

EILEEN M. BLACKWOOD, ESQ.  
City Attorney  
EUGENE M. BERGMAN, ESQ.  
Sr. Assistant City Attorney  
RICHARD W. HAESLER, JR., ESQ.  
Assistant City Attorney  
KIMBERLEE J. STURTEVANT, ESQ.  
Assistant City Attorney  
JUSTIN ST. JAMES, ESQ.  
Assistant City Attorney  
ANTHEA DEXTER-COOPER, ESQ.  
Assistant City Attorney



149 Church St., Room 11  
Burlington, VT 05401-8489  
Phone: (802) 865-7121  
Fax: (802) 865-7123

CITY OF BURLINGTON, VERMONT  
OFFICE OF  
THE CITY ATTORNEY  
AND  
CORPORATION COUNSEL

**MEMORANDUM**

To: City Council  
From: City Attorney Eileen Blackwood  
Re: Changes to Retirement Ordinance  
Date: December 14, 2017

In January 2016, the Mayor sent all non-union employees a memorandum indicating that the Administration intended to implement changes to the Burlington Employees Retirement System that had been developed over a two-year period to assist in stabilizing the system. Some of those changes were able to be implemented immediately, while others required changes to the retirement ordinance.

In addition, the Administration has been working on comprehensive changes to the retirement ordinance and had hoped to bring these forward in 2017. That revision has taken longer than expected, and the Administration now proposes that some of the changes announced by the Mayor be implemented without waiting for the full revision.

These changes, most of which have already been implemented for union employees, include:

- Reducing the interest paid on accumulated contributions from 5.5% to 2% as of Jan. 1, 2018;
- Establishing the vesting period as five years instead of seven years, and eliminating partial vesting (except for those employees who are already partially vested) retroactive to July 1, 2017;
- Increasing the average final compensation from three years to five years, for employees hired after Jan. 1, 2018;
- Allowing an employee who leaves employment but returns within one year to resume their prior pension;
- Capping the annual cost of living adjustment at 2.75% instead of 5% for employees not yet retired.

The BERS board unanimously approved and recommended approval to the Council at its meeting on December 21, 2017. The Council is now asked to adopt the following motion:

- To consider this a first reading and refer the attached changes to the Burlington Code of Ordinances § 24-14, 24-21, 24-22, 24-26, 24-40, and 24-42 (the retirement ordinance) to the Ordinance Committee.