

THE TOWN OF BRANFORD, CONNECTICUT

AND

THE UNITED PUBLIC SERVICE EMPLOYEES

UNION UPSEU/COPS

POLICE RETIREMENT FUND

Expires August 10, 2031

BRANFORD POLICE RETIREMENT FUND – TOWN OF BRANFORD, CT

(As Amended and Restated Effective May 24, 2019)

SECTION 1. The Town of Branford is authorized to establish a Police Retirement Fund. The Fund shall be administered by a five (5) member Board of Trustees, (the "Board"), consisting of: (1) the Chairman of the Branford Police Commission, (2) the First Selectman of the Town of Branford, (3) two (2) Fund Participants who shall be selected by the majority vote of all of the Participants in the Fund, and (4) a member of the Board of Finance of the Town of Branford who shall be selected by the majority vote of the members of said Board of Finance. The Board shall have power to make such rules and regulations as may be necessary for the administration of the Fund, and shall appoint a clerk of the Fund and define his or her duties and supervise, by and with the advice of the Board of Finance of the Town, the investment and reinvestment of the Fund in such investments and in the same manner as funds held in trust funds may be invested.

SECTION 2. Regular full-time sworn members of the Branford Police Department, (the "Department"), shall be eligible to participate in the Fund. Supernumeraries, school guards and auxiliary police are not eligible to participate in the Fund nor to receive any benefits from it. Regular full-time sworn members of the Department hired after August 10, 2011 who were participants in the Town of Branford Defined Contribution Plan ("Defined Contribution Plan") between August 10, 2011 and May 24, 2019 ("Defined Contribution Participants") shall participate in this Fund effective [insert date of this Amendment] and upon the completed transfer of all of the Defined Contribution Participant's monies in his or her Defined Contribution Plan account pursuant to the terms of Section 22 of the Fund. At the time the transfer of all of the Defined Contribution Participant's monies is completed, for purposes of the Defined Benefit Plan, the Participant shall be credited with years of service equal to that which the Participant had in the Defined Contribution Plan.

SECTION 3. Each regular full-time sworn member of the Department shall become a Participant in the Fund thirty (30) days following his or her date of hire unless he or she sends written notice to the Fund Trustees stating he or she does not desire to become a Participant on or before the end

of such thirty (30) day period. Regular full-time sworn members of the Department who participate in the Fund are hereinafter called "Participants". Effective May 24, 2019, those Defined Contribution Participants who meet the requirements of Section 22 of the Fund shall become Participants in the Fund as of such date.

SECTION 4. The Fund shall consist of all bequests or donations made to the Police Department of the Town or to the Trustees of the Fund, all monies or property presented to any Participant because of special or meritorious services, except such as by vote of the Board may be retained by such Participant, quarterly or monthly or weekly assessments upon the base salary plus longevity, education incentive, paid holidays, vacation buy back only for Participants hired prior to September 1, 2009 and station overtime of all Participants not to exceed eight and one-half (8 ½) percent per annum, such sums as may be paid by Participants under Section 19 hereof, such sums of money as are appropriated by the RTM of the Town for the Fund, money realized from the sale of lost, abandoned, or forfeited property in the hands of the Department and any unclaimed money remaining in the hands of the Department for a period of one year or more, the owner of which is unknown, and which property does not by law escheat to the state.

SECTION 5. The treasurer of the Town of Branford shall be the Treasurer of the Fund. The Treasurer shall receive, disburse, invest or reinvest said funds as the Trustees, by and with the advice of the Board of Finance, direct. Said Treasurer shall, annually, on or before the second Monday of January, make a report to the Board of the account of the Fund in his or her hands and the manner in which the same is invested, with the statement of the receipts and disbursements for the preceding fiscal year. Said report shall be included in the Town's Annual Audited Financial statements. Said Treasurer shall give such bond for the security of the Fund and for the faithful performance of his or her duty as the Trustees shall require.

SECTION 6. (a) When any Participant has served for a period of twenty-five years or more as a regular full-time sworn member of the Department he or she shall, upon his or her request in writing, be retired by the Board of Police Commissioners and, when he or she is so retired, the Trustees of the Fund shall thereupon pay to such Participant during his or her life, an amount equal to two and one-half (2 ½) percent of the average of the three (3) highest fiscal years of base salary

plus longevity, education incentive, paid holidays, vacation buy back only for Participants hired prior to September 1, 2009 and station overtime (such three-year average is hereinafter called "Average Basic Salary"), for each of his/her twenty-five (25) years of service, but in no event shall his or her pension exceed seventy (70) percent of his or her Average Basic Salary at the time of his or her retirement. For Participants hired after July 1, 1991 said pension shall be reduced by ten percent (10%) if the retiree chooses to provide for widow/widower (spousal) pension continuation as provided in Section 8 of this document; provided no such Participant so retired shall receive less than two thousand dollars per annum. In addition, thereto, effective August 10, 2011 any Participant who has served more than twenty-five (25) years in the Department shall receive an additional two and one-half (2 ½) percent of his or her Average Basic Salary at the time of his or her retirement for each year over and above said twenty-five years of service, but in no event shall his or her pension exceed seventy (70) percent of his or her Average Basic Salary at the time of his or her retirement.

Notwithstanding the foregoing, with respect to (1) those Defined Contribution Participants that become Participants in accordance with Section 22 of the Fund and who have served for a period of twenty-five (25) years or more as a regular full-time sworn member of the Department, and (2) with respect to those regular full-time sworn members of the Department hired on or after May 24, 2019, shall, upon retirement, by the Board of Police Commissioners be paid during his or her life, an amount equal to two (2%) percent of the Average Basic Salary, as defined herein, for each of his or her years of service, but in no event shall his or her pension exceed seventy (70%) percent of his or her Average Basic Salary at the time of his or her retirement.

Notwithstanding the foregoing, upon his or her request in writing no later than thirty (30) days from May 24, 2019, Participants who were hired on or after July 1, 2005 may, in accordance with Section 22 of the Fund, request to retire on or after the age of fifty-five (55) with ten (10) or more years as a regular full-time sworn member of the Department. Upon retirement by the Board of Police Commissioners, these Participants shall be paid during their life an amount equal to two (2%) percent of the Average Basic Salary, for each of his or her years of service, but in no event shall his or her pension exceed seventy (70%) percent of his or her Average Basic Salary at the time of their retirement.

(b) When any Participant is injured/disabled in the regular performance of police duty without willful cause or wanton misconduct on his or her part and said injury is the direct and proximate cause of the Participant becoming totally and permanently incapacitated for further police duty, the Board of Police Commissioners and/or the First Selectman, in his discretion, may cause such Participant to be examined by three reputable physicians, one to be selected by the Participant, one to be selected by the Board of Police Commissioners and/or the First Selectman, and the third to be chosen by the two physicians selected as hereinbefore set forth; and, if at least two of such physicians shall certify, in writing, that the Participant so examined is so incapacitated for further police duty, said Board of Police Commissioners and/or the First Selectman shall place the Participant on the retirement list, and the Fund Trustees shall thereupon pay to such Participant so retired, during his or her life while so incapacitated a monthly sum equal to 1/12th of his/her Average Basic Salary multiplied by the greater of (a) 50% or (b) 2.50% multiplied by his/her completed years of service as of the date of his/her injury/disability. For Participants hired after July 1, 1991 said pension shall be reduced by ten percent (10%) if the retiree chooses to provide for widow/widower (spousal) pension continuation as provided in Section 8 of this document in monthly installments; provided no such Participant so retired shall receive less than two thousand dollars (\$2,000) per annum. The Board of Police Commissioners and/or the First Selectman may from time to time cause such Participant to be reexamined in the same manner as provided herein for the original examination, and so long as the physicians continue to certify that such Participant remains totally and permanently incapacitated for police duty, said payments shall continue.

All Participants who are hired after 7/1/81 shall also have any Heart and Hypertension Disability Pension Awards credited against any pension due under the Fund on a dollar for dollar basis.

Notwithstanding the foregoing, those Defined Contribution Participants that become Participants in accordance with Section 22 of the Fund, those Participants hired on or after July 1, 2005 who elect to be eligible to retire on or after the age of fifty-five (55) and ten (10) or more years as a regular full-time sworn member of the Department, and those regular full-time sworn members of the Department hired on or after May 24, 2019 who become Participants, who otherwise meet the requirements of this subsection (b) shall be eligible to receive the greater of (i) forty (40%) percent of the Participant's Average Basic Salary, or (ii) two (2%) percent of the Participant's Average Basic Salary for each of his or her years of service.

(c) When any Participant attains sixty-five years of age, the Board of Police Commissioners shall place such Participant on the retirement list, and the Fund Trustees shall thereupon pay to such Participant so retired, during his or her life, an amount equal to one-half (1/2) of the Participant's Average Basic Salary payable in monthly installments. For Participants hired after July 1, 1991 said pension shall be reduced by ten percent (10%) if the retiree chooses to provide for widow/widower (spousal) pension continuation as provided in Section 8 of this document provided no such Participant so retired shall receive less than two thousand dollars per annum. In addition thereto any such Participant who has served more than twenty-five years in the police department shall receive an additional two and one-half (2.5) percent of his or her Average Basic Salary at the time of his or her retirement for each year over and above said twenty-five years of service, but in no event shall his or her pension exceed seventy (70) percent his or her Average Basic Salary at the time of his or her retirement.

SECTION 7. The Board of Finance of the Town shall, when making up recommendations for appropriations for the various departments of the Town for each year, appropriate such sum or sums as are needed to carry out the purposes of this Fund. The Selectmen of the Town are authorized, on or before the first day of November in each year, to pay to the Treasurer of the Fund, the money so appropriated by the RTM.

SECTION 8. The widow/widower of any Participant, who is in active service at the time of the Participant's death, and qualified to receive benefits under Section 6 of this document, at the time of his or her death, shall receive, until his/her death or remarriage, a monthly sum equal to one-half of the monthly pension for which the Participant had qualified, but if the Participant was retired, the widow/widower shall receive a monthly sum equal to one-half of the monthly pension being received by the Participant at the time of his/her death. There shall be paid to the widow/widower of a Participant who has not qualified for pension benefits who shall be killed while in the actual performance of his/her duties or shall die from the proximate effects of any injuries sustained while in the actual discharge of such duty, regardless of the length of service of such Participant at the time of his/her death, a monthly sum equal to 1/12th of his/her Average Basic Salary multiplied by the greater of (a) 50% or (b) 2.50% multiplied by his/her completed

years of service as of the date of his/her death, not to exceed seventy (70) percent of his or her Average Basic Salary.

In any of the above cases, upon the death of such widow or widower before or after remarriage, leaving a child or children of such deceased member, under the age of eighteen years, the Board, by a majority vote, may cause to be paid monthly, to the legally appointed guardian of such child or children for his or their use and benefit, a sum or sums not exceeding in the aggregate the amount hereinbefore provided to be received by such widow or widower; and may, from time to time, apportion such sums between or among such children as it may deem best, provided, as each such child arrives at the age of eighteen years, the payments to such child shall cease. Any compensation under the provisions of the general statutes relating to workers compensation being received by such widow, widower or children shall first be credited against the total pension due said widow, widower or children. As used in this section, the term "widow" or "widower", in reference to a Participant, shall mean the surviving wife/husband of such Participant who was living with such Participant at the time of his/her death or, if not so living with him/her, was absent by reason of the Participant's fault, and who, if such Participant was retired was married to the Participant prior to the Participant's retirement. The term "child or children" as used in this section, shall be limited in its meaning to the biological or legally adopted child or children born, either before or after the death of such Participant, to such Participant and his or her spouse, provided if any such Participant was retired, such spouse shall have been married to him/her prior to his/her retirement from the Department.

SECTION 9. All pensions provided herein after August 10, 2011 shall not be increased in the event of a general wage increase to the position that a Participant was in at the time of his retirement.

Wherever indicated in the entire text of the Fund provisions, for purposes of computing Average Basic Salary, it is intended that the Participant's base salary plus longevity, education incentive, paid holidays, vacation buy back only for Participants hired prior to September 1, 2009 and "station overtime" figures as the sole addition, is the basis for determination of his/her retirement benefits. In no event shall a Participant's "Average Basic Salary" include income from "special duty". It is intended that effective upon August 10, 2011 the maximum of seventy (70) percent of Average Basic Salary at the time of retirement is an absolute maximum

SECTION 10. Upon termination of the services of a Participant for any cause before qualifying for any retirement benefit, such Participant's contributions to the Fund with interest thereon at the rate to be determined by the Trustee to the date of termination shall be returned to the Participant or his or her designated beneficiary or estate.

SECTION 11. The Board may enter into a contract with any insurance company authorized to transact business in Connecticut to insure the entire police retirement Fund or such portion thereof as the Board shall deem advisable; ~~provided any such contract, before actually being consummated, shall be approved by a majority vote of the Board of Trustees and Board of Finance.~~ All premiums paid to any insurance company under this section shall be paid out of the funds received by said Board from Participants and from the Town, as hereinbefore provided.

SECTION 12. Except as may otherwise be provided by superseding state or federal law, the right of any person to a pension or to the return of contributions, any benefit or right accrued or accruing to any person under the provisions of this Act, and the cash and securities held under this Act, shall be exempt from any state or municipal tax, and exempt from levy and sale, garnishment, attachment or any other process, and shall be unassignable, provided, however, that the Board shall honor a state domestic relations order that creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a Participant in the Fund (other than survivor's benefits), if the Board determines that the order meets the following requirements:

(1) the order is a judgment, decree, or order (including approval of a property settlement agreement) which (i) relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent of a Participant, and (ii) is made pursuant to a State domestic relations law;

(2) the order clearly specifies:

(a) the name, date of birth, and last known mailing address of (i) the Participant, and (ii) each alternate payee covered by the order;

(b) the amount or percentage of the Participant's benefits to be paid by the Fund to each such alternate payee, or the manner in which such amount or percentage is to be determined;

(c) the number of payments or period to which such order applies; and

(d) the name of the Fund;

and

(3) the order (i) does not require the Fund to provide any type or form of benefit not otherwise provided under the Act, (ii) does not require the Fund to provide increased benefits (determined on the basis of actuarial value), (iii) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined by the Board to meet the requirements of this Section 12, (iv) does not require that the alternate payee be treated as the Participant's spouse for purposes of survivor's benefits, and (v) does not require the Fund to pay any benefit earlier than otherwise provided under the Act.

SECTION 13. OPTIONAL RETIREMENT BENEFITS. The standard retirement benefit provided under this plan as set forth above for a retiree and his or her surviving spouse and minor children specifies a monthly income for life for the retiree plus a monthly benefit to his or her widow or widower, if she or he survives the retiree, of 50% of that monthly amount to which the retiree was entitled for the rest of the widow or widower's life or until remarriage. In addition if both the retiree and his or her spouse die leaving minor children, the children receive the 50% benefit until they are 18. As an alternative to electing to receive the standard retirement benefit, any retiree shall have the option, upon written request made at least sixty (60) days prior to his or her retirement date, to elect any one of the following options subject to the consent of the spouse, if any, for Participants hired after July 1, 1991.

a. A straight life annuity for the life of the retiree only. This will assume no period certain and no survivor's benefits whatsoever.

b. A monthly income for 120 months certain and thereafter for the life of the retiree. This will assume no survivor's benefits other than the right to receive the balance of the 120 months payments not received by the retiree.

c. A monthly income for the life of the retiree, and thereafter a monthly income for the life of his or her surviving spouse (until remarriage) in an amount equal to 75% of the monthly

amount to which the retiree was entitled at the time of his or her death, with children to receive benefit to age 18 in the event the spouse also dies.

NOTE: Election of one of these options will result in either an increase or decrease in the basic monthly retirement benefit of the retiree, depending upon the options selected, the ages of the retiree and his or her spouse and the actuarial assumptions and methods then being utilized by the Fund for this purpose. Regardless of the option selected, the value of the retirement benefits will be actuarially equivalent to the value of the standard retirement benefit. Furthermore, survivor's benefits can only be paid to the spouse to whom a retiree is married at the time of his or her retirement and to the children of the retiree. Actuarial equivalence for purposes of this Section 13 shall be determined on the basis of (1) an interest assumption of 6% and (2) the applicable mortality table then prescribed by the Secretary of the Treasury for purposes of adjustments under Section 415(b)(2) of the Internal Revenue Code of 1986 (the "Code"), based on the prevailing commissioners' standard table described in Code Section 807(d)(5)(A) used to determine reserves for group annuity contracts, without regard to any other subparagraph of Code Section 807(d)(5), unless the Fund is amended to provide otherwise upon the advice of the actuary utilized with respect to the Fund.

SECTION 14. ANNUAL SUMMARY REPORT FOR PARTICIPANTS. Each year, the Town shall provide the Participants with a summary of the activity of the Fund during the year, including the earnings of the Fund for the period, the contributions thereto, both by the Town and the Participants, any dispositions or payouts by the Fund to retired Participants, and the Fund expenses. The Participant-Trustees shall arrange for the dissemination of such summary to all Participants.

SECTION 15. The terms of the Branford Police Retirement Fund, as amended, remain in effect until August 10, 2031. Changes may be made to the Fund provisions, however, to comply with applicable law, and to keep the Fund tax-qualified under the Code.

SECTION 16. VESTING. Each Participant who has attained five (5) years of service in accordance with Section 3 of the Fund, shall be fully vested with said benefits deferred until the Participant's Normal Retirement Date which is when he or she would have completed twenty-five

(25) years of service (or, age fifty-five (55) with ten (10) years as service for those Participants hired on or after July 1, 2005). The benefit, payable in monthly installments shall be two and one-half (2 ½%) percent per year of service credited in accordance with Section 6(a); provided, however, that for those Defined Contribution Participants that become Participants in the Plan in accordance with Section 22 of the Fund, those Participants hired on or after July 1, 2005 who elect to be eligible to retire on or after the age of fifty-five (55) and ten (10) or more years as a regular full-time sworn member of the Department, and those regular full-time sworn members of the Department hired on or after [effective date of this Amendment] who become Participants of the Fund, the benefit, payable in monthly installments shall be two (2%) percent per year of service credited in accordance with Section 6(a).

SECTION 17. EARLY RETIREMENT / DEATH. Effective January 1, 1996, a Participant of the Fund may elect, at his/her option, or a Participant's spouse may elect upon the Participant's death at his/her option, Early Retirement under this provision. The Participant must have attained age fifty (50) and have at least twenty (20) years of service. The benefit for the Participant and/or the Participant's spouse, shall be actuarially reduced in accordance with Appendix A. The benefit payable will be adjusted for each year prior to the date the Participant would be eligible for Normal Retirement pursuant to Section 6 of the Fund.

Example: A Participant age fifty-four (54) with twenty-three (23) years of credited service will receive 2.20 for each year of service multiplied by the average of the three (3) highest fiscal years of base salary plus longevity plus station overtime payable in monthly installments. See Appendix A.

SECTION 18. EMPLOYER PICK UP OF MANDATORY CONTRIBUTIONS. Effective as provided by collective bargaining, the mandatory retirement contributions of Participants described in Section 4 shall be picked up by the Town in accordance with the provisions of Section 414(h)(2) of the Code. Such picked-up contributions shall be in lieu of Participant contributions. The Town shall pick up these mandatory contributions by an equivalent reduction in the cash salary of the Participant. In no event shall a Participant have the option to receive the amount of such picked-up contributions directly as part of his or her salary instead of having them paid by the Town to the Fund. Participant contributions so picked up shall be treated for purposes of Section

10 (regarding a return of Participant contributions with interest upon termination of services before becoming vested hereunder) in the same manner and to the same extent as Participant mandatory contributions made prior to this Section becoming effective. The mandatory contributions so picked up shall be included for purposes of computing base salary, station overtime and Average Basic Salary hereunder.

SECTION 19. MILITARY SERVICE PROVISIONS. (a) *Purchase of Military Service Credit.* Effective August 10, 2011, an active Participant hired prior to August 10, 2011, may purchase additional service credit hereunder, not to exceed an aggregate of three years, for a period of active duty military service in the armed forces of the United States (excluding reserve duty), provided that the Participant is not able to receive a retirement benefit for such service under any other retirement plan and provided further that (s)he has worked for at least twenty-five (25) years with the Department. Any purchase of such service credit shall be accomplished by the Participant paying to the Board an amount equal to the actuarial present value of the difference between the retirement benefit which the Participant is entitled to receive based upon his or her service apart from such purchased service and the benefit which he or she would be entitled to receive including such service. For this purpose, actuarial present value shall be determined on the basis of the mortality and interest assumptions which would be used at the time of such purchase by the Pension Benefit Guaranty Corporation ("PBGC") for purposes of valuing a benefit upon termination of an insufficient trustee single-employer plan with benefits guaranteed by the PBGC, unless the Fund is amended to provide otherwise upon the advice of the actuary utilized with respect to the Fund. Notwithstanding any provision of this Fund to the contrary, effective for reemployments commencing on or after December 12, 1994, contributions, benefits and service credit with respect to qualified military service shall not be less than that provided in accordance with Section 414(u) of the Code, relating to veterans' reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994.

(b) *HEART Act Provisions.* Notwithstanding any provision of the Plan to the contrary,

(i) On and after January 1, 2007, death benefits will be paid to survivors of Participants in "qualified military service" as required under Code section 401(a)(37). For this purpose, the deceased Participant shall be treated as having resumed employment and

then terminated employment due to death. Such deceased Participant shall be credited with vesting service for the period of "qualified military service".

(ii) On and after January 1, 2009, any differential wage payments made by the Town to a Participant in "qualified military service" shall be treated as limitation compensation for purposes of Section 20(d) of the Plan (but not for purposes of benefit accrual).

For purposes of this Section 19, "qualified military service" shall be defined as per Code Section 414(u)(5).

SECTION 20. FUND QUALIFICATION. (a) *Governmental Plan:* The Fund is intended to constitute a "governmental plan" as defined in Section 414(d) of the Code, which is qualified under Section 401(a) of the Code. Consequently, the Fund is intended to comply with those requirements of Code Section 401(a) and those provisions of the Tax Reform Act of 1986, as amended, and the cumulative list of changes in plan qualification requirements.

(b) *Exclusive Benefit:* All assets of the Fund, including investment income, shall be retained for the exclusive benefit of Participants and their beneficiaries, and shall be used to pay benefits to such persons or to defray the reasonable expenses of administering the Fund, and shall not revert to or inure to the benefit of the Town, except that a contribution which was made by mistake of fact shall be returned to the Town within one year after the payment of the contribution, and, in the event that the Fund is terminated, after satisfaction of all benefit rights under the Fund, if a surplus remains in the Fund due to "actuarial error", such surplus may be returned to the Town.

(c) *Minimum Distribution Rules:* All distributions from the Fund shall be made in accordance with a reasonable good faith interpretation of Section 401(a)(9) of the Code and regulations issued there under, including the minimum distribution incidental benefit requirements, and the distribution provisions contained in the preceding Sections of this document are intended to comply with such regulations.

(d) *Maximum Benefits:* The limitations of Section 415 of the Code, as applicable to a governmental plan maintained for public safety employees, regarding maximum annual pension benefits payable to any Participant, are incorporated into the Fund by reference. The annual benefit shall not exceed the annual dollar limit (\$195,000 effective for 2009, 2010 and 2011) of Code Section 415(b), subject to adjustment in accordance with Code Section 415 and the regulations

issued thereunder. In addition, the annual compensation taken into account by the Fund shall not exceed the limitation of Code Section 401(a)(17) (\$170,000 effective July 1, 2001, and \$200,000 effective July 1, 2002). Notwithstanding the foregoing, no automatic increase provided under Section 9 of the Plan shall be included in the benefit tested for purposes of Code Section 415.

(e) *Application of Forfeitures:* The forfeiture of all or a portion of a Participant's accrued benefit shall not be applied to increase the benefits of any other Participants, but may be anticipated in estimating Fund costs.

(f) *Vesting Upon Termination or Partial Termination of the Fund:* In the event of the termination or partial termination of the Fund, or the complete discontinuance of Town contributions hereto, benefits hereunder of affected Participants will be fully vested, to the extent then funded.

(g) *Direct Rollover Provisions:* A distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an "eligible rollover distribution" from this Fund paid directly to an "eligible retirement plan" specified by the distributee in a "direct rollover." An "eligible rollover distribution" is any distribution of all or any portion of the accrued benefit of the distributee, except that an eligible rollover distribution does not include any distribution that is (i) one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten (10) years or more; (ii) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; or (iii) for distributions made prior to January 1, 2002, the portion of any distribution that is not includable in gross income. On and after January 1, 2002, a portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includable in gross income. However, such portion may be paid only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution that is includable in gross income and the portion of such distribution that is not so includable. An "eligible retirement plan" is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover

distribution. For distributions made on or after January 1, 2002, an "eligible retirement plan" shall also include an annuity contract described in section 403(b) of the Code, and an eligible deferred compensation plan described in section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of such state or political subdivision thereof, which agrees to separately account for amounts transferred into such plan from this Fund. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order. In the case of an eligible rollover distribution made prior to January 1, 2002 to a surviving spouse, an "eligible retirement plan" is limited to an individual retirement account or individual retirement annuity. A "direct rollover" is a payment by the Fund to the eligible retirement plan specified by the distributee. A distributee includes a Participant or former Participant. In addition, the Participant's or former Participant's surviving spouse and the Participant's or former Participant's spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of such spouse or former spouse.

Effective with respect to Plan Years beginning after December 31, 2009, a distributee also includes the Participant's non-spouse beneficiary. In the case of a non-spouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in Section 408(a) or 408(b) that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Section 402(c)(11) of the Code and guidance issued thereunder.

On and after January 1, 2007, an eligible retirement plan shall also include a qualified trust or an annuity contract described in Section 403(b) of the Code with respect to after-tax amounts from the Plan, to the extent the receiving plan agrees to separately account for such amounts. The definition of eligible retirement plan, as modified in this paragraph, shall also apply in the case of a distribution to a Participant's surviving spouse, or to a Participant's spouse or former spouse who is an alternate payee under a qualified domestic relations order as defined in Section 414(p) of the Code. However, in the case of an eligible rollover distribution to the surviving spouse prior to January 1, 2002 or to a designated non-spouse beneficiary as provided above, an eligible retirement plan shall be limited to an individual retirement account or individual retirement annuity.

Effective as of January 1, 2008, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution from this Plan paid directly to a Roth IRA; provided, however, that (i) prior to January 1, 2010, in order to make such a rollover, the distributee's modified adjusted gross income must not exceed \$100,000, and, if married, the distributee must file his or her federal income tax return jointly; and (ii) upon such a rollover, the entire eligible rollover distribution shall become taxable in the year of the rollover; and (iii) such rollovers shall be subject to such additional guidance as may from time to time be issued by the Internal Revenue Service without the need of further amendment to the Plan.

SECTION 21. REVOCATION OF PENSION. The Town may revoke a Participant's entitlement to payments and/or benefits to the Fund in accordance with applicable state and/or federal law.

SECTION 22. DEFINED CONTRIBUTION PARTICIPANTS. Defined Contribution Participants shall be eligible to become Participants effective May 24, 2019 and as of such date the Participant's account in the Defined Contribution Plan maintained for the benefit of Defined Contribution Participants shall be transferred to the Fund.

Those Participants in the Fund who were hired after January 1, 2005, who were not eligible to participate in the Defined Contribution Plan, shall be eligible to make a one-time irrevocable election, in writing, not later than thirty (30) days from the [effective date of this Amendment], to, upon his or her retirement or disability, (a) receive benefits as a Participant pursuant to the terms of Section 6(a) or Section 6(b), as applicable. Such irrevocable election shall be made as set forth herein, and those Participants eligible for this one-time irrevocable election shall be specified in Appendix B attached hereto.

Those Participants specified in Appendix C attached hereto shall have the option to receive, upon separation from service with the Department, a return of their employee contributions, plus a guaranteed rate as set forth in Appendix C.

SECTION 23. DEFERRED RETIREMENT OPTION PLAN (DROP). The Deferred Retirement Option Plan (hereinafter "DROP") is intended provide an alternative retirement option to all current Participants of the Plan who are eligible to retire.

(a) The DROP Period is defined as the entire calendar year following the date the Participant has elected the DROP.

(b) A Participant who is eligible for regular retirement under the terms of the Fund may elect the DROP retirement option, in writing, no later than thirty (30) days prior to his/her anniversary date.

(c) Length of DROP: Employees hired prior to August 10, 2011, shall have the following options:*

- i. ONE YEAR DROP: A Participant electing the one (1) year DROP will be considered retired on his/her anniversary date following election of the DROP for the purpose of calculating the Participant's monthly pension benefit as set forth in the Fund. The Participant will then work through the end of the DROP Period i.e., his/her anniversary date following the anniversary date used to calculate the Participant's monthly benefit.
- ii. THREE YEAR DROP: A Participant electing the three (3) year DROP will be considered retired on his/her anniversary date following election of the DROP for the purpose of calculating the Participant's monthly pension benefit as set forth in the Fund. The Participant will then work through the end of the DROP Period i.e., his/her third anniversary date following the anniversary date used to calculate the Participant's monthly benefit.
- iii. FIVE YEAR DROP: A Participant electing the five (5) year DROP will be considered retired on his/her anniversary date following election of the DROP for the purpose of calculating the Participant's monthly pension benefit as set forth in the Fund. The Participant will then work through the end of the DROP Period i.e., his/her fifth anniversary date following the anniversary date used to calculate the Participant's monthly benefit.

* Employees who become Participants of the Fund on or after August 10, 2011, shall only be eligible for a one (1) year DROP as set forth above in Section 23(c)(i).

(d) The Fund's Board of Trustees or their designee will administer the DROP.

(e) After a Participant specifies the length of the DROP Period, an extension of the DROP Period may only be made, in writing, at the discretion of the Town. Only a three (3) year DROP is eligible for an extension of two (2) years at the discretion of the Town and must be requested on or before the 2nd anniversary of the commencement of the DROP.

(f) The day before the beginning of the DROP Period, a Participant's accrued sick time payout will be calculated based upon his/her then current hourly wage in accordance with the terms of the collective bargaining agreement. However, the payout of accrued sick time, if applicable, will not be made by the Town until the expiration of the DROP Period.

(g) During the DROP Period, the Participant cannot use any of his/her accrued sick time on the books prior to the start of the DROP Period unless (s)he is eligible for a FMLA leave of absence due to his/her own serious health condition; in such case, the Participant can use the accrued sick time on the books prior to the start of the DROP Period during his/her FMLA leave. If the Participant uses some of his/her accrued sick time on the books prior to the start of the DROP Period due to his/her serious health condition which is covered by a FMLA leave, his/her accrued sick time payout at the end of the DROP Period will be reduced accordingly.

(h) During the DROP Period, Participants will be provided with twelve (12) sick days per fiscal year which will be prorated for time worked that is less than a full fiscal year (July 1st through June 30th). Sick time may be accrued during the DROP Period but accrued but unused sick time shall not be paid out by the Town at the end of the DROP Period.

(i) While in the elected DROP Period, the Participant shall remain in full service at his/her rank/seniority the day prior to the beginning of the DROP, with all the terms, rights, conditions, and benefits of the applicable collective bargaining agreement (i.e., wage adjustments, earned sick leave, injury leave, medical insurance, OT, extra duty, Union status, compensatory time, etc.) except as expressly limited herein. However, during the DROP Period, Participants will not receive longevity payments, educational or tuition payment and will only be entitled to receive one-half (1/2) of his/her uniform allowance.

(j) While participating in the DROP, Participants shall not be eligible for promotions within the police department. Further, no additional pension benefits will accrue after the effective date of the beginning of the DROP Period meaning the time worked during the DROP period will not count towards the calculation of the Participant's pension benefit. Upon completion of the DROP Period, the Participant will receive a lump sum payment equal to the amount of pension payments

he/she would have received if he/she chose to fully retire and separate his/her employment rather than electing to participate in the DROP.

(k) If a Participant separates his/her employment prior to the end of the designated DROP Period, the Participant will only receive payment equal to the amount of pension payments accrued during the DROP Period, without interest, up until the date of separation; payment will not be made by the Town until the end of the designated DROP Period.

(l) Drop Payment Options:

(1) One (1) Year DROP

(i) Officers who elect the one (1) year DROP Period will receive payment equal to the amount of pension payments accrued during the DROP Period, without interest, at the conclusion of the DROP Period.

(2) Three (3) or Five (5) Year Drop

(i) Officers who elect the three (3) or five (5) year DROP will receive payment equal to the amount of pension payments accrued during the DROP Period, without interest, at the conclusion of the DROP Period; or

(ii) Rather than receiving a lump sum payment at the end of the three (3) or five (5) year DROP Period, an Officer can choose to receive DROP monies owed to him/her in equal monthly installments for up to three (3) years if the Officer chose and completed a three (3) year DROP Period or for up to five (5) years if the Officer chose and completed a five (5) year DROP.

(m) As part of the written notification to the Town when an Officer elects the DROP, the Officer will provide the Town with beneficiary information and will sign all paperwork required by the Town that is associated with the DROP.


(n) If an Officer dies or is disabled, in accordance with the terms of the Fund, during the DROP Period, his/her beneficiary will receive payment equal to 100% of the amount of pension payments accrued during the DROP Period up until the date of death, without interest; payment will be made by the Town within sixty (60) calendar days of the date of death. Thereafter, pension payments, if any, will be made in accordance with the terms of the Fund.

**This Agreement is between the Town of Branford and the United Public Service Employees
Union/COPS DIVISION**

Dated at Branford, Connecticut, this 29 day of May 2019.

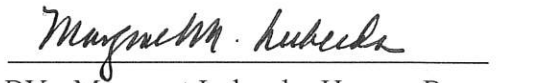
UNITED PUBLIC SERVICE EMPLOYEES
UNION/COPS DIVISION


TOWN OF BRANFORD



BY: Ronald E. Suraci, Director


BY: James B. Cosgrove, First Selectman

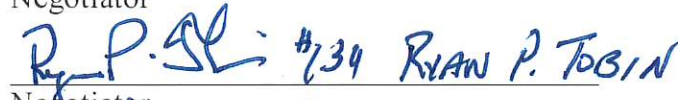

BY: Kevin E. Boyle, UPSEU President

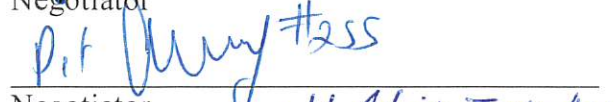

BY: Margaret Lubberda, Human Resource
Director


BY: Stanley Konesky, Union President


BY: Jonathan R. Mulhern, Police Chief


Negotiator


Negotiator


Negotiator


Negotiator


Negotiator


Negotiator

Negotiator

Town of Branford
Police Pension Fund
Appendix "A"

<u>Years of Service</u>	<u>% per year</u>
25	2.50%
24	2.35%
23	2.20%
22	2.05%
21	1.90%
20	1.75%

Town of Branford
Police Pension Fund
Appendix "B"

Those Participants eligible to make a one-time irrevocable election pursuant to Section 22 of the Fund, are as follows:

Hire Date	Name
9-26-2005	Ofc. Campanelli
5-5-2008	Ofc. Sobieraj
9-25-2008	Ofc. McGinnis
6-24-2008	Ofc. Moynihan

Town of Branford
Police Pension Fund
Appendix "C"

Those Participants eligible to receive a return of their contributions and a guaranteed rate, as set forth in this Appendix C, are as follows:

Michael O'Connor
Christopher Cope

These individuals should elect within 30 calendar days.

Such guaranteed rate shall be 4%.
