

VOLUNTARY SEPARATION AGREEMENT
MEMORANDUM OF UNDERSTANDING

THIS VOLUNTARY SEPARATION AGREEMENT MEMORANDUM OF UNDERSTANDING (“Agreement”) is between the Town of East Haven (“Town”) and Local 1205 of the International Association of Firefighters (“Union.”).

The Town and the Union agree as follows:

1. The Town and the Union will afford employees who are the most senior fifteen (15) employees as of the date of the execution of this Agreement the following opportunities relative to medical benefits, work and pay, retention bonus payments and payment for accrued time under the collective bargaining agreement between the Town and the Union (“Contract”). These employees are hereby referred to as “eligible employees”. *See list attached as Exhibit 1.* These eligible employees shall have the opportunity to retire from the Town in accordance with the terms of this Agreement.

2. Retirement Period 1 – January 15, 2021 to January 26, 2021.
The five (5) least senior of the eligible employees shall be permitted to retire with the following incentives:
 - a. Eligible employees who elect to retire in Retirement Period 1 shall be paid by the Town a retention bonus of **\$4,000** ~~5,000~~ within ten (10) business days of their retirement date;

 - b. In addition, ~~affected~~ **eligible** employees who elect to retire according to this Agreement shall receive the option to choose to remain with their current medical plan provided by Anthem Blue Cross/Blue Shield (**At the premium cost share of 12% including caps/maximums pursuant to the terms of the**

Contract dated July 1, 2015 through June 30, 2021) or the State 2.0 Partnership Plan if the Town and the Union have such coverage at the time of Retirement Period (1, 2, 3, or 4);

- c. Eligible employees who elect to retire in Retirement Period 1 shall be paid their accrued unused time (~~i.e., sick~~) in equal instalments over **three (3)** fiscal years beginning on March 15, 2021 and continuing each fiscal year thereafter on July 30th of each year. **For purposes of this Agreement the term “accrued unused time” shall mean sick time up to one hundred and fifty (“150”) days, vacation, and personal leave as accrued pursuant to the July 1, 2015 through June 30, 2021 Contract;**
- d. The least senior eligible employees in Retirement Period 1 may be displaced and not permitted to retire in Retirement Period 1 if a more senior eligible employee exercises his or her right to displace or bump the least senior eligible employee by no later than January 22, 2021. Once this displacement right is exercised, the displacing more senior employee shall be entitled to any and all benefits associated with Retirement Period 1 and the displaced employee shall remain working for the Town;
- e. In order to be compensated for the additional benefits set forth above, eligible employees must execute a Separation and Release Agreement with the Town (See Exhibit 2);
- f. Eligible employees covenant and agree that they shall not abuse sick time for the duration of this Agreement (through the last Retirement Period);
- g. In the event five (5) eligible employees do not retire in Retirement Period 1, a 4th Retirement Period shall be created pursuant to the terms of this Agreement;

- h. **The undersigned parties covenant and agree that this entire agreement is conditioned on the fact that no more than five (5) eligible employees shall retire prior to June 30, 2020, in the event that more than 5 eligible employees retire before June 30, 2020 this Agreement shall be null and void.**
 - i. Notification to the Town of an intention to retire (including displacement) in accordance with the incentive terms of this Agreement shall be provided in the form set forth in Exhibit 3 as attached to this Agreement. In the event any eligible employee makes the retirement election set forth herein, the employee's last day of work shall be January 31, 2021. The employee's last day of pay shall be January 31, 2021;
3. Retirement Period 2 - October 15, 2021 through October 29, 2021.
- The five (5) least senior of the remaining eligible employees shall be permitted to retire with the following incentives:
- a. Eligible employees who elect to retire in Retirement Period 2 **must submit their election to the Town by September 15, 2021. These employees may be displaced or bumped in accordance with seniority, so long as the more senior employee notifies the Town of his decision to displace or bump by September 22, 2021. The eligible retiring employees (including displacing employees)** shall be paid by the Town a retention bonus of \$ **8,000** ~~10,000~~ within ten (10) business days of their retirement date under this Period;
 - ~~b. In addition, affected employees who elect to retire according to this Agreement shall receive the option to choose to remain with their current medical plan provided by Anthem Blue Cross/Blue Shield (at the same level of premium cost share, including caps, as of the date of this Agreement) and with the or the State 2.0 Partnership Plan (if the Town and the Union have such coverage at the time of Retirement Period 1);~~

- c. Eligible employees who elect to retire in Retirement Period 2 shall be paid their accrued unused time (~~i.e., sick~~) in equal instalments over ~~3 four (4)~~ fiscal years beginning on November 15, 2021 and continuing each fiscal year thereafter on July 30th of each year;
- d. The least senior eligible employees in Retirement Period 2 may be displaced and not permitted to retire in Retirement Period 2 if a more senior eligible employee exercises his or her right to displace or bump the least senior eligible employee by no later than ~~September~~ **September** ~~October~~ 22, 2021. Once this displacement right is exercised, the displacing more senior employee shall be entitled to any and all benefits associated with Retirement Period 2 and the displaced employee shall remain working for the Town;
- e. In order to be compensated for the additional benefits set forth above, eligible employees must execute a Separation and Release Agreement with the Town (See Exhibit 2);
- f. Eligible employees covenant and agree that they shall not abuse sick time for the duration of this Agreement (through the last Retirement Period);
- g. In the event more than ten (10) eligible employees are still actively employed after October 29, 2021, the least senior of said employees (over ten (10)) shall be re-notified of their rights under Retirement Period 2 and shall be given five (5) calendar days to retire under Retirement period 2 or they shall forego and waive all rights to continue medical coverage under Anthem Blue Cross/ Blue Shield and all rights to a retention bonus, and shall have all accrued time paid out over ~~3 four (4)~~ fiscal years;
- h. **Notification to the Town of an intention to retire (including displacement) in accordance with the incentive terms of this Agreement shall be**

provided in the form set forth in Exhibit 3 as attached to this Agreement. In the event any eligible employee makes the retirement election set forth herein, the employee's last day of work shall be October 31, 2021. The employee's last day of pay shall be October 31, 2021;

4. Retirement Period 3 - July 15, 2022 through July 29, 2022.

The five (5) least senior of the remaining eligible employees shall be permitted to retire with the following incentives:

- a. Eligible employees who elect to retire in Retirement Period 3 **must submit their election to the Town by June 15, 2022. These employees may be displaced or bumped in accordance with seniority, so long as the more senior employee notifies the Town of his decision to displace or bump by June 22, 2022. The eligible retiring employees (including displacing employees)** shall be paid by the Town a retention bonus of **\$12,000** ~~15,000~~ within ten (10) business days of their retirement date under this Period;
- b. ~~In addition, affected employees who elect to retire according to this Agreement shall receive the option to choose to remain with their current medical plan provided by Anthem Blue Cross/Blue Shield or the State 2.0 Partnership Plan (if the Town and the Union have such coverage at the time of Retirement Period 1);~~
- c. Eligible employees who elect to retire in Retirement Period 3 shall be paid their accrued unused time ~~(i.e., sick)~~ in equal instalments over **3** ~~four (4)~~ fiscal years beginning on August 15, 2022 and continuing each fiscal year thereafter on July 30th of each year;
- d. The least senior eligible employees in Retirement Period 3 may be displaced and not permitted to retire in Retirement Period 3 if a more senior eligible employee exercises his or her right to displace or bump the least senior

eligible employee by no later than **June 22, 2022**. Once this displacement right is exercised, the displacing more senior employee shall be entitled to any and all benefits associated with Retirement Period 3 and the displaced employee shall remain working for the Town until the next Retirement Period;

- e. In order to be compensated for the additional benefits set forth above, eligible employees must execute a Separation and Release Agreement with the Town (See Exhibit 3);
 - f. Eligible employees covenant and agree that they shall not abuse sick time for the duration of this Agreement (through the last Retirement Period);
 - g. In the event more than five (5) eligible employees are still actively employed after July 29, 2022, then the least senior of said employees (over five (5)) shall be re-notified of their rights under Retirement Period 3 and shall be given five (5) calendar days to retire under Retirement Period 3 or they shall forego and waive all rights to continue medical coverage under Anthem Blue Cross/ Blue Shield and all rights to a retention bonus and shall have all accrued time paid out over **3** ~~four~~(4) fiscal years;
 - h. Notification to the Town of an intention to retire (including displacement) in accordance with the incentive terms of this Agreement shall be provided in the form set forth in Exhibit 3 as attached to this Agreement. In the event any eligible employee makes the retirement election set forth herein, the employee's last day of work shall be July 31, 2022. The employee's last day of pay shall be July 31, 2022;**
5. Retirement Period 4 - July 15, 2023 through July 29, 2023.
The ~~five~~(5) remaining eligible employees shall have the option to retire with the following incentives:

- a. Eligible employees who elect to retire in Retirement Period 4 shall be paid by the Town a retention bonus of **\$6,000** ~~8,000~~ within ten (10) business days of their retirement date under this Period;
- b. ~~In addition, affected employees who elect to retire according to this Agreement shall receive the option to choose to remain with their current medical plan provided by Anthem Blue Cross/Blue Shield or the State 2.0 Partnership Plan (if the Town and Union have such coverage at the time of Retirement Period 1);~~
- c. Eligible employees who elect to retire in Retirement Period 4 shall be paid their accrued unused time (~~i.e., sick~~) in equal instalments over **3** ~~four (4)~~ fiscal years beginning on August 15, 2023 and continuing each fiscal year thereafter on July 30th of each year;
- d. In order to be compensated for the additional benefits set forth above, eligible employees must execute a Separation and Release Agreement with the Town (See Exhibit 1);
- e. Eligible employees covenant and agree that they shall not abuse sick time for the duration of this Agreement (through the last Retirement Period);
- f. In the event the remaining eligible employees do not exercise their rights under a Retirement Period, they shall forego and waive all rights to continue medical coverage under Anthem Blue Cross/ Blue Shield and all rights to a retention bonus, and shall have all accrued time paid out over **3** ~~four (4)~~ fiscal years;
- g. **Notification to the Town of an intention to retire (including displacement) in accordance with the incentive terms of this Agreement shall be provided in the form set forth in Exhibit 3 as attached to this Agreement.**

In the event any eligible employee makes the retirement election set forth herein, the employee's last day of work shall be July 31, 2023. The employee's last day of pay shall be July 31, 2023;

6. The Town and Union agree that any eligible employee who **applies for** ~~requires~~ ~~and~~ is granted a disability retirement under CMERS will be paid accrued time over **3** ~~four (4)~~ years with no retention bonus paid.

7. The Town and the Union agree that no more than five (5) eligible employees may retire at one time pursuant to the four (4) retirement periods set forth herein.

8. **Payments made pursuant to this Agreement shall be made on the nearest payroll pay date following the designated date in this Agreement.**

9. In the event that the Town changes the medical benefits offered to bargaining unit employees to the State 2.0 Partnership Plan ("Partnership Plan"), the Union and the Town covenant and agree to the following items:
 - a. The Town has the sole discretion to end its contract with the State of Connecticut regarding the Partnership Plan;
 - b. The Town and Union hereby covenant and agree that in the event the Town withdraws from the Partnership Plan, the Town shall offer a medical plan that is comparable to the medical plan;
 - c. "Comparable" means that, if the change from the Partnership Plan results in any modification to the benefit, the disruptive analysis doesn't exceed 9.5% of the total amount of doctors when leaving the previous provider to the new provider; and
 - d. Any bargaining unit employee who is penalized by the State of Connecticut for failure to comply with the wellness requirements of the Partnership Plan shall have all such penalties deducted from their payroll to reimburse the Town. All appropriate payroll deduction paperwork shall be signed by each bargaining unit employee prior to the Town's execution of its contract with the State of Connecticut regarding the Partnership Plan.

DATED THIS __ DAY OF DECEMBER 2020.