contain all classifications designated as hazardous duty for retirement purposes. However, the State and SEBAC have not reached closure on the contents of this appendix as of this writing. The arbitrator further directed the parties to determine whether the following classifications will be added to the appendix:
  - (1) Bridge Safety Inspectors
  - (2) Emergency Response Series
  - (3) Environmental Protection Park and Recreation Series
  - (4) Persons engaged in guard or instructional duties at Long Lane(5) Correctional Mail Services Series

  - (6) Boiler/Stationary Engineer Series
  - (7) Industrial Waste Series
  - (8) Liquor Control Agents
- (b) Implementation. Upon production of the said appendix, the Division will communicate directly with newly affected agencies and employees, as necessary.
- 18. Issue No. 39-2: Hazardous Duty Coverage to Current Firefighters and Police Officers.
- (a) Summary. The award adds nine firefighting and seven law enforcement classifications to the above-referenced hazardous duty appendix, as follows:

## Firefighting Classifications

- (1) Airport Crash Rescue Firefighter
- (2) Airport Crash Rescue Captain
- (3) Airport Crash Rescue Deputy Chief
- (4) Firefighter (University/Institutional)(5) University Fire Captain
- (6) University Deputy Fire Chief
- (7) University Fire Chief
- (8) Institutional Assistant Fire Chief
- (9) Institutional Fire Chief

## Law Enforcement Classifications

- (1) Police Officer
- (2) Police Sergeant
- (3) Police Lieutenant
- (4) University Police Detective
- (5) University Police Captain(6) Environmental Protection Law Enforcement Officer
- (7) Environmental Protection Law Enforcement Sergeant
- (b) Implementation. The Division will identify SERS members in these sixteen classifications who retired after July 1, 1988 and make any adjustments that may be necessary. Active SERS members in these classifications will be advised directly by the Division of this change in their retirement status.
- 19. Issue No. 42: Military Service.
- (a) Summary. This portion of the award (1) affirms a member's eligibility to receive retirement credit for Merchant Marine service from December 7, 1941 to August 15, 1945; (2) eliminates the requirement in Tier I that a member have ten years of full-time employment to receive credit for national emergency service; and (3) converts military service rendered from January 1, 1947 to December 31, 1947 from national emergency service to war service in Tier II.

- (b) <u>Implementation</u>. This provision will be the subject of a separate communication from the Division to state agencies; and those SERS members who retired on or after August 1, 1988 will be contacted directly by the Division in order to make any necessary benefit adjustments.
- 20. <u>Issue No. 43: Transfers from the Teachers Retirement System to the State Employees Retirement System.</u>
- (a) <u>Summary</u>. SERS Plan B members who transferred from the Teachers Retirement System will receive a refund of contributions and interest paid in excess of the amount that would have been required had they been members of Plan B from date of hire or January 1, 1956, whichever is later.
- (b) <u>Implementation</u>. As affected SERS members cannot be identified through the State Employees Data Base, the Division will communicate with all employees, probably through a check enclosure, in an effort to encourage eligible SERS members to apply for their refunds.
- 21. Issue No. 44: Benefit Accrued Beyond Age Seventy.
- (a) <u>Summary</u>. This portion of the award repeals the age seventy mandatory retirement provisions contained in the State Employees Retirement Act. The descriptive identification of this issue which the State and SEBAC utilized suggests that the parties contemplated a revision in the benefit accrual rates for SERS members who attain age seventy; however, the Division has been unable to discern from the language of the award any such change which may have been intended by the parties.
- (b) <u>Implementation</u>. The Division will pursue this matter with the parties and the Commission in order to ascertain the intended changes in benefit accrual for SERS members who reach age seventy; upon such discovery, the Division will communicate with agencies through a separate memorandum.
- 22. <u>Issue No. 48: Reduce Buy-In Rate for Municipal Police Officers; Allow Purchase to be Counted as Hazardous Duty.</u>
- (a) <u>Summary</u>. Inspectors and detectives in the Division of Criminal Justice who are members of Tier I or Tier II may purchase retirement credit for a period of service as a sworn member of a municipal police department. The cost will range from two percent (.02) to five percent (.05) of the member's municipal salary plus interest, depending on SERS plan membership and the dates during which such municipal service was rendered.
- (b) <u>Implementation</u>. The Division will follow-up directly with the Division of Criminal Justice and its affected employees.
- 23. Issue No. 59: Credit for Prior Teaching Service.
- (a) <u>Summary</u>. Any SERS member who has obtained credit for prior teaching service will receive twelve months of credit for each academic year completed.
- (b) <u>Implementation</u>. The Division will identify retirees who may be impacted by this provision and make any necessary adjustments.
- 24. <u>Issue No. 60: Contribution Withdrawals; Payment of Interest on Service Purchase Contributions.</u>
- (a) <u>Summary</u>. This provision affirms that any refund to a SERS member who has left state service will include awarded interest on all contributions, including those made in connection with a purchase.
- (b) <u>Implementation</u>. Other than the implicit actions referenced in the "Introduction" section of this memorandum, nothing further is currently contemplated by the Division.

## 25. <u>Issue No. 62</u>: <u>Legislative Commitment to Increase Funding for Retiree Medical Benefits</u>.

- (a) <u>Summary</u>. The state will continue to pay one hundred percent of premiums for retirees, annuitants, and dependents enrolled in a state-sponsored health insurance plan, regardless of effective retirement date. This provision of the award supersedes information contained in Comptroller's Memorandum No. 89-29, which was issued on June 15, 1989.

  (b) <u>Implementation</u>. Ratification of the award by the legislature operated to nullify the reduction in the state's contribution to retiree health insurance premiums which, in accordance with Public Act No. 89-323, was scheduled to take effect on November 1, 1989. Certain residual matters created by the arbitrator's selection of this last best offer will be addressed by the Division in a separate memorandum.
- 26. Issue No. 65: Use of Competitive Bidding Savings.
- (a) <u>Summary</u>. Contained in the arbitrator's treatment of this issue is the requirement that the state (1) make available to retirees the dental indemnity plans available to active employees; and (2) pay twenty percent of the premium charges for each retiree's form of such dental coverage.
- (b) <u>Implementation</u>. Dental insurance will be made available by the Division to retirees through the 1990 open enrollment period, meaning that coverage for such retirees so electing will commence on April 1, 1990. The Division will be in contact with the parties in order to obtain some direction with respect to the retroactive feature of this provision.
- 27. <u>Issue No. 70: Teachers Purchase of Service for Credit for Work in Private Educational Institutions</u>.
- (a) <u>Summary</u>. Eligible Tier I members employed at certain agencies may purchase retirement credit for qualifying prior full-time services to private educational institutions in another state.
- (b) <u>Implementation</u>. This provision of the arbitrator's award will be the subject of a separate memorandum from the Division.
- 28. Issue No. 71: Medical Benefits for State Employed Teachers.
- (a) <u>Summary</u>. State employed members of the Teachers Retirement System who meet the service requirements of either C.G.S., Section 5-162 or Section 5-166a will be eligible to participate in a state-sponsored health insurance plan.
- (b) <u>Implementation</u>. Through information obtained from the Teachers Retirement System, the Division will identify the impacted class of retired state teachers, provide such teachers with an opportunity to elect a state-sponsored health insurance plan during the 1990 open enrollment period, and make such retroactive pension adjustments as may be necessary. In addition, the Division will address this issue in a separate memorandum to state agencies.
- 29. <u>Issue No. 74: Hazardous Duty Employees; Twenty and Out; Contribution Change.</u>
- (a) <u>Summary</u>. Hazardous duty Tier I and Tier II members will be able to retire after completing at least twenty years of hazardous duty service, regardless of age; the contribution level for Tier I hazardous duty members will be changed to four percent on salary subject to social security taxes and five percent on salary not subject to social security taxes; Tier II will contribute four percent of salary and be entitled to the same benefit formula as Tier I hazardous duty members.

- (b) Implementation. As the selection by the arbitrator of this last best offer represents one of the most significant changes in his award, the Division will detail its plan for implementation and administration in a separate communication. However, the new hazardous duty employee contribution rates are tentatively scheduled to commence with the pay period beginning on January 12, 1990 for the check dated February 9, 1990. Assuming that the Division is able to make the necessary arrangements to implement this change as currently planned, advance notice will be transmitted to both affected agencies and employees.
- 30. Issue No. 76: Increase State Police Benefits for Widows and Children.
- (a) <u>Summary</u>. Monthly survivor benefits under C.G.S., Section 5-146(a) for spouses and children under age eighteen of deceased members of the Division of State Police will be increased, as follows: \$670.00 for a surviving spouse; \$300.00 for each surviving dependent child, if less than three surviving dependent children; and a total of \$700.00 for all surviving dependent children, if there are three or more dependent children.
- (b) <u>Implementation</u>. The Division will follow-up directly with the Department of Public Safety; survivors' benefits will be adjusted retroactively and prospectively; recipients will be provided with an explanation for any increase in benefits; and current retirees will be apprised of this change.
- 31. Issue No. 79: Disabled State Police Retirees.
- (a) <u>Summary</u>. Monthly payments to disabled state police receiving benefits under C.G.S., Section 5-142(d) will be increased, as follows: \$360.00 to the retiree; an additional \$300.00 to a married retiree; an additional \$300.00 for each dependent child, if there are less than three dependent children; an additional \$700.00, if there are three or more dependent children.
- (b) <u>Implementation</u>. The Division will follow-up directly with the Department of Public Safety; retirees' benefits will be adjusted retroactively and prospectively; and notification will be provided to recipients concerning any change in benefits.
- 32. <u>Issue No. 86: Increase State Police Cost of Living Adjustment from Three Percent to Four Percent</u>.
- (a) <u>Summary</u>. Effective January 1, 1989, the award provides for the continued application of a three percent cost-of-living allowance to benefits received under C.G.S., Section 5-142(d) by state police on disability retirement.
- (b) <u>Implementation</u>. The Division will identify the affected class of retirees and make such retroactive adjustments as may be necessary.
- 33. <u>Issue No. 87</u>: Application of Internal Revenue Code 415 to Benefit Limits.
- (a) <u>Summary</u>. This provision is designed to bring existing statutory language concerning highly compensated employees into compliance with Section 415 of the Internal Revenue Code.
- (b) <u>Implementation</u>. Other than the implicit actions referenced in the "Introduction" section of this memorandum, nothing further is currently contemplated by the Division.

- 34. Issue No. 88: Retiree Employment.
- (a) <u>Summary</u>. The award increases from ninety to one hundred twenty the number of days a reemployed retiree may work in any calendar year without impairing such retiree's pension rights. Similarly, a retiree reemployed in a state teaching position may work forty-six percent of a full-time teaching schedule without impairing pension rights.
- (b) <u>Implementation</u>. This portion of the award expands the number of days in a calendar year that may be worked in state service by a retiree without invoking the pension suspension provisions of Connecticut General Statutes, Section 5-164a; the Division will continue to monitor compliance with this provision.

## III. Conclusion

Sometime during early 1990, the Division will initiate a series of training programs for agency personnel representatives and employee pension representatives designed to review the operation of SERS in general, while highlighting the arbitration award's changes in particular. In the interim, the Division will be communicating periodically with agencies, SERS members, and retirees as implementation and administration of the pension arbitration award evolves. Meanwhile, any questions you have regarding SERS as it is now constituted should be directed in the first instance to the Division's Counselling Services Unit; that Unit's staff may be reached during normal business hours through the following telephone numbers: 566-4476, 566-4795, 566-6216, 566-6420, 566-5117, and 566-8852.

Very truly yours,

STATE EMPLOYEES RETIREMENT COMMISSION
J. EDWARD CALDWELL, SECRETARY EX OFFICIO

BY:

Steven Weinberger, Director

Retirement Division