

SETTLEMENT AGREEMENT
between
STATE OF CONNECTICUT
and
STATE EMPLOYEE BARGAINING AGENT COALITION
and its constituent unions

The State Employees Bargaining Agent Coalition (hereinafter referred to as "SEBAC") filed a prohibited practice complaint and individual bargaining units filed grievances as outlined in this agreement. In full and final resolution of the prohibited practice complaint and any and all individual grievances filed by Unions who are members of the SEBAC coalition, SEBAC, its constituent unions and the State of Connecticut (hereinafter referred to as the "State") hereby agree as follows:

1. Section 163(c) of the Connecticut General Statutes provides the following:

(c) Except as provided in section 5-163a, a member whose state service is terminated because of economy, lack of work, abolition of his position or lack of reappointment to a position in the unclassified service, or . . . , after he has completed twenty-five years of state service but before he has reached his fifty-fifth birthday, shall be entitled to a retirement income. The amount of each monthly payment shall be determined from subsection (c) of section 5-162, if the member elects the first day of the month on or after such birthday as his retirement date; and shall be the actuarial equivalent of such amount, as determined by the Retirement Commission, if the member elects the first day of the month on or after his termination date as his retirement date.

2. In July and August 2011, individual agreements were reached between approximately 40 bargaining unit employees, their unions, their employing agencies and the Office of Labor Relations for voluntary layoffs that would enable the employees to qualify to retire with a reduced benefit under CGS 5-163(c). The employees had twenty-five (25) or more years of service prior to August 31, 2011, but had not reached the age of 55 and, therefore, were covered by the statutory provision referenced in paragraph 1. The employing agencies that signed the agreements had to represent that the agency would not replace such laid off employee or seek to hire the employee as a reemployed retiree. The stipulated agreements for the voluntary layoffs were signed by the employees and their unions but were not signed by a SEBAC representative.

3. SEBAC filed a prohibited practice complaint (Case No. SPP-29,494) on October 17, 2011 that contended, among other claims, that the layoff agreements should have been negotiated with SEBAC and should be made available to other employees.

4. This agreement shall cover all members in a bargaining unit within SEBAC who were actively employed as of December 1, 2012 and who meet the other qualifications of this agreement.

5. Individuals who, on September 1, 2011, had not reached the age of 55 and who had 25 or more years of state service creditable under the State Employees Retirement System may elect to retire effective on or before July 1, 2013. They will be treated as if they retired in lieu of layoff. If they so elect, they will be given two options: (a) They may choose to receive the COLA minimums and maximums effective after October 1, 2011. In this case, their benefit would be reduced by four and one half percent (4.5%) per year for each year they had not reached the age of 55 if they were a Tier 1 member and 4.5% for each year they had not reached the age of 60 if they were a Tier 2 member. (b) Alternatively, they will be entitled, if they so choose to the retiree COLA minimums and maximums as if they had retired prior to October 1, 2011. If they make that choice, their benefit, upon the effective date of their retirement, would be reduced by six percent (6%) per year for each year they had not reached the age of 55 if they were a Tier 1 member and 6% for each year they had not reached the age of 60 if they were a Tier 2 member. (c) Tier 2 employees may elect to remain employed beyond July 1, 2013, and to retire effective on or before September 1, 2014. Those employees may exercise the option reflected in part (b), above but not part (a). In all cases, all of the other provisions of the 2011 SEBAC Agreement will apply to these employees. They shall be required to be covered under the Health Enhancement Program. An election as to (a) or (b) for those employees retiring on or before July 1, 2013, shall be irrevocable and shall be made no later than the individual's date of retirement.

6. Any eligible SERS member who wishes to take advantage of this offer will have to sign an irrevocable election to retire no later than July 1, 2013 for Tier 1 or September 1, 2014 if a Tier 2 member. Such irrevocable election must be signed no later than May 1, 2013. Additionally, any eligible SERS member who made this election would relinquish any and all reemployment and/or SEBAC reemployment rights to which they might be entitled. The member's union and SEBAC must also sign the election.

7. Such bargaining unit members who had twenty-five or more years of service as of August 31, 2011 and who had not reached the age of 55 on that date may request to retire under the provisions of section 5-163(c) of the Connecticut General Statutes.

8. The agreement does not apply to any such employee who left state service or retired before December 1, 2012.

9. Any employee who retires under this agreement shall not be exempt from the provisions of the Health Enhancement Program (or the alternate payment requirements) under the conditions of the 2011 SEBAC Agreement. For example, they will be responsible to pay the premiums for health insurance as outlined in Attachment C of such Agreement, if applicable.

10. This agreement is being made as a good faith resolution of the pending complaint and is with prejudice to the current issue but without precedent for the parties' positions in other current or future situations between the parties.

11. Nothing in this agreement shall require or restrict the ability of the State to refill the position of any individual who elects to retire under this agreement or the position of any individual who retired in July or August, 2011 under the provisions of an individual agreement allowing them to retire in lieu of layoff.

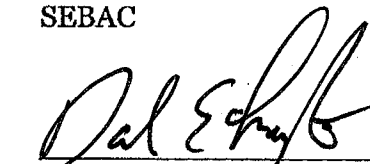
12. This agreement shall not be considered as any admission of any statutory or contractual violation by the State of Connecticut, its agencies or their officials or employees. The State reserves its position that the statutory provision remains in effect and that the actions of the State and its agencies did not violate that provision or any other requirement of the statutes.

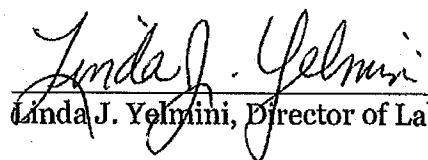
13. The prohibited practice complaint (SPP-29,494) and any grievances on the same subject will be withdrawn.

14. This agreement shall have no effect on any employee except those who make the elections and retire by the dates set forth herein.

SEBAC

State of Connecticut


3/8/13
Daniel E. Livingston, Chief Negotiator


3/5/13
Linda J. Yelmini, Director of Labor Relations