

CITY OF STAMFORD

GASB 45 DISCLOSURE REPORT

AS OF JUNE 30, 2015

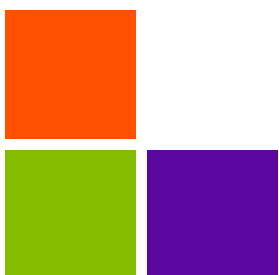




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Report Prepared On:

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Disclosure Information City

Schedule of Funding Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
*7/1/2011	\$10,988,000	\$321,215,000	\$310,227,000	3%	\$225,626,000	137%
7/1/2012	19,041,000	285,530,000	266,489,000	7%	235,779,000	113%
*7/1/2013	29,338,000	289,142,000	259,804,000	10%	242,852,000	107%
7/1/2014	47,871,000	285,215,000	237,344,000	17%	233,590,000	102%

**Interim Valuation*

**Payroll growth assumption by 4.50% from 2010, 3% from 2012*

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Actual Contribution	Percentage Contributed
2011	\$25,420,000	\$18,797,000	74%
2012	28,543,000	20,053,000	70%
2013	30,272,000	19,335,000	64%
2014	27,723,000	20,844,000	75%
2015	28,238,000	19,026,000	67%



Disclosure Information City (continued)

Calculation of Net OPEB Obligation	
Annual required contribution	\$28,238,000
Interest on net OPEB obligation	4,011,000
Adjustment to annual required contribution	(3,895,000)
Annual OPEB cost (expense)	28,354,000
Contributions made	(19,026,000)
Increase in net OPEB obligation	9,328,000
Net OPEB obligation - June 30, 2014	53,477,000
Net OPEB obligation - June 30, 2015	62,805,000

History of AOC and NOO				
Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (NOO)
6/30/2011	\$25,623,000	\$18,797,000	73%	\$26,299,000
6/30/2012	28,817,000	20,053,000	70%	35,063,000
6/30/2013	30,638,000	19,335,000	63%	46,366,000
6/30/2014	27,955,000	20,844,000	75%	53,477,000
6/30/2015	28,354,000	19,026,000	67%	62,805,000



**Participant Counts and Average Age
As of July 1, 2014
City**

Participant Counts			
Group	Active Participants	Retirees*	Total
CERF City	616	338	954
CERF BoE	87	69	156
CERF WPCA	30	14	44
Police	282	209	491
Fire	<u>257</u>	<u>193</u>	<u>450</u>
Total	1,272	823	2,095

*Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age**
CERF City	52	76
CERF BoE	54	78
CERF WPCA	51	66
Police	46	68
Fire	46	73

**Average age of retirees with medical coverage only



**Participant Counts and Average Age
As of July 1, 2012
City**

Participant Counts			
Group	Active Participants	Retirees*	Total
CERF City	631	368	999
CERF BoE	89	56	145
CERF WPCA	34	8	42
Police	268	196	464
Fire	<u>247</u>	<u>184</u>	<u>431</u>
Total	1,269	812	2,081

*Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age**
CERF City	51	75
CERF BoE	55	79
CERF WPCA	52	66
Police	46	68
Fire	46	73

**Average age of retirees with medical coverage only



**Participant Counts and Average Age
As of July 1, 2014
Board of Education**

Participant Counts			
Group	Active Participants	Retirees*	Total
Teachers	1,468	166	1,634
Administrators	63	28	91
Custodians	140	90	230
Ed. Assistants	<u>355</u>	<u>2</u>	<u>357</u>
Total	2,026	286	2,312

*Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age**
Teachers	44	68
Administrators	50	64
Custodians	54	77
Ed. Assistants	51	76

**Average age of retirees with medical coverage only



**Participant Counts and Average Age
As of July 1, 2012
Board of Education**

Participant Counts			
Group	Active Participants	Retirees*	Total
Teachers	1,411	203	1,614
Administrators	67	36	103
Custodians	147	113	260
Ed. Assistants	<u>321</u>	<u>4</u>	<u>325</u>
Total	1,946	356	2,302

*Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age**
Teachers	45	68
Administrators	50	63
Custodians	52	77
Ed. Assistants	51	73

**Average age of retirees with medical coverage only



Projected Benefit Payments City

Fiscal Year Beginning July 1st	Currently Active Employees	Currently Retired Employees	Total
2015	\$2,881,000	\$7,796,000	\$10,677,000
2016	3,865,000	8,091,000	11,956,000
2017	5,012,000	8,405,000	13,417,000
2018	6,210,000	8,824,000	15,034,000
2019	7,339,000	8,913,000	16,252,000
2020	8,363,000	9,061,000	17,424,000
2021	9,539,000	9,136,000	18,675,000
2022	10,712,000	9,364,000	20,076,000
2023	11,771,000	9,307,000	21,078,000
2024	12,590,000	9,379,000	21,969,000
2025	13,743,000	9,448,000	23,191,000
2026	15,133,000	9,520,000	24,653,000
2027	16,207,000	9,407,000	25,614,000
2028	17,171,000	9,316,000	26,487,000
2029	18,099,000	9,169,000	27,268,000
2030	19,044,000	8,975,000	28,019,000
2031	19,906,000	8,808,000	28,714,000
2032	21,468,000	8,692,000	30,160,000
2033	22,536,000	8,457,000	30,993,000
2034	23,385,000	8,239,000	31,624,000



Projected Benefit Payments Board of Education

Projected Benefit Payments			
Fiscal Year Beginning July 1st	Currently Active Employees	Currently Retired Employees	Total
2015	\$810,000	\$2,179,000	\$2,989,000
2016	1,263,000	2,001,000	3,264,000
2017	1,587,000	1,930,000	3,517,000
2018	1,908,000	1,837,000	3,745,000
2019	2,218,000	1,815,000	4,033,000
2020	2,499,000	1,847,000	4,346,000
2021	2,659,000	1,806,000	4,465,000
2022	2,992,000	1,824,000	4,816,000
2023	3,329,000	1,807,000	5,136,000
2024	3,564,000	1,854,000	5,418,000
2025	3,908,000	1,899,000	5,807,000
2026	4,260,000	1,892,000	6,152,000
2027	4,476,000	1,914,000	6,390,000
2028	4,671,000	1,919,000	6,590,000
2029	4,787,000	1,943,000	6,730,000
2030	5,253,000	1,962,000	7,215,000
2031	5,346,000	1,973,000	7,319,000
2032	5,772,000	1,961,000	7,733,000
2033	6,073,000	1,955,000	8,028,000



Actuarial Methods

Actuarial Cost Method

Cost Method: Projected Unit Credit.

The Normal Cost is derived for each active participant as the actuarial present value of the projected benefits that are attributed to expected service in the current plan year. The Normal Cost for plan benefits is the total of the individual Normal Costs for active participants.

The Accrued Liability is equal to the portion of the present value of future benefits that is allocated to years of service before the valuation date.

Amortization Method

The Unfunded Accrued Liability is amortized each year over a constant 20 year period, as a level percent of payroll. A 2.5% payroll growth assumption was used.

Asset Valuation Method

Market Value.



Actuarial Assumptions City

Valuation Date

July 1, 2014

Discount Rate

7.5% per annum

Separation from Employment

Annual rates of withdrawal and disability are as follows:

Withdrawal			
Age	Classified and WPCA Employees	Police Firefighters	Disability
20	.1060	.0544	.0005
25	.0790	.0489	.0005
30	.0580	.0370	.0005
35	.0420	.0235	.0006
40	.0310	-	.0009
45	.0210	-	.0018
50	.0130	-	.0040
55	.0050	-	.0085
60	-	-	_*

* .0174 for Police and Firefighters only.

Mortality

CERF & WPCA: RP-2000 Mortality Table with separate male and female rates, with 50% blue collar adjustment and 50% no collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale BB. (Scale AA in prior valuation.)

Police & Fire: RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale AA.

Mortality Improvement

CERF & WPCA: Projected to date of decrement using Scale BB (generational mortality). (Scale AA in prior valuation.)

Police & Fire: Projected to date of decrement using Scale AA (generational mortality).



Actuarial Assumptions City (continued)

Retirement

CERF & WPCA: Annual rates of retirement for CERF and WPCA, after reaching retirement eligibility, are as follows:

CERF and WPCA	
Age	Retirement
50-61	.05
62-65	1.00

Police: Annual rates of retirement for Police, after completion of 25 years of service, are as follows:

Police	
Age	Retirement
55	.50
56	.50
57	.50
58	.50
59	.50

An additional 50% probability of retirement is added upon attainment of 20 years of service and 100% of those members remaining beyond the earlier of age 60 with 25 years of service or age 65 are assumed to retire.

Firefighters

Ret Rates by Years of Service*	
Years	Rate
25	0.040
26	0.000
27	0.040
28	0.040
29	0.040
30	0.040
31	0.040
32	0.180
33	0.110
34	0.380
35	0.100
36	0.220
37	0.000
38	0.290
39	0.200
40	1.000

* Retirement rate at age 65 is 1.00



Actuarial Assumptions City (continued)

Unit Costs

The 2014 assumed annual average per-capita incurred medical unit costs are as follows:

Current Retirees:

<u>Plan</u>	<u>CIGNA & Medco</u>	<u>IPI & Medco</u>
Pre-Medicare	\$13,387	\$6,389
Post-Medicare	7,269	6,389

Future Retirees:

<u>Plan</u>	<u>CIGNA & Medco</u>
Pre-Medicare	\$10,894
Post-Medicare	5,995

Age-related Morbidity

Ages	Rates
41-45	2.7%
46-50	3.0%
51-55	3.3%
56-60	3.6%
61-65	4.2%
66-70	3.0%
71-75	2.5%
76-80	2.0%
81-85	1.0%
86-90	0.5%
90+	0.0%

Health Care Cost Trend Rates

Medical: 8.5% in 2014, decreasing 0.5% per year to an ultimate rate of 4.5% in 2022. (8.5% in 2012, decreasing 0.5% per year to an ultimate rate of 4.5% in 2020, in prior valuation)

Dental: Assumed to be 5.0% for all years.

Retiree Contribution

Some current retirees have flat amounts with no future increases assumed. Other retirees and future retirees have percentage contributions, which are assumed to increase periodically with the Health Care Cost Trend.

Medicare Coordination

For those participants who are eligible for Medicare, Medicare is assumed to remain the primary payor of medical benefits for retirees and spouses over age 65.



Actuarial Assumptions City (continued)

Medical Plan Enrollment and Dependent Assumption

Reported data was used to identify current covered retirees, spouses and surviving spouses. All active employees were assumed to elect coverage under the CIGNA Plans and be eligible for Medicare upon attainment of age 65. We assumed 60% of active members are married. Husbands are assumed to be four years older than their wives. Married participants were assumed to elect dual coverage.

Patient Protection and Affordable Care Act (PPACA)

High Cost Plan Excise Tax ("Cadillac Tax"): Effective in 2018 there will be a 40% excise tax on per capita medical benefit costs in excess of certain thresholds, which are \$10,200 for single coverage and \$27,500 for family coverage for Medicare eligible retirees. Thresholds for retirees who are between ages 55 and 65 are \$11,850 and \$30,950 for single and family coverage respectively.

After 2018, the thresholds are indexed by CPI (CPI +1% in 2018 only). CPI is assumed to be 3.0% in all future years.

The impact of this future excise tax has been reflected in plan liabilities.

Other Requirements of PPACA: For purposes of this valuation, extended coverage for adult children and 100% coverage of preventive care are assumed to be reflected in per capita costs.

For purposes of this valuation, elimination of lifetime maximum benefits and removal of the limits on essential healthcare are assumed to have no impact on plan liabilities.



Actuarial Assumptions Custodians

Valuation Date

July 1, 2014.

Discount Rate

7.5% per annum.

Separation from Employment

Annual rates of assumed withdrawal, disability and retirement are as follows:

Age	Withdrawal	Disability
25	0.0489	0.0005
30	0.0370	0.0005
35	0.0235	0.0006
40	0.0113	0.0009
45	0.0000	0.0018
50	0.0000	0.0040
55	0.0000	0.0085
>=60	0.0000	0.0000

Retirement	
Age	Rate*
60	0.20
61	0.05
62	0.20
63	0.20
64	0.20
65	0.20
66	0.20
67	0.20
68	0.20
69	0.20
>=70	1.00

**Custodians receive a one-time 50% decrement at 25 years of service.*

Mortality

RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale BB.

Prior Valuation: RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale AA.

Mortality Improvement

Projected to date of decrement using Scale BB (generational mortality).

Prior Valuation: Projected to date of decrement using Scale AA (generational mortality).



Actuarial Assumptions Custodians (continued)

Unit Costs

The 2014 assumed annual average per-capita incurred medical unit costs are as follows:

Current Retirees:

<u>Plan</u>	<u>CIGNA & Medco</u>	<u>IPI & Medco</u>
Pre-Medicare	\$13,387	\$6,389
Post-Medicare	7,269	6,389

Future Retirees:

<u>Plan</u>	<u>CIGNA & Medco</u>
Pre-Medicare	\$10,894
Post-Medicare	5,995

Age-related Morbidity

Ages	Rates
41-45	2.7%
46-50	3.0%
51-55	3.3%
56-60	3.6%
61-65	4.2%
66-70	3.0%
71-75	2.5%
76-80	2.0%
81-85	1.0%
86-90	0.5%
90+	0.0%

Health Care Cost Trend Rates

8.5% for 2014, decreasing 0.5% per year, to an ultimate rate of 4.5% for 2022 and later.

Prior Valuation: 8.5% for 2012, decreasing 0.5% per year, to an ultimate rate of 4.5% for 2020 and later.

Retiree Contribution

For current retirees, some have flat contributions with no future increases assumed and others have a percentage contribution that is assumed to increase periodically with the Health Care Cost Trend. For future retirees, contributions are assumed to increase periodically with the Health Care Cost Trend.

Medicare Coordination

For those participants who are eligible for Medicare, Medicare is assumed to remain the primary payer of medical benefits for retirees and spouses over age 65.



Actuarial Assumption Custodians (continued)

Medical Plan Enrollment and Dependent Assumption

Reported data were used to identify current covered retirees, spouses and surviving spouses. All active employees were assumed to elect coverage under the CIGNA Plans and be eligible for Medicare upon attainment of age 65. We assumed 60% of active members are married. Husbands are assumed to be four years older than their wives. Married participants were assumed to elect dual coverage.

Patient Protection and Affordable Care Act (PPACA)

High Cost Plan Excise Tax ("Cadillac Tax"): Effective in 2018 there will be a 40% excise tax on per capita medical benefit costs in excess of certain thresholds, which are \$10,200 for single coverage and \$27,500 for family coverage for Medicare eligible retirees. Thresholds for retirees who are between ages 55 and 65 are \$11,850 and \$30,950 for single and family coverage respectively.

After 2018, the thresholds are indexed by CPI (CPI +1% in 2018 only). CPI is assumed to be 3.0% in all future years.

The impact of this future excise tax has been reflected in plan liabilities.

Other Requirements of PPACA: For purposes of this valuation, extended coverage for adult children and 100% coverage of preventive care are assumed to be reflected in per capita costs.

For purposes of this valuation, elimination of lifetime maximum benefits and removal of the limits on essential healthcare are assumed to have no impact on plan liabilities.



Actuarial Assumptions Teachers, Administrators, Education Assistants

The actuarial assumptions used in the determination of costs and liabilities are as follows:

Valuation Date

July 1, 2014.

Discount Rate

7.5% per annum.

Mortality

RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale BB.

Prior Valuation: RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale AA.

Mortality Improvement

Projected to date of decrement using Scale BB (generational mortality).

Prior Valuation: Projected to date of decrement using Scale AA (generational mortality).

Assumed Rates of Retirement (from CT State TRS 2010 OPEB Valuation)

Age	Eligible for Normal (Unreduced) Retirement (Age 60 and 20 Yrs. Serv. or 35 yrs. Serv.)		Eligible for Early (Reduced) Retirement (Age 55 and 20 Yrs. Serv. or 25 yrs. Serv.)	
	Male	Female	Male	Female
50-51	27.5%	15.0%	2.0%	2.0%
52	27.5	15.0	3.0	4.0
53	27.5	15.0	3.0	4.5
54	27.5	15.0	5.0	5.5
55	38.5	30.0	5.0	7.5
56	38.5	30.0	7.0	8.5
57	38.5	30.0	10.0	9.5
58	38.5	30.0	11.0	10.0
59	38.5	30.0	12.0	10.0
60	22.0	20.0		
61-62	25.3	22.5		
63-64	27.5	22.5		
65	36.3	30.0		
66-69	27.5	30.0		
70-79	100.0	40.0		
80	100.0	100.0		



Actuarial Assumptions Teachers, Administrators, Education Assistants (continued)

Service-Based Withdrawal Rates (until eligible to retire) (from CT State TRS 2010 OPEB Valuation)

Age	Male Rate	Female Rate
0-1	.1400	.1200
1-2	.0850	.0900
2-3	.0550	.0700
3-4	.0450	.0600
4-5	.0350	.0550
5-6	.0250	.0500
6-7	.0240	.0450
7-8	.0230	.0350
8-9	.0220	.0300
9-10	.0210	.0250
10 +	use age-related rates until eligible to retire	

Sample Age-Based Withdrawal Rates (until eligible to retire) (from CT State TRS 2010 OPEB Valuation)

Age	Male Rate	Female Rate
25-37	.0120	.0350
40	.0120	.0230
45	.0126	.0130
50	.0196	.0125
55	.0336	.0160
59+	.0400	.0190

Non-service-connected disability

Age	Male Rate	Female Rate
25	0.0005	0.0005
30	0.0004	0.0004
35	0.0004	0.0004
40	0.0005	0.0007
45	0.0014	0.0012
50	0.0047	0.0026
55	0.0086	0.0044
>=60	0.0100	0.0050

Additional Assumptions

50% of males and 50% of females assumed married, with wives assumed to be four years younger than their husbands.



Actuarial Assumptions Teachers, Administrators, Education Assistants (continued)

Health Care Cost Trend Rates

8.5% for 2014, decreasing 0.5% per year, to an ultimate rate of 4.5% for 2022 and later.

Prior Valuation: 8.5% for 2012, decreasing 0.5% per year, to an ultimate rate of 4.5% for 2020 and later.

Additional Assumptions

50% of males and 50% of females assumed married, with wives assumed to be four years younger than their husbands.

Health Care Cost Trend Rates

8.5% for 2014, decreasing 0.5% per year, to an ultimate rate of 4.5% for 2022 and later.

Prior Valuation: 8.5% for 2012, decreasing 0.5% per year, to an ultimate rate of 4.5% for 2020 and later.

Percentage of Actives Eligible at Retirement who continue with Medical Coverage

100%.

Percentage of non-Medicare eligible Teachers Continuing After 65

20%.

Unit Costs

Pre-65 & Non Medicare Eligible	\$11,584
Medicare A & B Coordinated	8,758
Medicare B Coordinated	11,004

Age-related Morbidity

Ages	Rates
41-45	2.7%
46-50	3.0%
51-55	3.3%
56-60	3.6%
61-65	4.2%
66-70	3.0%
71-75	2.5%
76-80	2.0%
81-85	1.0%
86-90	0.5%
90+	0.0%



Actuarial Assumptions Teachers, Administrators, Education Assistants (continued)

Patient Protection and Affordable Care Act (PPACA)

High Cost Plan Excise Tax (“Cadillac Tax”): Effective in 2018 there will be a 40% excise tax on per capita medical benefit costs in excess of certain thresholds, which are \$10,200 for single coverage and \$27,500 for family coverage for Medicare eligible retirees. Thresholds for retirees who are between ages 55 and 65 are \$11,850 and \$30,950 for single and family coverage respectively.

After 2018, the thresholds are indexed by CPI (CPI +1% in 2018 only). CPI is assumed to be 3.0% in all future years.

The impact of this future excise tax has been reflected in plan liabilities.

Other Requirements of PPACA: For purposes of this valuation, extended coverage for adult children and 100% coverage of preventive care are assumed to be reflected in per capita costs.

For purposes of this valuation, elimination of lifetime maximum benefits and removal of the limits on essential healthcare are assumed to have no impact on plan liabilities.



Summary of Principal Plan Provisions City

Retirement Eligibility

Police: 20 years of service.

Firefighters: 20 years of service, or;
age 48 with 20 years of service if hired after January 1, 1981.

CERF: Age 50 and 25 years of service, or;
Age 58 and 15 years of service (except for UE hired after 7/1/2012 and non-grandfathered UAW after 1/1/2015), or;
Age 60 and 10 years of service, or;
25 years of service for MAA only.

Medical

Police: Retire Before Age 55:

1. Cost to age 65: To receive medical coverage, the retiree must pay one-third (33.33%) and the City will pay two-thirds (66.66%) of the cost of medical benefits.
2. Cost Post 65: The retiree must pay one-third (33.33%) of the cost for the supplemental coverage.

Retire at or After Age 55: The City shall pay one hundred percent (100%) of the cost for medical benefits made available to retirees (at all ages).

Firefighters: Retire Before Age 55:

1. Cost to age 65: To receive medical coverage, the retiree must pay one-third (33.33%) and the City will pay two-thirds (66.66%) of the cost of medical benefits.
2. Cost Post 65: The retiree must pay one-third (33.33%) of the cost for the supplemental coverage.

Retire at or After Age 55: Retirees will be required to contribute one percent (1%) of the annual pension, capped at \$21.66 per month towards the cost of medical benefits made available to retirees (at all ages).

CERF (Nurse, MAA, Dental Hygienist, UAW):

1. Cost to age 65: To receive medical coverage, the retiree must pay one-third (33.33%) and the City will pay two-thirds (66.66%) of the cost of medical benefits.
2. Cost Post 65: The retiree must pay one-third (33.33%) of the cost for the supplemental coverage.

CERF (Attorney, 1199, Teamster, UE):

1. Cost to age 65: To receive medical coverage, the retiree must pay one-third (33.33%) and the City will pay two-thirds (66.66%) of the cost of medical benefits.
2. Cost Post 65: The retiree must pay two-thirds (66.66%) of the cost for the supplemental coverage.

CERF Future Retirees (*Appendix A*): Various contract changes increase retiree contributions to 50% pre age 65 or post age 65.

CERF Current Retirees: Various cost shares as provided via the retiree census by the City.



Summary of Principal Plan Provisions City (continued)

Life Insurance

Firefighters: The City shall provide and pay for a life insurance policy in the face amount of \$4,000.00 for each retired employee.

Police: For current and future retirees, the liability for life insurance has been transferred to the Police pension plan.

CERF: In general, for those current and future retirees still eligible for retiree life insurance, the liability is being transferred to the CERF pension plan.

Medicare Part B

For current and future retirees, the liability for Medicare Part B reimbursement has been transferred to the respective pension plans.



Summary of Principal Plan Provisions Board of Education

Teachers

Eligibility for Medical Coverage: Age 50 with 25 years of service, or;
age 55 with 20 years of service, or;
age 60 with 10 years of service.

Retiree Contributions: 50% of the premium for 3 years if have attained age 45, 15 years of service and 70 points.

Full premium thereafter.

Early Retirement Incentive: Those retirees selecting Option 1 will receive 100% board paid insurance for 3 years.

Full premium thereafter.

Treatment of Early Retirement Lump Sum: We *excluded* the Early Retirement Lump Sum benefit based on information received from the City that this benefit is accounted for outside of GASB 45.

Administrators

Eligibility for Medical Coverage: Age 50 with 25 years of service, or;
age 55 with 20 years of service, or;
age 60 with 10 years of service.

Retiree Contributions: Board pays full cost until participant reaches age 65 if have attained 15 years of service and 70 points.

After age 65, participant pays full cost.

Life Insurance:

Benefit: 2 times compensation for deaths prior to age 65.

Retiree Contributions: None.

Custodians

Eligibility for Medical Coverage: 25 years of service, or;
age 60 and 10 years of service.

Medicare Part B: For current and future retirees, the liability for Medicare Part B reimbursement has been transferred to the respective pension plans.

Retiree Contributions (Current Retirees): 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 plan.

Cost Post 65: The retiree must pay two-thirds (66.66%) of the cost for the supplemental coverage.



Summary of Principal Plan Provisions Board of Education (continued)

Retiree Contributions (Future Retirees – effective July 1, 2011): Cost to age 65: To receive medical coverage, the employee must pay one-half (50.00%) and the City will pay one-half (50.00%) of the cost of such plan.

Cost Post 65: The retiree must pay 100.0% of the cost for the supplemental coverage.

Life Insurance

Benefit: \$6,000.

Retiree Contributions: None.

Educational Assistants

Eligibility for Medical Coverage: Age 50 with 25 years of service, or;
age 55 with 20 years of service, or;
age 60 with 10 years of service.

Retiree Contributions: Full premium.

Security Workers

Eligibility for Medical Coverage: None.

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