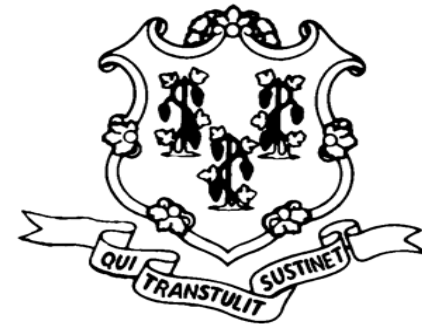


CONNECTICUT
MUNICIPAL EMPLOYEES
RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION



Revised to July 1, 2007

YOUR RETIREMENT PLAN

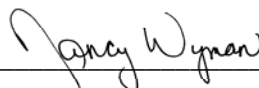
RETIREMENT...IT'S NOT SO FAR AWAY

Regardless of your age, it is never too early or too late to think about retirement. Maintaining your pre-retirement standard of living usually requires income from several different sources. Your employer understands this and provides you with retirement coverage through the Connecticut Municipal Employees Retirement System (CMERS).

The CMERS is a multi-employer pension plan that is administered by the Connecticut State Retirement Commission and operated in accordance with the provisions of Title 7 of the Connecticut General Statutes. The CMERS has been serving Connecticut's municipalities since 1947.

This booklet describes the plan's main provisions as clearly as possible with minimal use of technical words and phrases. Please read this booklet carefully so that you understand the benefits available to you and your family. If you have any questions about the CMERS after reading this booklet, you should first contact your personnel office. For further information, contact:

Retirement & Benefit Services Division
Connecticut Municipal Employees Retirement System Unit
Office of the State Comptroller
55 Elm Street
Hartford, CT 06106



Nancy Wyman
Comptroller,
State of Connecticut



Thomas C. Woodruff, Ph.D.
Director, Retirement &
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**CONNECTICUT MUNICIPAL EMPLOYEES
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MEMBERSHIP

IF YOUR DEPARTMENT PARTICIPATES IN THE CMERS, MOST EMPLOYEES ARE AUTOMATICALLY MEMBERS

Member

In general, you are a member of this plan if you are a regular employee of a municipal department that participates in the CMERS. In addition, some municipalities cover certain elected positions, employees of free public libraries that receive municipal funding, and housing authority employees.

You must customarily work at least 20 hours a week to qualify for membership. If you are a Police Officer or Firefighter hired over the age of 60, you are not eligible to be a member in the plan. Your municipality may place additional restrictions on CMERS eligibility, such as limiting CMERS membership to full-time employees.

This plan does not cover municipal teachers. Instead, teachers are covered by a separate State pension plan. This plan does not cover employees holding positions funded completely or partially by the federal government as part of an employment program or a job training program.

Who Administers The Pension Fund

The State Retirement Commission is responsible for the administration of the CMERS. This Commission oversees the CMERS and other State retirement systems. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members.

When Membership Begins

If you meet the membership requirements, you automatically become a member and contributions to the plan will be deducted from your pay. In most instances, you become a plan member on your date of hire, the day you commence your employment. If your municipality has a probationary period approved by the State Retirement Commission, your date of plan membership is the day after you complete the probationary period and begin contributing to the plan.

Counseling Services

In addition to the personnel office at your municipality, the Office of the State Comptroller provides retirement counseling services to CMERS members through its Retirement & Benefit Services Division, CMERS Unit, located at 55 Elm Street, Hartford, Connecticut 06106. For more information please contact the CMERS Unit at (860) 702-3500.

OTHER INFORMATION

Compensation Limitation

Federal law operates to impose a limitation on earnings covered for retirement purposes. For calendar year 2007, the limit is \$225,000; this amount may be adjusted on an annual basis.

Assignment Of Benefits

You may not use your CMERS Plan interests as collateral or security for a loan.

Reporting And Disclosure

You or your representative have the right to inspect and obtain copies of all plan documents. You must pay a reasonable charge for such copies.

You should receive a summary plan description when you commence membership in the CMERS. You will be notified of any substantial plan changes within 210 days after their effective date. Each year you will receive a retirement contribution statement.

A FINAL NOTE

This booklet is designed to help you understand your retirement benefits. It summarizes the more important provisions of the CMERS. It is not intended to give you complete details on all plan provisions. If there is any conflict in wording between the law and this booklet, the official wording of the law will govern.

WHEN YOU ARE READY TO RETIRE

The Application Process

You must contact the personnel office of your employing municipality, in writing, to request the preparation of your "Application for Retirement Benefits" and other related retirement forms. You should allow a reasonable amount of time for this process, which is generally considered to be 2 to 3 months prior to your intended date of retirement. Because of the 90-day protection window explained in the section entitled "Survivor Benefits", you should not execute your retirement forms prior to 90 days from your requested retirement date. Your retirement application and all accompanying documentation should be received by the CMERS Unit before the effective date of your retirement.

You will need to provide to your municipality copies of:

- Your birth certificate
- Your contingent annuitant's birth certificate, if applicable
- If married, your marriage certificate (or civil union certificate)

You will need to make a benefit payment (option) election as described in the "Benefit Payment Options" section.

You are required to complete a form entitled "Spouse Waiver of Monthly Survivor Benefits" attesting to your marital status. If you have been married for at least one year as of your requested retirement date and elect an option that, following your death, will not provide your spouse with a guaranteed lifetime monthly benefit, your spouse must provide written consent, with proper witness certification, on this waiver form.

Please note: The term "spouse" is also intended to mean "civil union partner" whenever it appears herein.

If you are making application for a disability retirement, you must provide in addition to the aforementioned items, a form entitled "Disability Retirement Application Medical Report" as completed by your treating physician, as well as the supporting documentation addressed in the section entitled "Disability Retirement".

If you would like your retirement benefit check electronically deposited to your account at your financial institution, you will need to complete with your financial institution's representative a "Retirement - Direct Deposit Authorization and Input Form".

CONTRIBUTIONS TO THE PLAN

YOU AND YOUR EMPLOYER SHARE THE COST OF YOUR RETIREMENT BENEFITS

Your Contributions

Your contributions to the plan will be deducted from your pay each pay period. The amount you contribute depends on whether or not your employment is covered by Social Security.

If your employment *is not* covered by Social Security:

- You contribute 5% of your pay.

If your employment *is* covered by Social Security:

- You contribute 2¼% of the portion of your pay on which Social Security taxes are withheld; and
- You contribute 5% of the portion of your pay on which Social Security taxes are not withheld.

If your municipality has elected to do so, your contributions will be made on a pretax basis.

Your pay for CMERS contribution and benefit purposes is your salary, wages and earnings including overtime payments. Also, you must make CMERS contributions on Workers' Compensation payments (other than specific indemnity awards). Additionally, CMERS contributions are required on the imputed value of certain non-cash payments, such as board, lodging, fuel or laundry provided to you by your municipality. The imputed value of those non-cash payments is reported to the Internal Revenue Service as part of your taxable income. Lump sum payments that are not part of your regular earnings, such as accumulated sick and vacation payments, are not subject to CMERS contributions.

Contributions By The Municipality

Your contributions pay only a part of the cost of your retirement benefits. Your municipality makes contributions at rates set by the State Retirement Commission to fund the remaining cost. The municipality also contributes toward the administrative costs of the plan.

Your municipality will also pay your contributions if you are a CMERS member and serve in a branch of the armed forces while the United States is at war or in a national emergency, and are reemployed within six months of your discharge. The six-month period for reemployment may be extended if you are disabled as a result of such military service.

Your Beneficiary

When you first enroll as a member, you designate your beneficiary(ies) who, if entitled, will receive your CMERS contributions and interest in the event of your death. You may change this designation at any time. Consider making a change in your beneficiary designation whenever there is a birth, death, marriage or divorce in your family. It is important to have your beneficiary designation up to date. See your personnel office to change your beneficiary designation.

SERVICE INFORMATION

THE PLAN DISTINGUISHES BETWEEN ACTIVE SERVICE AND AGGREGATE SERVICE

Types Of Service

Active service: Periods when you are actively working and contributing to the CMERS. Additionally, if your municipality did not participate in the CMERS when you were hired, but subsequently joined the CMERS, you may receive credit for your service from your date of hire, less any applicable probationary periods, to your date of CMERS membership provided the appropriate payments were made by the municipality.

You will resume membership in the CMERS and receive additional service credit for this period of reemployment when you next retire. In either case, it is your responsibility to notify the CMERS Unit of your reemployment.

SPECIAL BENEFITS FOR POLICE OFFICERS AND FIREFIGHTERS

Heart And Hypertension Benefits

Special recognition has been given to the effects of heart disease and hypertension on certain uniformed Police Officers and Firefighters. Police Officers and Firefighters hired before July 1, 1996 who successfully passed a physical examination when hired which failed to show evidence of heart disease or hypertension and who later suffer death or disability due to heart disease or hypertension, are presumed to have incurred the condition on the job. In these cases, they or their survivors are entitled to the death or job related disability provisions of the CMERS.

Police Officers and Firefighters hired on or after July 1, 1996 are not eligible for this special heart and hypertension provision.

Additional Death Benefits For Police Officers And Firefighters

In addition to the CMERS, some municipalities participate in another separate fund called the Policemen and Firemen Survivors' Benefit Fund, which is also administered by the State Retirement Commission.

Police Officers and Firefighters, who are separately covered under this fund, contribute 1% of their compensation and are entitled to additional benefits at death. These supplemental benefits are paid to survivors of full-time Police Officers or Firefighters who die either before or after retirement. The CMERS Unit should be immediately notified of the death of a participating Police Officer or Firefighter so that survivor benefits, if any, may commence in a timely manner.

COST OF LIVING ADJUSTMENT

BENEFITS ARE ADJUSTED ANNUALLY TO OFFSET RISING COSTS OF LIVING

You will be eligible for an annual cost of living adjustment (COLA) payable on the July 1st following your retirement date and each July 1st thereafter. Your contingent annuitant will also continue to receive annual COLAs following your death.

The COLA for non-disability retirements will range from a minimum 2.5% to a maximum of 6% based on a formula which takes into account a portion of the increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the 12 months immediately preceding your COLA anniversary date.

Specifically, the COLA will be determined in accordance with the following formula:

- 60% of the annual increase in the CPI-W up to 6%
- plus
- 75% of the annual increase in the CPI-W above 6%

For disability retirements, the COLA will range from a minimum of 3% to a maximum of 5% based upon the performance of the fund's investments.

REEMPLOYMENT AFTER RETIREMENT

If you are reemployed in a temporary position in a CMERS participating municipality after you have retired, you may work no more than 90 days in any one calendar year without affecting your pension rights. If you exceed the 90 days, you must reimburse the CMERS for all retirement benefits received during your reemployment period. If you are reemployed by a CMERS participating municipality in a permanent position after retirement, your pension payments and benefits will cease.

If you are a CMERS member and join a branch of the armed forces while the United States is at war or in a national emergency, and are reemployed within six months of your discharge, you will receive credit for that period of service for retirement purposes as if you were continuously employed by the municipality. The municipality will pay your contributions for the period. The six-month period for reemployment may be extended if you are disabled as a result of such military service.

Aggregate service: Any service that you may have purchased for periods when you were not actively working for a participating municipality. (See the following section on purchase opportunities for further information.)

Information On Purchase Opportunities

In order to purchase additional retirement credit you must submit a written request with all required documentation to the CMERS Unit. You will either be sent an invoice to complete the purchase or a letter explaining why you do not qualify.

Requesting a purchase does not obligate you to pay the invoice. However, no credit is allowed for any purchase unless all the required contributions and interest have been paid.

It is important to note that no credit shall be granted for any period of service for which any municipal or state governmental unit is or will be paying a retirement benefit or if such credit would result in multiple service credit for the same period of service.

The following summarizes important information about purchase opportunities:

1. Restoring Prior CMERS Retirement Credit

- Description: All retirement credit obtained in the CMERS for which you were refunded your contributions and interest
- Documents required: A written request
- Application deadline: Prior to retirement

- Payment deadline: As outlined on the invoice you will receive from the CMERS Unit
- Type of credit allowed: Active

2. Prior Military Service

- Description: Active duty served during war-time in any branch of the armed forces of the United States for which you received an honorable discharge
- Documents required: A written request and a DD-214 from the federal government and your first twelve months wages reported by your employer
- Application deadline: Within one year of employment with a participating municipality
- Payment deadline: As outlined on the invoice you will receive from the CMERS Unit
- Type of credit allowed: Aggregate

3. Prior State of Connecticut Service

A. Restoration of contributions withdrawn from the State Employees Retirement System

- Description: Period(s) of prior employment with the State of Connecticut during which time you were a contributing member of Tier I of the State Employees Retirement System, and subsequent to your separation from State Service, you received a refund of your contributions
- Documents required: A written request
- Application deadline: Within one year of your employment with a participating municipality

Leaving Employment Without Vested Rights

When you leave employment before you become vested, you may elect one of the following choices:

1. You may elect to take a lump-sum refund of your retirement contributions. This amount will include interest at 5% per year credited from July 1, 1983 or the July 1st following the date you began contributing to the CMERS, whichever is later, to the July 1st coincident with or preceding the date you leave municipal service. You should request, from your personnel office, the preparation of an application for refund of retirement contributions. Your completed and signed refund application should be sent to the CMERS Unit.
2. You may elect to leave your retirement contributions in the CMERS and retain your CMERS service credit. You may want to consider this option if you plan to participate in the CMERS through other employment opportunities. If you do not request a refund within 10 years of your termination, your contributions and interest will revert to the CMERS Fund.

Special Notes

If you do not withdraw your contributions following your termination of employment, your prior service will be counted toward your active years of service if you become reemployed in a CMERS covered position. If you do withdraw your contributions, your prior service will not count unless the withdrawn contributions are repaid with interest.

