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TOWN OF KINGSTON

Office of the Board of Selectmen

Town House

26 Evergreen Street

Kingston, Massachusetts 02364

www.kingstonmass.org

Board of Selectmen
Sandra D. MacFarlane, Chairman
Dennis N. Randall, Vice Chairman
Richard J. Arruda
Mark S. Beaton
Joseph F. Casna, Jr.

Town Administrator
Jill R. Myers

TOWN OF KINGSTON MUNICIPAL EMPLOYEE RETIREMENT PROGRAM

The Town of Kingston hereby submits this plan for adoption of a municipal employee retirement program pursuant to the Section 66 of Chapter 188 of the Acts of 2010.

Plan Participation

The Board of Selectmen issued a hiring freeze in January 2008. Only two Town employees have been replaced since that time due to the pressing needs of the departments. As such, we have identified seventeen (17) employees eligible for the Program from municipal and school departments. Specifically excluding public safety and school department employees due to operational needs, the Town has limited plan participation to General Government employees as well as employees of both the Water and Sewer Enterprise Fund Departments.

Correspondence was provided to each eligible employee to measure interest in the program, as well as to inform employees that the Town intended to limit participation by Department and function to best serve the needs of the Town. From the seventeen (17) eligible, we had selected six (6) positions as delineated by preference in Attachment A.

Eligible employees within these functions would be given preference based upon seniority within the number of available openings and the Town would allow the maximum allowance of 3 years of years and/or service to all who opt into the program. The Town does reserve the authority granted under the Act to determine which eligible municipal employees may participate based upon operational impacts.

As of this submittal, one employee in the Assessor's Department has expressed interest, while the others had noted they would decline. Therefore, we have identified one (1) likely employee within General Government.

Cost Effectiveness of Program

The Town intends to save operating dollars annually by using the retirements in the following manner:

- ✓ The General Government (Assessor's Department) retirement will result in a permanent reduction of one-half time (.5 full time equivalency) employee saving \$25,483.15;

- ✓ The Public Works (Street, Trees, and Parks) retirement will result in a permanent reduction of one-half time (.5 full time equivalency) employee saving \$23,025.75;
- ✓ The Water Enterprise retirement will result in a permanent reduction of two one-half time (.5 full time equivalency) employee saving \$41,409.90;
- ✓ The Public library retirements, if achieved, would result in the permanent reduction of two full-time positions. Anticipated savings are \$90,840.00.

If all of these retirements were achieved through the Program, the total salary reduction in FY 2012 would be \$ **180,758.80** or **62.93%** of the total reduction. **See Attachment "A" for a detail of projected savings.** FY 2013 savings are estimated at the same level as any replacements would be hired in FY 2012.

Currently the Town has an initial commitment from one (1) of the listed employees. This employee holds a Union position as the senior member of the two Union employees within that Department. It is anticipated that the ERI position will either remain part-time or be filled on a promotional basis, with the second position from which it is filled remain vacant or part-time. The anticipated difference in savings between the two annual salaries will be within the ERI Program parameters none the less.

Timeline for Implementation (Anticipated for FY 2012)

1. Town Administrator submits plan by September 28, 2010 to PERAC (Retirement Board) Actuary
2. Once the plan is approved by PERAC Actuary, Town Meeting must accept the plan (April 2, 2011)
3. Once approved at Town Meeting, within a month, the plan must be published and made available to all active employees (on or before May 2011)
4. Employees must apply within 2 months of the publication date (on or before July 2011)
5. Town Administrator determines which employees will be allowed to retire, within one month of the application deadline (on or before August 2011)
6. Approved applicants must retire within two months of the notification date (on or before October 2011)

Conclusion

The Town respectfully requests that PERAC approve our ERI Plan as soon as possible. Per the Town's By-Laws, our FY 2012 budget preparations begin on October 1. The Town's legislative body will consider the Plan at the Annual Town Meeting of April 2, 2011 for an implementation date on or before August 1, 2011.

Thank you in advance for your consideration. Should you have any questions regarding the foregoing, please do not hesitate to contact Jill R. Myers, Town Administrator/Chief Procurement Officer at 781.585.0500 or jmyers@kingstonmass.org.

Attachments

ATTACHMENT A - FY 2012 SAVINGS

TOWN OF KINGSTON EARLY RETIREMENT INCENTIVE PLAN

Employee	Department	Salary	Replacement Salary	Savings	Savings %	Confirmed Interest
GENERAL GOVERNMENT						
#1	Assessor	\$ 46,333.00	\$ 20,849.85	\$ 25,483.15	55.00%	Yes
	Sub-total	\$ 46,333.00	\$ 20,849.85	\$ 25,483.15	55.00%	
CULTURE & RECREATION						
#1	Public Library	\$ 41,263.00	\$ -	\$ 41,263.00	100.00%	
#2	Public Library	\$ 49,577.00	\$ -	\$ 49,577.00	100.00%	
	Sub-total	\$ 90,840.00	\$ -	\$ 90,840.00	100.00%	
PUBLIC WORKS						
#1	Streets, Trees, & Parks	\$ 41,865.00	\$ 18,839.25	\$ 23,025.75	55.00%	
	Sub-total	\$ 41,865.00	\$ 18,839.25	\$ 23,025.75	55.00%	
WATER ENTERPRISE						
#1	Water Dept	\$ 51,720.00	\$ 41,384.00	\$ 10,336.00	19.98%	
#2	Water Dept	\$ 56,498.00	\$ 25,424.10	\$ 31,073.90	55.00%	
	Sub-total	\$ 108,218.00	\$ 66,808.10	\$ 41,409.90	38.27%	
	TOTAL	\$ 287,256.00	\$ 106,497.20	\$ 180,758.80	62.93%	

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PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman* | A. JOSEPH DeNUCCI, *Vice Chairman*
PAUL V. DOANE | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY | GREGORY R. MENNIS

JOSEPH E. CONNARTON, *Executive Director*

September 28, 2010

Jill Myers, Town Administrator
Town of Kingston
Town House
26 Evergreen Street
Kingston, MA 02364

30 SEP 2010 PM 2:52

Dear Ms. Myers:

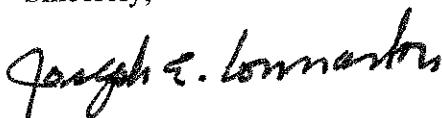
We are in receipt of the Town of Kingston plan for the early retirement incentive which is required by Section 66(f) of Chapter 188 of the Acts of 2010, the Municipal Relief Act.

The plan you have submitted is in compliance with the requirements of and consistent with the statute and you may, if you wish, continue with the process for establishing an early retirement incentive program for the employees of the Town of Kingston.

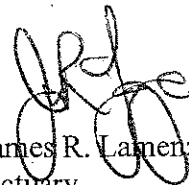
The next step in the process would be to submit to the legislative body of the municipality (Town Meeting) for acceptance not later than the next meeting of the legislative body at which the plan can practicably be submitted. If accepted you must publish the plan and make available to employees within 1 month after its acceptance by the legislative body. You must require employees to participate within 2 months of the plan's publication. At that point you must determine which applicants shall be allowed to participate in the program and notify them within 1 month of the application deadline. Finally, those employees who participate in the program must be required to retire within 2 months of notification of acceptance.

As you continue to implement your early retirement incentive program, we will be available to assist as needed.

Sincerely,



Joseph E. Connarton
Executive Director



James R. Lamenzo
Actuary

cc: Plymouth County Retirement Board

JEC/ker

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