

# VERIP ELIGIBILITY

UNION	Age Requirement	Years Service Requirement	Benefits	# Eligible Employees	Age Range of those Eligible	Salary Range of those Eligible
DPW Normal	59.5	10	-6% adjustment to pension calculation -3 years no required health care contributions	6	59 - 65	\$64,771 - \$81,057
DPW Early	55	15	-Retiree medical insurance -Waive early retirement penalties	11	55 – 59	\$71,572 - \$86,875
PETA Normal	62	10	-6% adjustment to pension calculation -3 years no required health care contributions	5	62 - 76	\$113,298 - \$137,791
PETA Early	58	15	-Retiree medical insurance -Waive early retirement penalties	10	58 - 61	\$100,333 - \$123,433
THEA Normal	62	10	-6% adjustment to pension calculation -3 years no required health care contributions	10	62 - 81	\$55,330 - \$100,519
THEA Early	58	15	-Retiree medical insurance -Waive early retirement penalties	12	58 - 61	\$55,037 - \$97,322
NON Union Normal	62	10	-6% adjustment to pension calculation -3 years no required health care contributions	2	62-66	\$75,353 - \$113,298
NON Union Early	58	15	-Retiree medical insurance -Waive early retirement penalties	1	59	\$81,610

**From:** [Karen Wackerman](#)  
**To:** [Browne, Betsy](#)  
**Subject:** Fwd: VERIP request  
**Date:** Saturday, October 10, 2020 1:13:56 PM

---

More to add to the VERIP materials. Thanks.

**Karen Wackerman**  
**RTM Moderator**  
**RTM District 7 Representative**  
**203-984-1673**

----- Forwarded message -----  
**From:** **Karen Wackerman** <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>  
**Date:** Sat, Oct 10, 2020 at 1:12 PM  
**Subject:** Fwd: VERIP request  
**To:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

To the RTM -

Please see below responses of Mr. Bremer to questions from Rep. Vergara regarding the VERIP.

Karen

**Karen Wackerman**  
**RTM Moderator**  
**RTM District 7 Representative**  
**203-984-1673**

----- Forwarded message -----  
**From:** **Bremer, Tom** <[TBremer@fairfieldct.org](mailto:TBremer@fairfieldct.org)>  
**Date:** Fri, Oct 9, 2020 at 11:17 AM  
**Subject:** RE: VERIP request  
**To:** Wackerman, Karen <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>  
**Cc:** Vergara, Jill <[jillvergara@gmail.com](mailto:jillvergara@gmail.com)>, Schmitt, Jared <[JSchmitt@fairfieldct.org](mailto:JSchmitt@fairfieldct.org)>

Thank you for your e-mail questions. Please see our responses below.

- 1) You have asked for a “baseline” in terms of the ‘cliffs’ that are anticipated in the coming budget. It is not possible to predict the cliffs at this time. By way of example, as part of the current budget, the BOF lowered the anticipated collection rate which greatly affects the projected revenue for the Town. As of yesterday, as disclosed in the other night’s BOF

meeting, we are well in **excess** of this collection rate thereby eliminating this potential “cliff”. Will that collection rate continue throughout the year is anybody’s guess. Additionally, the Town removed a substantial portion of assets from the OPEB (to close various shortfalls) in the current budget, but these funds will now be supplemented by the surplus (most likely determined in December) from last year’s budget. Accordingly, this “cliff” will be substantially less than what would have been estimated just a few short months ago. It is just too early in the year to accurately predict the cliffs. However, there is no doubt this will be a difficult budget year and it will be incumbent on the administration to budget for any increases due to this early retirement package - but as our earlier answers indicated the budget impact for the coming budget should be minimal.

2) Regarding the Superintendent, we would urge you to contact the Superintendent directly as he would have a better sense of what his unanticipated costs due to Covid may be. Please note that the BOF the other night fully granted the request to supplement the BOE lapsing account.

3) The Matrix study you refer to (of more than a decade ago) is unknown to Haselkamp or anyone else in the current administration. We have not found this study, and, as such it has not been reviewed. Since no restructuring of the Town has been done in decades I think it is safe to assume that, regardless of the recommendations which may have been contained therein, none were implemented. Having worked during the Flatto administration, I do know that no layoffs occurred at Town hall during the 2009 time frame.

4) Your questions regarding the 2009 plan are quite reasonable and germane but, unfortunately, cannot be answered in any meaningful way.

Because there was no actuarial study done in 2009 it is impossible to compare the costs from that time period to now. All sorts of criteria go into the actuarial calculations of pension and OPEB liabilities which have nothing to do with the early retirement program. For instance, what was the stock market like at that time and how did our assets perform? What was the discount rate? In 2009 the discount was at or above 8% which is significantly higher than the current 7%. These differences alone would significantly affect any comparison and hence this would not be an “apples to apples” comparison. Notwithstanding the lack of correlation, we investigated earlier budgets to see what the Town budgeted during the relevant time periods.

a) There were no pension liabilities budgeted for years immediately before 2010. In 2010 the pension was budgeted at \$784,000. 2011 had \$1,485,000 and 2012 had \$3,515,000. How much the liability increased (as the result of the 2009 retirement plan) year after year is impossible to say.

b) Likewise, the OPEB fund was first established in 2009 with an initial amount of \$4.4 million. 2010 saw an increase to \$5.4 million, 2011 saw an increase to \$6.8 million and 2012 the total budgeted was at \$7.364. However, we cannot determine how much of the increase is attributable to the early retirement package. The important thing to remember about the OPEB fund is that we are currently at funding levels better than 75% of all

surveyed towns in Ct. Indeed, 57% of Towns have no OPEB fund at all. Accordingly, although the OPEB debt will undoubtedly increase, this should have no impact on our ranking with the rating agencies.

I hope you find these answers helpful.

**From:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>  
**Sent:** Wednesday, October 7, 2020 10:45 AM  
**To:** Schmitt, Jared <[JSchmitt@fairfieldct.org](mailto:JSchmitt@fairfieldct.org)>; Haselkamp, James <[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)>; Cummings, Mike <[MCUMMINGS@fairfieldschools.org](mailto:MCUMMINGS@fairfieldschools.org)>; Bremer, Tom <[TBremer@fairfieldct.org](mailto:TBremer@fairfieldct.org)>  
**Subject:** Fwd: VERIP request

Please see below some questions from Representative Vergara regarding the VERIP.

**Karen Wackerman**

**RTM Moderator**

**RTM District 7 Representative**

**203-984-1673**

----- Forwarded message -----

**From:** Jill Vergara <[jillvergara@gmail.com](mailto:jillvergara@gmail.com)>  
**Date:** Wed, Oct 7, 2020 at 9:04 AM  
**Subject:** Re: VERIP request  
**To:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

Madam Moderator, through you to Mr. Schmitt and/or Mr. Bremer, Mr. Haselkamp, and Mr. Cummings:

1). Considering the cliffs built into the budget from last year, I would like to see what the baseline increase for the town budget is in this next coming fiscal year. I have also heard warnings by Superintendent Cummings about high costs (related to technology and Covid precautions) that must be addressed by the budget this year. Has there been any indication of what the Board of Education's baseline increase this year will be?

2). A Matrix study was done a decade or so ago which details organizational deficiencies and makes recommendations for structural improvements. Has Mr. Haselkamp reviewed this study? Can we please be provided with this study?

3). Questions related to the 2009 early retirement package

a) Please provide the total pension liability, ADEC and funding ratio for the year immediately preceding and two years following the 2009 Early Retirement program

b) Same for OPEB

c) How much of the changes in liabilities, ADEC and funding ratio do you attribute to the early retirement program?

Thank you in advance.

Jill

Jill Vergara

*Majority Leader, Fairfield RTM*

*Representative, RTM District 7*

(203) 292-8115 (home)

(203) 993-5592 (cell)

On Wed, Oct 7, 2020 at 8:17 AM Jill Vergara <[jillvergara@gmail.com](mailto:jillvergara@gmail.com)> wrote:

Madam Moderator, through you to Mr. Schmitt and/or Mr. Bremer, Mr. Haselkamp, and Mr. Cummings:

1). Considering the cliffs built into the budget from last year, I would like to see what the baseline increase for the budget is in this next coming fiscal year. I have also heard warnings by Superintendent Cummings about high costs (related to technology and Covid precautions) that must be addressed by the budget this year. Has there been any indication of what the Board of Education's baseline increase this year will be?

2). A Matrix study was done a decade or so ago which details organizational deficiencies and makes recommendations for structural improvements. Has Mr. Haselkamp reviewed this study? Can we please be provided with this study?

Thank you.

Jill

Jill Vergara

*Majority Leader, Fairfield RTM*

*Representative, RTM District 7*

(203) 292-8115 (home)

(203) 993-5592 (cell)

**From:** [Karen Wackerman](#)  
**To:** [Browne, Betsy](#)  
**Subject:** Fwd: Questions re: VERIP (some new, some unanswered from last week)  
**Date:** Saturday, October 10, 2020 1:13:10 PM  
**Attachments:** [VERIP ELIGIBILITY.pdf](#)

---

Hi Betsy -

Please add this email to the public documents for the VERIP matter on the RTM site. I will be sending some more as well. Thanks!

Karen

**Karen Wackerman**  
**RTM Moderator**  
**RTM District 7 Representative**  
**203-984-1673**

----- Forwarded message -----

**From:** **Karen Wackerman** <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>  
**Date:** Sat, Oct 10, 2020 at 1:10 PM  
**Subject:** Fwd: Questions re: VERIP (some new, some unanswered from last week)  
**To:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

To the RTM:

Please see below additional information provided by Mr. Haselkamp regarding the VERIP.

Karen

**Karen Wackerman**  
**RTM Moderator**  
**RTM District 7 Representative**  
**203-984-1673**

----- Forwarded message -----

**From:** **Haselkamp, James** <[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)>  
**Date:** Sat, Oct 10, 2020 at 1:05 PM  
**Subject:** RE: Questions re: VERIP (some new, some unanswered from last week)  
**To:** Wackerman, Karen <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>  
**Cc:** Baldwin, James <[jbaldwin@cbklaw.net](mailto:jbaldwin@cbklaw.net)>, Kupchick, Brenda <[BKupchick@fairfieldct.org](mailto:BKupchick@fairfieldct.org)>, Bertolone, Jackie <[JBertolone@fairfieldct.org](mailto:JBertolone@fairfieldct.org)>, Vergara, Jill <[jillvergara@gmail.com](mailto:jillvergara@gmail.com)>

Karen, I have consulted with the Town Attorney and he has consulted with FOIA, and we do not believe it is appropriate to release the requested information. If provided it would allow for the

determination of those who are eligible for the program. While I understand you are not requesting names, the remaining information provides sufficient detail to identify folks and could lead to privacy issues as well as impermissible inquiries and liability for the Town. However, to provide the RTM with a snapshot of the group demographics, attached please find aggregated information for those eligible employees by pension type, union, years of service, number of eligible employees and age and salary ranges. We hope this assists in this regard, Jim



**From:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>  
**Sent:** Wednesday, October 7, 2020 12:09 PM  
**To:** Haselkamp, James <[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)>  
**Cc:** Kupchick, Brenda <[BKupchick@fairfieldct.org](mailto:BKupchick@fairfieldct.org)>; Vergara, Jill <[jillvergara@gmail.com](mailto:jillvergara@gmail.com)>; Iacono, Pamela <[pamelaiacono4fairfield@gmail.com](mailto:pamelaiacono4fairfield@gmail.com)>; Grauer, Rick <[rickgrauer@keenecribs.com](mailto:rickgrauer@keenecribs.com)>  
**Subject:** Re: Questions re: VERIP (some new, some unanswered from last week)

Jim -

We do not need the actual names, as I have said before. The question many people are asking is what the positions are, ages, and what the salaries are. This is public information.

I think the fact that many members of the RTM have asked for this information indicates that they feel there is a valid purpose. It's very puzzling that it is an issue for the administration to release this. We do not want to have to go through a FOIA request to obtain this information. Please send it.

Karen

**Karen Wackerman**

**RTM Moderator**

**RTM District 7 Representative**

203-984-1673

On Wed, Oct 7, 2020 at 12:02 PM Haselkamp, James <[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)> wrote:

The information is not publicly available and we have determined there is no valid purpose to release the list. This assessment is also shared by the union leadership and I believe most of the employees. If you want to articulate the need for the actual names, I will discuss it further with the unions. Jim

**From:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

**Sent:** Tuesday, October 6, 2020 12:00 PM

**To:** Haselkamp, James <[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)>; Kupchick, Brenda <[BKupchick@fairfieldct.org](mailto:BKupchick@fairfieldct.org)>

**Subject:** Fwd: Questions re: VERIP (some new, some unanswered from last week)

Jim -

Please see below some questions from Representative Grauer. Please note that he asks, as did Rep. Vergara in her question 2 below, for the details regarding the employees who would be eligible for the VERIP. Please provide that information as it is publicly available. Thank you.

Karen

**Karen Wackerman**

**RTM Moderator**

**RTM District 7 Representative**

**203-984-1673**

----- Forwarded message -----

**From:** Rick Grauer <[rickgrauer@keenecribs.com](mailto:rickgrauer@keenecribs.com)>

**Date:** Mon, Oct 5, 2020 at 10:17 PM

Subject: RE: Questions re: VERIP (some new, some unanswered from last week)  
To: Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

Madam Moderator,

What are the requirements to take advantage of the early retirement? This would help everyone better understand the acceleration of pension funding. While this may have been previously presented I think it has gotten lost in all of the discussions lacking a clear summary.

Is it possible to get a breakdown of the eligible individuals or positions and their **nearness to normal retirement?** This could help us better understand the acceleration. This information perhaps in a spread sheet or graph could help everyone better understand the possibilities.

If one were to take early retirement on their Social Security they usually also elect to take a smaller monthly pay out. Are we talking full monthly payout at early retirement?

All of the employees are entitled to their pension at retirement but I am not sure the **incremental** costs are being clearly presented or are they the annual \$1,003,078 or \$501,539 costs depending on the number and positions who take advantage of the presented plan?

Rick Grauer

District 9

**From:** Karen Wackerman [mailto:[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)]

**Sent:** Monday, October 05, 2020 7:03 PM

**To:** Rick Grauer <[rickgrauer@keenecribs.com](mailto:rickgrauer@keenecribs.com)>

**Subject:** Re: Questions re: VERIP (some new, some unanswered from last week)

Hi Rick -

The attachment isn't anything relevant. I can't open it either. I think it's a logo or something.

Karen

**Karen Wackerman**

**RTM Moderator**

**RTM District 7 Representative**

**203-984-1673**

On Mon, Oct 5, 2020 at 6:56 PM Rick Grauer <[rickgrauer@keenecribs.com](mailto:rickgrauer@keenecribs.com)> wrote:

The attachment comes in as windmill and not readable

**From:** Karen Wackerman [mailto:[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)]

**Sent:** Monday, October 05, 2020 6:01 PM

**To:** Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

**Subject:** Fwd: Questions re: VERIP (some new, some unanswered from last week)

To the RTM:

Another response to Rep. Vergara's questions.

Karen

**Karen Wackerman**

**RTM Moderator**

**RTM District 7 Representative**

203-984-1673

----- Forwarded message -----

From: **Schmitt, Jared** <[JSchmitt@fairfieldct.org](mailto:JSchmitt@fairfieldct.org)>

Date: Mon, Oct 5, 2020 at 3:39 PM

Subject: RE: Questions re: VERIP (some new, some unanswered from last week)

To: Haselkamp, James <[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)>, Wackerman, Karen <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

Cc: Kupchick, Brenda <[BKupchick@fairfieldct.org](mailto:BKupchick@fairfieldct.org)>

Hi Karen,

Here is a response to question number 4:

Question #4: Where in the budget will the vacation amounts be drawn from in the current fiscal year? (Originally Question #3a); Rep. Messina Question #5 (email dated 9/30/20): “What is the plan with respect to the budget to cover the costs incurred this year?”

The VERIP Financial Summary document shows that the costs and savings of the VERIP result in a NET Cost of \$76,548 in the current fiscal year.

The reality is that many of the positions will remain vacant until at least February 1st; therefore, we expect that there will be at least a month’s worth of vacancy savings.

To give a sense of the magnitude of vacancy savings:

If half of the eligible employees were to opt into VERIP and those positions remained vacant for a month, we would save \$180,210

In this scenario, the remaining cost of \$76,548 would be more than offset by vacancy savings of \$180,210.

NET Cost of VERIP as Proposed:	\$76,548
Additional Offsetting Vacancy Savings:	\$180,210

Jared

From: Haselkamp, James

Sent: Monday, October 5, 2020 3:29 PM

To: Wackerman, Karen <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>

Cc: Schmitt, Jared <[JSchmitt@fairfieldct.org](mailto:JSchmitt@fairfieldct.org)>; Kupchick, Brenda <[BKupchick@fairfieldct.org](mailto:BKupchick@fairfieldct.org)>

Subject: FW: Questions re: VERIP (some new, some unanswered from last week)

Karen, please see responses below. Jim

From: Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)<mailto:[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>>  
Sent: Monday, October 5, 2020 11:13 AM  
To: Haselkamp, James  
<[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)<mailto:[JHaselkamp@fairfieldct.org](mailto:JHaselkamp@fairfieldct.org)>>  
Subject: Fwd: Questions re: VERIP (some new, some unanswered from last week)

Jim -

Can you please respond to the questions below?

Karen

----- Forwarded message -----

From: Jill Vergara <[jillvergara@gmail.com](mailto:jillvergara@gmail.com)<mailto:[jillvergara@gmail.com](mailto:jillvergara@gmail.com)>>  
Date: Mon, Oct 5, 2020 at 10:37 AM  
Subject: Questions re: VERIP (some new, some unanswered from last week)  
To: Karen Wackerman <[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)<mailto:[karenrtm7@gmail.com](mailto:karenrtm7@gmail.com)>>

Questions for Mr. Haselkamp re: VERIP

1. Clarifications on VERIP Financial Summary submitted to RTM on 10/1/20
  - a) Please specify how many years each of the subcategories of costs will recur

- i. Vacation/comp time payout--2 years

Two years

- ii. 401A--?? (stated that it "will go on for years")

It goes on because we have closed the DB pension plan as such new hires receive a 401A contribution, accordingly that cost continues on until they leave employment, which is the case for any new hire

- iii. Pension and OPEB--21 years

I don't understand this reference as previously noted the liability number is amortized over 21 similar to a mortgage.

- iv. waiver of retiree health care contribution--3 years (what does "\*\*8" denote?) that was a typo the 8 should have been an aesterick.

- b). For how long can we anticipate the specified savings (based on hiring people with less seniority (which is questionable for departments like engineering)) into the future? As I previously explained, the savings estimate is determined by assuming new hires will be employed step 1 placement for Thea and DPW, with the savings is associated with the difference between current salary and step 1. In PETA, I assumed a Step 3 placement because of the issues with the wage scale spread. This was outlined in the last financial impact summary.

- c). What caused the difference in projection for OPEB impact? (original chart listed net impact as \$1.2M (50% = \$603K); new chart lists net impact as \$587K (50% = \$294K) As I indicated the initial number was the one year cost associated with moving those folks to the OPEB plan. Folks on the RTM wanted to know the aggregate costs so we had an actuarial determination of the liability and the level of funding necessary for that liability over time. The \$587,000 reflects the annual contribution for that liability

over time if everyone elects and the 294K reflects the amount if roughly half or 50% elect.

d). Please explain footnote "Contribution Not Made to OPEB Trust"

The footnote reflects that portion of the agreement that allows for the waiver of retiree health contribution into the OPEB trust.

2. Information related to 55 eligible employees--it is publicly available info and we should be provided with it

- a). specific job positions
- b). breakdown based on departments
- c). current salaries

3. Explain strategy in offering the older employees (who are closer to retirement) a better package. Wouldn't incentivizing younger employees to retire early save the town more money in the long run? It's not a better package. How would having folks retire early and be on our health insurance earlier save money?

4. Where in the budget will the vacation amounts be drawn from in the current fiscal year? (Originally Question #3a); Rep. Messina Question #5 (email dated 9/30/20): "What is the plan with respect to the budget to cover the costs incurred this year?" Answer to be forwarded from CFO Jared Schmitt.

5. Please specify current funding level of the pension fund and the projected funding level should we approve this VERIP (Originally Question #3c) Current funding level for the Town plan is 83.7% as of 7/1/2019. The projected funding level is a function of many variables so I cannot project this number at this time.

6. Have you considered offering lump-sum payments instead of an early retirement scheme that adds to our ballooning longterm liabilities? If considered and ruled out, why? Yes it was considered and it was determine the level of interest would not be sufficient.

7. I do not recall being given a list of the 5-6 towns where you have been involved in VERIPs. Can you please restate? If you are aware of costs of VERIPs in these other towns, that info would be much appreciated. I believe Rep. Alianello asked whether there was any measurement of outcome/success—please answer if possible.

As previously noted, we offered a ER plan in Stamford, there may have been two different offerings, Norwalk and Trumbull and now here. With respect to measurement that would not have been within my purview.

8. I await answers to Rep. Gerber's questions dated 9/30/20, as well as Rep. Messina's question #4: "What is the financial benefit of the plan to the town?" More efficient, responsive and accountable government along with hiring folks at lowers steps. (analysis already provided)

Jill Vergara

Majority Leader, Fairfield RTM

Chair, RTM Senior & Disabled Tax Relief Committee

Representative, RTM District 7

(203) 292-8115 (home)

(203) 993-5592 (cell)

--

Karen Wackerman

Moderator

Fairfield Representative Town Meeting

RTM Representative, District 7