

## EXECUTIVE SUMMARY

### CITY OF STAMFORD

### AND STAMFORD PROFESSIONAL FIREFIGHTERS' ASSOCIATION, LOCAL 786, IAFF

October 24, 2023

The City of Stamford and the Stamford Professional Firefighters' Association, Local 786, IAFF reached a six-year successor agreement to the agreement that expired on June 30, 2019. The parties commenced negotiations on January 8, 2020, employed the assistance of a mediator, and thereafter continued further negotiations in reaching this six-year agreement.

The general wage increases negotiated are within the ranges negotiated recently for comparable municipalities and reflect the recent higher inflationary trends. With this group of employees moving to the State Partnership Plan (SPP) on January 1, 2024, all active employees will now have the SPP as their medical insurance plan. The savings includes three components, lower SPP premiums over current premiums, increase in employee cost share of 1% in 2023 and another 1% in 2024, and termination of the City's HSA contribution to employee accounts.

The addition of a Deputy Chief will provide for an improved span of control on each shift with one Deputy responsible for north Stamford and the other for the downtown area. The Deputy Chief is the incident commander at a fire scene. Having the incident commander arriving as soon as possible is key to a favorable outcome as the first actions taken will dictate the outcome of the incident. With the new Deputy Chief being located in north Stamford, it will drastically reduce response times in that part of the city. The second arriving Deputy Chief at an incident will become the safety officer on scene. Currently an officer from the training division is required to respond as the on-scene safety officer. During off hours this officer responds from his home, which may be out of town, thereby delaying the arrival of the safety officer to the scene. The second Deputy Chief will provide the department with the opportunity to manage multiple major incidents at the same time. The second Deputy Chief will also provide a more effective interface with the volunteers and better utilization of their resources. Overall, the second Deputy Chief will make it safer for the firefighters and improve public safety.

We believe that this agreement is a fair and reasonable outcome to all parties.

A summary of the major terms of the agreement and associated cost are highlighted below.

- **Term:** July 1, 2019 – June 30, 2025.
- **Wages:** July 1, 2019 – 0.5%, January 1, 2020 – 1.25%, July 1, 2020 – 2.5%, July 1, 2021 – 2.5%, July 1, 2022 – 3.0%, July 1, 2023 – 3.125% and July 1, 2024 – 3.125%.  
(see attached cost analysis)
- **Retiree Medical:** Modified the premium cost share for retiree medical insurance for firefighters hired after July 1, 2016, to 33.33% replacing the sliding scale based on years of service (see Milliman cost analysis attached).

- **Active Medical Insurance:**
  - (i) Effective July 1, 2023, an increase of 1% to 12% and effective July 1, 2024, an increase of 1% to 13%.
  - (ii) Employees shall migrate to the State Partnership Plan effective January 1, 2024.  
**(FY23-24 \$802,728 in premium savings, \$416,000 City HSA Contribution savings; total savings \$1,218,728.**  
**FY24-25 \$1,589,361 in premium savings, \$416,000 City HSA Contribution savings; total savings \$2,005,361).**
- **Staffing:** Effective July 1, 2024, increase the number of Deputy Chiefs on duty to two from one, including Deputy Chief Aides **(FY24-25 \$1,122,094).**
- **Recognition:** Remove the position of Fire Marshal from the bargaining unit to the pay plan.
- **Salary Schedule:** Provide for salary parity for the Assistant Fire Marshal with the Deputy Fire Chiefs **(FY23-24 \$10,259, FY24-25 \$21,139).**

MEMORANDUM OF AGREEMENT  
BETWEEN  
THE CITY OF STAMFORD  
AND  
THE STAMFORD PROFESSIONAL FIREFIGHTERS' ASSOCIATION, LOCAL 786, IAFF

The City of Stamford and the Stamford Professional Firefighters, Local 786, IAFF have concluded negotiations on a successor agreement to the agreement that expired on June 20, 2019. The parties have reached a complete agreement on the following negotiating proposals with all other proposals being withdrawn.

1. Duration: July 1, 2019 through and including June 30, 2025.

2. Wages:	July 1, 2019	0.5%
	January 1, 2020	1.25%
	July 1, 2020	2.5%
	July 1, 2021	2.5%
	July 1, 2022	3.00%
	July 1, 2023	3.125%
	July 1, 2024	3.125%

3. Medical Insurance: Amend Article XIX as follows effective January 1, 2023:

“1. Health. A. The City agrees to provide medical benefits to each individual employed under the terms of this collective bargaining agreement, along with their enrolled eligible dependents, ~~in accordance with a Pointy-of-Service (P.O.S.) plan design. The P.O.S. benefits provisions are set forth in Exhibit 1 attached to this Agreement. The current P.O.S. Plan will remain unchanged through December 31, 2016. Effective January 1, 2017, the P.O.S. Plan will end and employees will have~~ a High Deductible Health Plan/Health Savings Account (“HDHP/HSA”), and the benefits provision for this plan are set forth in Exhibit 1 attached to this Agreement. Selected elements of this HDHP/HSA are as follows:

- a. \$2,000/\$4,000 deductible.
- b. After deductible: Prescription \$5/\$25/\$40; mail order \$10/\$50/\$80 for ~~three-month~~ 90 day supply.
- c. The exclusion on autism will be removed under the short term rehabilitation provisions of the insurance plans such that employees can use short term rehabilitation for therapy visits, subject to the 30 day combined limit in the current plan.
- d. Employees not eligible for an HSA will have an HRA to which the City shall fund such account in an amount equal to 50% of the annual deductible.
- e. Coverage grid to remain the same as the P.O.S.

The health insurance coverage (including vision and dental) will be effective on the first of the month following the employee's date of hire.

B. Effective as soon as practicable, the HDHP/HSA shall be replaced with the Connecticut State Partnership Plan (SPP). Should any of the following occur, the City or the Union may reopen negotiations in accordance with MERA as to the sole issue of health insurance, including plan design and plan funding, premium cost share and/or introduction of replacement medical insurance in whole or in part:

(a) If the SPP in its current form is no longer available; or if the benefit plan design of the SPP is modified as a result of a change in the State's collective bargaining agreement with SEBAC, if such modifications would substantially increase (> 6%) the cost of the medical insurance plan offered herein. Reopener negotiations shall be limited to health insurance plan design and funding, premium cost share and/or introduction of an additional optional health insurance plan; and/or

(b) If Conn. Gen. Stat. Section 3-123rrr et seq. is amended, or if there are any changes to the administration of the SPP, or if additional fees and/or charges for the SPP are imposed so as to affect the City, any of which amendments, changes, fees or charges (individually or collectively) would substantially increase (> 6%) the cost of the medical insurance plan offered herein. Reopener negotiations shall be limited to health insurance plan design and funding, premium cost share and/or introduction of an additional optional health insurance plan; and/or

(c) In any negotiations triggered under the above as well as negotiations for a successor to this collective bargaining agreement, the parties shall consider the current High Deductible Health Plan with Health Savings Account to be the baseline for such negotiations, and the parties shall consider the following additional factors:

- Trends in health insurance plan design outside of the SPP;
- The costs of different plan designs, including a high deductible health plan structure and a PPO plan structure.

Should such negotiations be submitted to arbitration for resolution, the arbitration panel shall consider the foregoing in applying the statutory criteria in making its ruling.

The SPP contains a Health Enhancement Plan (HEP) component. All employees participating in the SPP are subject to the terms and provisions of the HEP. In the event SPP administrators impose a HEP non-participation or noncompliance per month premium cost increase or annual deductible, those sums shall be paid 100% in their entirety by the nonparticipating or non-compliant employee. No portion or percentage shall be paid by the City. The per month premium cost increase shall be implemented through payroll deduction, and the annual deductible shall be implemented through claims administration.

Remove outdated medical appendices.

2. Dental and Optical: The City will provide a PPO dental plan as follows:

<u>Co-insurance</u>		<u>Deductible</u>	
Class A Expense	100%	Class A	None
Class B Expense	80%	Class B- <del>&amp; C</del>	\$50/\$100
Class C Expense	75%	<del>Orthodontics—None</del>	Class C
			<del>\$50/\$100</del>
Orthodontics	50%	Orthodontics	None

Maximums

Annual Max ~~\$1,500~~ 2,000 per covered employee/dependent  
~~Effective 7/1/06: Annual Max \$2000~~

Orthodontics ~~\$2,050~~ lifetime/per covered employee/dependent  
~~Effective 7/1/06: Lifetime maximum \$2500~~

~~Effective January 1, 2004,~~ The City shall provide and pay for an optical plan, which shall yearly provide the following benefits for the employee and his/her enrolled dependents:

\$ 62.50	for eye exams
\$125.00	for eyeglass frames
\$ 55.00	for single lenses
\$ 90.00	for bifocal lenses
\$125.00	for progressive lenses
\$135.00	for trifocal lenses
\$225.00	for contact lenses (when medically

prescribed)

3. Life Insurance. ~~The present contribution (\$.07 cents per week per thousand dollars of benefit) made by employees toward premiums under the existing Group Life Insurance Plan shall continue and employees may elect life insurance coverage up to the lowest thousand level of the employee's yearly salary (e.g. if the employee earns \$16,500, he/she is entitled to life insurance up to the face value of \$16,000).~~

~~Effective July 1, 2006, the City will provide each employee with a term life insurance policy in an amount of seventy five thousand dollars (\$75,000) at no cost to the employee. The employee shall have the option of purchasing an additional \$25,000 supplemental life insurance at a cost of \$.03 per week per thousands.~~

~~Effective July 1, 2007,~~ The City will provide each employee with a term life insurance policy in an amount of one hundred thousand dollars (\$100,000) at no cost to the employee. The employee shall have the option of purchasing an additional \$25,000 supplemental life insurance at a cost of \$.03 per week per thousands.

The City shall provide and pay for Group Life Insurance plan in the face amount of Four thousand Dollars (\$4,000) for each retired employee.

4. Retiree Benefits.

A. Retiree Benefits

- i. Pre Age Sixty-Five (65): The City will make available the insurance plan applicable to active employees, providing for hospital and medical benefits, but not dental and optical, to employees who retire, with a pension from the City of Stamford Fire Fighters Retirement Fund.
- ii. Post Age Sixty-Five (65): ~~Effective July 1, 2016, u~~Upon a current or new employee's Medicare eligibility, the City will have the option to either maintain secondary health insurance or move to a supplemental plan such as Plan F with a prescription rider, not including dental or optical as outlined in the Summary Plan Description dated June 1996. The City maintains the option to switch back at any time without bargaining.

B. Retiree Costs

1. The following shall apply to employees employed as of July 1, 2016:

i. Retire Before Age Fifty-Five (55):

a. Cost to age 65: To receive medical coverage, the employee must pay one-third (33.33%) and the City will pay two-thirds (66.66%) of the cost of ~~such P.O.S. the medical and prescription drug~~ plan.

b. Cost Post 65: The retiree must pay one-third (33.33%) of the cost for the supplementary coverage as referenced in Section A(ii) above.

ii. Retire at or after Fifty-Five (55):

Individuals who retire on or before December 1, 2016, will be required to contribute \$21.66 per month toward the cost of such insurance. Individuals who retire after December 1, 2016, will be required to contribute \$85 per month toward the cost of such insurance.

2. The following shall apply to employees hired after July 1, 2016:

**The retiree shall pay 33.33% of the cost of premium with the city paying the balance.**

<u>Retiree Age</u>	<u>Employee Percentage</u>
<u>Pre Age 55:</u>	<u>50%</u>
<u>Age 55</u>	<u>50%</u>

Age 56	48%
Age 57	46%
Age 58	44%
Age 59	42%
Age 60	40%
Age 61	39%
Age 62	38%
Age 63	37%
Age 64	36%
Age 65	<b>retiree pays for Medicare Part B and City pays for supplemental plan</b>

3. Effective July 1, 2016, any current or future employees who retire on a disability pension will be required to contribute \$85 per month toward the cost of such insurance.
  4. Upon retirement at age 55 or older of a current active employee or retiree (by voluntary conversion to a HDHP HRA), the City will fund 75% of the HDHP HRA until age 65.
- C. Each employee hired prior to July 1, 2016, who retires and when sixty-five (65) years of age or older, shall receive premium reimbursement for coverage paid for under Medicare Part B. ~~The cost of such coverage shall be borne by the City of Stamford Fire Fighters Retirement Fund.~~ The City may, at its option, provide a Medicare Risk contract to retirees voluntarily, as an alternative to the supplemental coverage.
- D. The parties agree that individuals retiring from the City and electing to receive retiree insurance benefits under this section, may (at their option) maintain coverage for their eligible dependents. However, only the spouse at the time of retirement will be eligible for such spousal benefits before and after the employee's death. Individuals electing to retire will retire under and be subject to the terms and conditions of the collective bargaining agreement in effect at the time of their retirement.
5. Waiver of Coverage. An employee who is eligible for health benefits provided by the City and where such benefits are extended to his/her spouse and/or child(ren), the employee may voluntarily elect, subject to Section 125 of the Internal Revenue Code, to waive all medical/dental/vision benefits, and in lieu thereof, be remunerated an annual amount of seven hundred and fifty dollars (\$750), provided the employee has notified the Benefit Manager's Office during the enrollment period. In order to be eligible for this annual payment, the employee must provide evidence of similar coverage under another group health benefit program. If an eligible employee has waived his/her insurance benefits the previous year and does not notify the Benefit Manager's Office of his/her selection for the coming fiscal

year, the waiver will remain in effect. Payment for the waiver will be made in two (2) equal installments, six (6) months apart (January and July).

An eligible employee choosing this option shall be able to rescind such option during the annual open enrollment window period, or as a result of a change in “family status”. A change in “family status” results from the eligible employee’s marriage, divorce, birth or adoption of a child, death of a spouse or child, or the loss of other health benefit coverage. An employee wishing to change this waiver option must give the Benefit Manager’s Office at least fifteen (15) days advance written notice. If such option is rescinded, all prior rescinded coverage will become effective at the beginning of the month following the written notice to reinstate such coverage. An eligible employee who reinstates health benefits during the medical plan year must reimburse the City the money received for waiving such insurance coverage. In lieu of a lump sum payment, the employee may elect to reimburse the City by payroll deduction over a six (6) month period.

6. Employee Contributions.

Employees shall be required to contribute, pursuant to Internal Revenue Code Sec. 125, on a pre-tax payroll deduction basis eleven percent (11%) of the premium equivalent rate for their single, two-person (two [2] times single coverage), family coverage (two and one-half [2.5] times single coverage), respectively for the medical, dental, vision and prescription drug benefits ~~effective July 1~~. Deductions shall be made in equal amounts from each payroll check. It is presumed that as a member of the bargaining unit, individual payroll deduction authorizations are not required due to their representation by the union and the mandatory requirement of the employee to be eligible for medical, dental and vision benefits. **Effective July 1, 2023, the employee cost share shall increase to 12% of the premium or premium equivalent rate and effective July 1, 2024, to 13%.**

~~The foregoing eleven percent (11%) premium contribution shall be in effect for the duration of this Agreement, and will be applied to the P.O.S. Plan through December 31, 2016. Thereafter, the eleven percent (11%) premium contribution will be applied to the HDHP/HSA Plan as follows, in conjunction with the City’s funding of the deductible:~~

<del>PCS</del>	<del>City deductible funding</del>	
<del>1/1/17</del>	<del>11%</del>	<del>65%</del>
<del>1/1/18</del>	<del>11%</del>	<del>60%</del>
<del>1/1/19</del>	<del>11%</del>	<del>50%</del>

- 4. Article X Work Week: Amend Article X(2) and add a new paragraph 5 as follows:
  - 2. The work week of the employees in the Mechanical Division, Training Division, and the Fire Marshal Division shall continue to be on the same schedule as worked at the present time, ~~a day shift schedule of 0700 to 1600~~. ~~Effective within ten (10) days from~~



the final approval of this Agreement, the Evening working shift for the Fire Marshal Division shall be from 1100 hours to 2000 hours. During the term of this agreement, the City and the Union agree to revisit this change in the workday should either party identify work related issues affecting the performance of the division. Employees, as outlined below, required to perform standby duties shall receive an additional Twenty Dollars (\$20.00) per day for each day on which he/she performs such duties.

5. The personnel assigned to the Fire Marshal Division, Training Division and Mechanical Division shall be entitled to use time off in increments of one-third of a shift (3 hours) either commencing with the start of a shift or with the end of the shift when using a vacation day or holiday.

5. Additional Deputy Chief and Aide: Amend Article VIII as follows:

1. In order to protect the health and safety of the employees in the bargaining unit, the minimum working staffing in Groups 1,2,3 and 4 shall be fifty-four (54) Officers and Fire Fighters and effective July 1, 2024, fifty-six (56) Officers and Fire Fighters assigned to Companies as follows.

- (a) Engine Company #1 shall have three (3) Fire Fighters, one (1) Officer.
- (b) Engine Company #2 shall have three (3) Fire Fighters, one (1) Officer.
- (c) Engine Company #3 shall have three (3) Fire Fighters, one (1) Officer.
- (d) Engine Company #4 shall have three (3) Fire Fighters, one (1) Officer.
- (e) Engine Company #5 shall have three (3) Fire Fighters, one (1) Officer.
- (f) Engine Company #6 shall have three (3) Fire Fighters, one (1) Officer.
- (g) Engine Company #7 shall have three (3) Fire Fighters, one (1) Captain.
- (h) Engine Company #8 shall have three (3) Fire Fighters, one (1) Officer
- (i) Engine Company #9 shall have three (3) Fire Fighters, one (1) Officer.
- (j) Truck Company #1 shall have three (3) Fire Fighters, one (1) Officer.
- (k) Truck Company #2 shall have three (3) Fire Fighters, one (1) Officer.
- (l) Truck Company #3 shall have three (3) Fire Fighters, one (1) Officer.
- (m) Rescue Company #1 shall have three (3) Fire Fighters, one (1) Officer.
- (n) One (1) Deputy Chief and effective July 1, 2024, two Deputy Chiefs
- (o) One (1) Deputy Chief's Aide and effective July 1, 2024, two Deputy Chief's aides.
- (p) For the purpose of the Article, Deputy Chiefs, Acting Deputy Chiefs, Deputy Chief's Aides, Fire Communications Shift Supervisors and Acting Fire Communications Shift Supervisors shall not be considered as staffing assigned to or staffing strength allowed on any Engine or Truck Company.
- (q) For the purpose of this Article an Officer shall be either a Captain or a Lieutenant with a total of twenty-seven (27) Captains and twenty-five (25) Lieutenants assigned to the line/suppression division. There shall be a minimum of one (1) Captain assigned to each Engine, Truck, and Rescue Company in one of the four groups.

2. The maximum staffing assigned in Groups 1,2,3 and 4 shall be limited to sixty-one (61) Officers and Fire Fighters and effective July 1, 2024 sixty three (63) Officers and Firefighters, and the minimum staffing assigned in Groups 1,2,3 and 4 shall be fifty-four (54)

Officers and Fire Fighters, and effective July 1, 2024 fifty-six (56) Officers and Firefighters as outlined above in Section 1. ~~Due to employees hired prior to July 1, 2016 this maximum number can be temporarily exceeded until retirements, deaths, and promotions lower the assigned staffing to sixty one (61).~~

It is understood between the parties that the existing assigned manpower currently on the SFD roster may be reduced through attrition.

Due to retirements, deaths promotions, training, and unforeseen operational demands, the assigned strength of the Stamford Fire Department can fall below fifty-four Officers and Fire Fighters in Groups 1, 2, 3 and 4. This condition will be considered to be temporary and the vacancies filled within six (6) months.

6. Article XII Acting Officers, Amend paragraph 4 as follows:

4. For acting purposes only, upon establishment of any promotional list, an employee may remove his/her name from said list. Notification shall be made to the Chief and be in writing. Any employee who has removed his/her name from the promotional list shall not be eligible to serve in any acting officer position for that list. ~~An employee may reinstate his/her name by putting the notice in writing to the Chief.~~

7. Article XXXII Promotions, amend paragraph 4 as follows:

4. Deputy Fire Chief

An employee must have two (2) years of experience at the rank of Captain in the Stamford Fire Department and ~~effective July 1, 2018~~ be a State of CT certified Fire Officer II, Incident Safety Officer - Suppression, and have completed ICS 300 to be eligible to take the Civil Service promotional exam for Deputy Fire Chief.

Within two years of promotion an employee promoted to Deputy Fire Chief shall obtain State of Connecticut Fire Officer III certification and complete ICS 400, and shall be detailed to training as necessary to receive such training. The cost of the class shall be at the City's expense.

~~All Deputy Chiefs promoted prior to April 2016 shall become certified as Fire Officer III, Incident Safety Officer - Suppression, and complete ICS 300 & 400 by July 1, 2018. The cost to attend and obtain these certifications shall be at the City's expense with the employee being compensated at his/her OT rate for attending classes when off-duty.~~

8. Article I Recognition, amend Article I as follows:

The City hereby recognizes the Union as the sole and exclusive representative and bargaining agent for the bargaining unit, consisting of all uniformed and investigatory positions within the Stamford Fire Department, except that of Assistant Chief(s), Chief of the Department and the

Fire Marshal. In filling a Fire Marshal vacancy, the City will create both an open-competitive and promotional eligibility list with the City retaining the discretion to appoint from either list.

9. Article X Work Week, amend paragraph 2 as follows:

2. Each newly hired firefighter shall serve a minimum of twelve (12) weeks training, during which twelve (12) weeks he shall not be counted toward minimum staffing. In addition, eligibility for overtime and to work mutual leaves for these new employees shall commence after the thirty-sixth (36<sup>th</sup>) week of employment. **The thirty-six (36) week prohibition to work overtime and mutual leave shall not apply to new employees with a valid EMT certification once they have completed their minimum of twelve (12) weeks of training. Assignments of overtime to probationary employees will be made at the discretion of deputy chiefs.** At any time during the probationary period the Fire Commission may, in its sole discretion, terminate a probationary fire fighter.

10. Overtime Article XI add the following to paragraph 2:

Personnel assigned to the training division shall be permitted to be hired back into line overtime assignments. The Chief and the Union shall amend the overtime rules for this purpose.

11. Effective following the approval of this Agreement, the classification of Assistant Fire Marshal currently at \$112,511.83 shall be increased to the same salary level as Deputy Fire Chief to \$121,537.72.

For the City of Stamford

For Local 786, IAFF AFL-CIO

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\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## Fire Union Wages Cost Summary

*Estimated Retro Wages  
(Includes all wages)*

Estimated Wage Basis	% Increase	* Fund Balance							* Contingency			Future Obligation			Total Commitment	
		Increase 1 (7/1/19 - 12/31/19)	Increase 2 (1/1/20 - 6/30/20)	Increase 3 (7/1/20 - 6/30/21)	Increase 4 (7/1/21 - 6/30/22)	Increase 5 (7/1/22 - 6/30/23)	1.45% Medicare	Total Fund Balance	Increase 6 (7/1/23 - 6/30/24)	1.45% Medicare	Total Contingency Balance	Increase 7 (7/1/24 - 6/30/25)	1.45% Medicare	Total Future Obligation	Grand Total (All Funding Sources)	
Increase 1 (7/1/19 - 12/31/19)	16,181,390	0.500%	\$80,907	\$80,907	\$161,814	\$161,814	\$161,814	\$9,385	\$656,641	\$161,814	\$2,346	\$164,160	\$161,814	\$2,346	\$164,160	\$984,961
Increase 2 (1/1/20 - 6/30/20)	16,262,297	1.250%	\$0	\$203,279	\$406,557	\$406,557	\$406,557	\$20,633	\$1,443,584	\$406,557	\$5,895	\$412,453	\$406,557	\$5,895	\$412,453	\$2,268,489
Increase 3 (7/1/20 - 6/30/21)	32,931,151	2.500%	\$0	\$0	\$823,279	\$823,279	\$823,279	\$35,813	\$2,505,649	\$823,279	\$11,938	\$835,216	\$823,279	\$11,938	\$835,216	\$4,176,082
Increase 4 (7/1/21 - 6/30/22)	33,754,430	2.500%	\$0	\$0	\$0	\$843,861	\$843,861	\$24,472	\$1,712,193	\$843,861	\$12,236	\$856,097	\$843,861	\$12,236	\$856,097	\$3,424,387
Increase 5 (7/1/22 - 6/30/23)	34,598,291	3.000%	\$0	\$0	\$0	\$0	\$1,037,949	\$15,050	\$1,052,999	\$1,037,949	\$15,050	\$1,052,999	\$1,037,949	\$15,050	\$1,052,999	\$3,158,997
Increase 6 (7/1/23 - 6/30/24)	35,636,240	3.125%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,113,632	\$16,148	\$1,129,780	\$1,113,632	\$16,148	\$1,129,780	\$2,259,560
Increase 7 (7/1/24 - 6/30/25)	36,749,872	3.125%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,148,434	\$16,652	\$1,165,086	\$1,165,086
		16.000%	\$80,907	\$284,186	\$1,391,650	\$2,235,511	\$3,273,460	\$105,353	\$7,371,066	\$4,387,092	\$63,613	\$4,450,705	\$5,535,526	\$80,265	\$5,615,791	\$17,437,562

Total Request Fund Balance & Contingency \$11,832,169



October 27, 2023

**PERSONAL & CONFIDENTIAL**

Mr. Alfred Cava  
Director of Human Resources  
City of Stamford  
via email

Re: The City of Stamford Other Post-Employment Benefits Plan  
Impact of Plan Change – Fire

Dear Al:

At your request, we have analyzed the estimated cost impact of the recent changes to the plan. Our analysis is based on the results of the July 1, 2022 actuarial valuation and assumes for simplicity that the plan change was made effective July 1, 2022. The actual cost of any plan change will depend on the effective date of the change and the eligible members at that time.

**Baseline**

- Fire members hired after July 1, 2016 make retiree contributions for pre-65 benefits according to a graded scale based on age. All future Fire retirees receive pre-65 coverage under the High Deductible Health Plan (HDHP).

**Change**

- Fire members hired after July 1, 2016 contribute a flat 33.33% for pre-65 benefits. All future Fire retirees receive pre-65 coverage under the State Partnership Plan.

The attached exhibit illustrates the cost impact of the plan changes. We have shown the impact of the change in the retiree cost share separately from the move to the State Partnership Plan (SPP). The savings from the change in the cost share were minor because currently there are only a few Fire members that were hired after July 1, 2016 and who are therefore impacted by the change. The move to the SPP actually results in an increase in the Accrued Liability because the expected healthcare costs under the SPP are higher for females than the costs under the current HDHP.

**If this analysis is distributed, it must be distributed in its entirety, including this letter.**

The results included herein were developed using models intended for valuations that use standard actuarial techniques. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in

October 27, 2023  
Mr. Alfred Cava  
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compliance with generally accepted actuarial practice and relevant actuarial standards of practice. The models, including all input, calculations, and output may not be appropriate for any other purpose.

We have not explored any legal issues with respect to the plan changes. We are not attorneys and cannot give legal advice on such issues. We suggest that you review these proposals with counsel.

We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete and our calculations may need to be revised.

This analysis was prepared exclusively for the City of Stamford. It is a complex, technical analysis that assumes a high level of knowledge concerning the Plan, and uses the City's data, which Milliman has not audited. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions: the City may provide a copy of Milliman's work, in its entirety, to the City's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the City; and the City may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law. Any third party recipient of Milliman's work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs. Milliman does not intend to benefit any third party recipient of this analysis and assumes no duty or liability to any such third parties.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Please let me know if you have any questions.

Sincerely,



Rebecca A. Sielman, FSA  
Consulting Actuary

## City of Stamford Other Post-Employment Benefits Plan

### Fire Cost Estimate

### Summary of Key Results

	July 1, 2022 Valuation Results for Comparison	Cost Share Change for Fire Members Hired After July 1, 2016 <sup>1</sup>	PLUS Reflect Move to State Partnership Plan for Future Fire Retirees, Pre-65 only
<b>Interest Rate</b>	6.70%	6.70%	6.70%
Accrued Liability	\$291,988,617	\$291,994,385	\$292,197,703
Actuarial Value of Assets	221,535,601	221,535,601	221,535,601
Unfunded Accrued Liability	70,453,016	70,458,784	70,662,102
Funded Ratio	75.9%	75.9%	75.8%
Amortization Period	20	20	20
Amortization Growth Rate	2.00%	2.00%	2.00%
Past Service Cost	5,226,077	5,226,505	5,241,587
Total Normal Cost	6,409,337	6,413,555	6,372,573
Expected Employee Contributions	212,448	212,448	212,448
Net Normal Cost	6,196,889	6,201,107	6,160,125
Timing Adjustment	765,339	765,650	763,915
<b>Actuarially Determined Contribution*</b>	12,227,019	12,231,976	12,204,341
For Fiscal Year	2023-24	2023-24	2023-24

\* Determined for each group separately; because no group's Actuarially Determined Contribution can be less than zero, the Actuarially Determined Contribution for the plan as a whole is not equal to the Past Service Cost plus Net Normal Cost plus Timing Adjustment for the plan as a whole.

<sup>1</sup> The cost-share percentage for Fire retirees hired after July 1, 2016 has been changed from a graded scale based on age to a flat 33.33% for pre-65 benefits. The cost-share percentage for post-65 benefits remains unchanged

This work product was prepared solely for the City for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

**This exhibit should only be distributed with a copy of the accompanying letter dated 10/27/2023 in its entirety.**