



CITY OF STAMFORD

GASB 45 VALUATION REPORT - REVISED

AS OF JULY 1, 2015

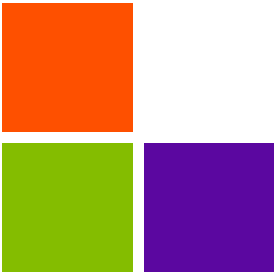




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Valuation Highlights

Liabilities were valued as of July 1, 2014 using the assumptions set forth in the July 1, 2014 OPEB valuation. The July 1, 2014 liabilities were then projected to July 1, 2015. In addition, an adjustment was made to the liabilities to reflect the changes in the Smith House and Police retiree medical benefits.

The purpose of this valuation is to report the estimated funded status of the plan as of July 1, 2015 as well as the Annual Required Contribution (ARC) for fiscal year ending June 30, 2017.

The asset performance of 0.2% was lower than our 7.5% assumption this year. This had a minor impact on the ARC.

A chart comparing the historical schedule of funding progress information for both the City and the Board of Education combined is below:

Schedule of Funding Status and Funding Progress				
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded AAL (UAAL)	Funded Ratio
7/1/2012	\$15,502,000	\$232,449,000	\$216,947,000	7%
7/1/2013	24,204,000	238,545,000	214,341,000	10%
7/1/2014	38,031,000	233,041,000	195,010,000	16%
7/1/2015	46,738,000	242,622,000	195,884,000	19%

History of Annual Required Contribution (ARC)	
Year Ended June 30	Annual Required Contribution (ARC)
2014	22,605,000
2015	23,304,000
2016	22,047,000
2017	21,891,000



Actuarial Certification

This report presents the results of the July 1, 2015 Actuarial Valuation for City of Stamford post-retirement benefit other than pension (OPEB) for City Employees (the Plan) for the purpose of estimating the funded status of the Plan and determining the Annual Required Contribution (ARC) for the fiscal year ending June 30, 2017. This report is intended to satisfy the requirements of Connecticut General Statute 7-450a. This report may not be appropriate for any other purpose.

The valuation has been performed in accordance with generally accepted actuarial principles and practices. It is intended to comply with all applicable Actuarial Standards of Practice.

I certify that the actuarial assumptions and methods were selected by me and represent my best estimate of anticipated actuarial experience under the Plan.

In preparing this valuation, I have relied on employee data provided by the Plan Sponsor, and on asset and contribution information provided by the City. I have audited neither the employee data nor the financial information, although I have reviewed them for reasonableness.

The results in this valuation report are based on the Plan as summarized in the *Plan Provisions* section of this report and the actuarial assumptions and methods detailed in the *Description of Actuarial Methods and Assumptions* section of this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of this report, an analysis of the potential range of such future measurements has not been performed.

The signing actuaries are independent of the Plan Sponsor. We are not aware of any relationship that would impact the objectivity of our work.

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

Evan W. Woollacott, Jr., FCA, MAAA,
Enrolled Actuary

July 12, 2016



Actuarial Accrued Liabilities

GASB 45 Unfunded Actuarial Accrued Liability (UAAL)						
Actuarial Accrued Liability (AAL) 7/1/2015	CERF City	CERF BoE	CERF WPCA	Police	Fire	Grand Total
Actives	\$41,020,000	\$7,015,000	\$1,943,000	\$49,855,000	\$30,495,000	\$130,328,000
Retirees	<u>35,388,000</u>	<u>5,185,000</u>	<u>1,933,000</u>	<u>38,631,000</u>	<u>31,157,000</u>	<u>112,294,000</u>
Total	76,408,000	12,200,000	3,876,000	88,486,000	61,652,000	242,622,000
Assets 7/1/2015	<u>15,334,000</u>	<u>2,299,000</u>	<u>758,000</u>	<u>16,729,000</u>	<u>11,618,000</u>	<u>46,738,000</u>
Unfunded Actuarial Accrued Liability (UAAL) 7/1/2015	61,074,000	9,901,000	3,118,000	71,757,000	50,034,000	195,884,000



Annual Required Contribution (ARC)

GASB 45 Annual Required Contribution (ARC)						
Annual Required Contribution (ARC) 2016 / 2017 Fiscal Year	CERF City	CERF BoE	CERF WPCA	Police	Fire	Grand Total
Normal Cost	\$2,340,000	\$424,000	\$144,000	\$2,587,000	\$1,619,000	\$7,114,000
20 Year Amortization of UAAL	4,625,000	750,000	236,000	5,434,000	3,789,000	14,834,000
Employee Contributions				(194,000)		(194,000)
Interest - One Month	<u>44,000</u>	<u>7,000</u>	<u>2,000</u>	<u>50,000</u>	<u>34,000</u>	<u>137,000</u>
Total ARC 2016 / 2017	7,009,000	1,181,000	382,000	7,877,000	5,442,000	21,891,000
Expected Benefit Payments 2016 / 2017	4,110,000	686,000	180,000	4,162,000	2,887,000	12,025,000
ARC minus EBP 2016 / 2017	2,899,000	495,000	202,000	3,715,000	2,555,000	9,866,000



Market Value of OPEB Assets For Fiscal Year Ending June 30, 2015

	TOTAL	CITY*	BOE**	WPCA
Net Assets as of July 1, 2014	47,870,832	37,434,647	9,840,185	596,000
Additions:				
Employer	19,025,576	18,330,311	383,676	311,589
Plan Members	4,023,462	2,538,598	1,484,864	-
Other revenues	<u>1,426,575</u>	<u>1,426,575</u>	<u>-</u>	<u>-</u>
Total	\$ 24,475,613	\$ 22,295,484	\$ 1,868,540	\$ 311,589
Investment Earnings				
Net increase in fair value of investments	(1,323,391)	(1,077,555)	(228,855)	(16,981)
Interest and dividends	<u>1,483,000</u>	<u>1,207,515</u>	<u>256,456</u>	<u>19,029</u>
Total	\$ 159,609	\$ 129,960	\$ 27,601	\$ 2,048
Investment Expenses	46,162	37,587	7,983	592
Deductions				
Benefits	(14,235,626)	(13,098,941)	(985,958)	(150,727)
Administrative costs	<u>(743,354)</u>	<u>(743,354)</u>	<u>-</u>	<u>-</u>
Total	\$ (14,978,980)	\$ (13,842,295)	\$ (985,958)	\$ (150,727)
Change in Net Assets	9,610,080	8,545,562	902,200	162,318
Net Assets as of June 30, 2015	\$ 57,480,912	\$ 45,980,209	\$10,742,385	\$ 758,318
Market Value Rate of Return	0.22%	0.22%	0.19%	0.22%

*Includes City Cerf, BOE Cerf, Police, & Fire

**Includes Teachers, Administrators, Custodians, & Ed Assistants



OPEB Asset Return Assumption July 1, 2015

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
Fixed Income	17.00%	2.00%	0.34%
Domestic Equity	23.00%	5.25%	1.21%
International Equity	17.00%	5.50%	0.94%
Asset Allocation	43.00%	3.84%	1.65%
	100.00%		4.14%
Long-Term Inflation Expectation			3.00%
Long-Term Expected Nominal Return			7.14%

**Long-Term Returns are provided by HHIA and FIA. The returns are geometric means.*

The long-term expected rate of return on investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the target asset allocation.

The information above is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. The results support a rate between 7.0% and 7.5%. An expected rate of return of 7.5% was used.



Participant Counts and Average Attained Age As of July 1, 2014, with Smith House Revisions

Participant Counts			
Group	Active Participants	Retirees*	Total
CERF City	492	375	867
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	1,148	860	2,008

*Does not include spouses of existing retirees.

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

**Average age of retirees with medical coverage only



Projected Benefit Payments

Fiscal Year Beginning July 1st	Currently Active Employees	Currently Retired Employees	Total
2015	\$2,713,000	\$8,094,000	\$10,807,000
2016	3,619,000	8,406,000	12,025,000
2017	4,603,000	8,744,000	13,347,000
2018	5,644,000	9,175,000	14,819,000
2019	6,664,000	9,245,000	15,909,000
2020	7,666,000	9,338,000	17,004,000
2021	8,732,000	9,403,000	18,135,000
2022	9,818,000	9,596,000	19,414,000
2023	10,854,000	9,542,000	20,396,000
2024	11,668,000	9,602,000	21,270,000
2025	12,776,000	9,688,000	22,464,000
2026	14,065,000	9,767,000	23,832,000
2027	15,094,000	9,661,000	24,755,000
2028	16,063,000	9,585,000	25,648,000
2029	16,921,000	9,454,000	26,375,000
2030	17,902,000	9,273,000	27,175,000
2031	18,764,000	9,120,000	27,884,000
2032	20,186,000	9,016,000	29,202,000
2033	21,118,000	8,791,000	29,909,000
2034	21,963,000	8,582,000	30,545,000



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, 2015

Discount Rate

7.5% per annum

Inflation

3.0%.

This assumption is based on long term (1926-2013) historical inflation numbers. While near term averages have been lower, we do not believe this trend will continue indefinitely and expect that there will be a reversion to the long term average.

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.

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.

We have selected a mortality table commonly used by public pension systems (such as the State of Connecticut). It is a recently published pension mortality study released by the Society of Actuaries. The plan does not have sufficiently credible data on which to perform a mortality experience study.

Mortality Improvement

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

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

We are using these scales because they are consistent with recent industry analysis of future mortality improvement.



Actuarial Assumptions City (continued)

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.

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.



Actuarial Assumptions City (continued)

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

The actuarial assumptions in regards to rates of decrement shown above are based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor.

Unit Costs

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

Current Retirees:

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

Future Retirees:

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



Actuarial Assumptions City (continued)

The 2015 assumed annual average per-capita incurred medical unit costs are as follows:

<u>Plan</u>	CIGNA & <u>Medco</u>	<u>IPI & Medco</u>
Pre-Medicare	\$15,432	\$6,135
Post-Medicare	8,501	6,135

Future Retirees:

<u>Plan</u>	CIGNA & <u>Medco</u>
Pre-Medicare	\$12,579
Post-Medicare	7,013

For Police only, Pre-Medicare rate used as of 2014 was \$9,629.04 (2016 rate rolled back with trend)

Premiums were used as the basis for per capita costs.

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%

For plans integrated with Medicare, the premium is assumed to be unaffected by age.

Health Care Cost Trend Rates

Medical: 8.0% in 2015, decreasing 0.5% per year to an ultimate rate of 4.5% in 2022.

Health care trend rates reflect both the current and long-term outlook for increases in health care costs. The short term trend rate is based on recent industry surveys, plan experience and near-term expectations. The long term trend rate is based on our general inflation assumption of 3% plus 1.5% to reflect expectations for long-term medical inflation.

Dental: Assumed to be 5.0% for all years.



Actuarial Assumptions City (continued)

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.

Effective July 1, 2016, all active police employees shall contribute one percent of the Top Step Patrol Rate.

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.

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.

The actuarial assumptions in regards to utilization shown above are based on standard assumptions modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor.

Patient Protection and Affordable Care Act (PPACA)

High Cost Plan Excise Tax ("Cadillac Tax"): Effective in 2020 there will be a 40% excise tax on per capita medical benefit costs in excess of certain thresholds, which (in 2018) are \$10,200 for single coverage and \$27,500 for family coverage for Medicare eligible retirees. Thresholds (in 2018) 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 deductible and 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.



Summary of Principal Plan Provisions City (continued)

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

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.

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Appendix A – Plan Changes

Union	Contract Dates	Component Category	Section	Language
DEN	7/1/2011 - 6/30/2014	Retiree Healthcare Plan Changes (New Comp Mix Plan)	Article VIII	The Union shall accept the City’s revised health and prescription plan as further described in Exhibit A, attached hereto. Said plan will be effective no earlier than July 1, 2012. Any employee eligible for normal retirement on or before December 31, 2012, may retire on or before that date under the terms of the former health and prescription plan;
DEN	7/1/2011 - 6/30/2014	Retiree Healthcare Cost Share Pre-65	Article VIII	Employees eligible for normal retirement on or before June 30, 2014, shall pay 33% of the cost of the pre-age-65 retiree health plan. Employees eligible for normal retirement after June 30, 2014, shall pay 50% of the cost of the pre-age-65 retiree health plan;
DEN	7/1/2011 - 6/30/2014	Retiree Healthcare Cost Share Post-65	Article VIII	Employees eligible for normal retirement on or before June 30, 2014, shall pay 33% of the cost of the post-age-65 Medicare supplement plan. Employees eligible for normal retirement after June 30, 2014, shall pay 50% of the cost of the post-age-65 Medicare supplement plan;
DEN	7/1/2011 - 6/30/2014	Retiree Healthcare Post-65 eligibility	Article VIII	New hires after 7/1/2012 shall not be entitled to supplemental Medicare coverage;



Appendix A – Plan Changes
continued

Union	Contract Dates	Component Category	Section	Language
MAA	7/1/2011 - 6/30/2014	Retiree Healthcare Plan Changes (New Comp Mix Plan)	Section 10.3	The Union shall accept the City's revised health and prescription plan as further described in Exhibit A, attached hereto. Said plan will be effective no earlier than July 1, 2012. Any employee eligible for normal retirement on or before December 31, 2012, may retire on or before that date under the terms of the former health and prescription plan;
MAA	7/1/2011 - 6/30/2014	Retiree Healthcare Cost Share Pre-65	Section 10.3	Employees eligible for normal retirement on or before June 30, 2014, shall pay 33% of the cost of the pre-age-65 retiree health plan. Employees eligible for normal retirement after June 30, 2014, shall pay 50% of the cost of the pre-age-65 retiree health plan;
MAA	7/1/2011 - 6/30/2014	Retiree Healthcare Cost Share Post-65	Section 10.3	Employees eligible for normal retirement on or before June 30, 2014, shall pay 33% of the cost of the post-age-65 Medicare supplement plan. Employees eligible for normal retirement after June 30, 2014, shall pay 50% of the cost of the post-age-65 Medicare supplement plan;
MAA	7/1/2011 - 6/30/2014	Retiree Healthcare Post-65 eligibility	Section 10.3	New hires after 4/3/2012 shall not be entitled to supplemental Medicare coverage;



Appendix A – Plan Changes
 Continued

Union	Contract Dates	Component Category	Section	Language
NUR	7/1/2010 - 6/30/2014	Retiree Healthcare Plan Changes (New Comp Mix Plan)	Article VIII	The Union shall accept the City's revised health and prescription plan as further described in Exhibit A attached hereto and hereby made a part hereof as if fully set forth herein. Said plan will become effective no earlier than 7/1/12. Any employee eligible for normal retirement on or before 12/31/12 may retire on or before that date under the terms of the former health plan;
NUR	7/1/2010 - 6/30/2014	Retiree Healthcare Cost Share Post-65	Article VIII	Employees eligible for normal retirement on or before 6/30/14 shall contribute 33% of the cost of the post-65 Medicare supplemental health insurance. Employees eligible tor normal retirement after 6/30/14 shall contribute 50% of the post-65 Medicare supplement;
NUR	7/1/2010 - 6/30/2014	Retiree Healthcare Cost Share Pre-65	Article VIII	Employees eligible for normal retirement on or before 6/30/14 shall contribute 33% of the pre-age-65 retiree health plan. Employees eligible for normal retirement after 6/30/14 shall contribute 50% to the pre-age 65 retiree health plan;
NUR	7/1/2010 - 6/30/2014	Retiree Healthcare Post-65 eligibility	Article VIII	Employees hired after 6/30/2012 shall not be entitled to the Medicare supplemental insurance;



Appendix A – Plan Changes
 continued

Union	Contract Dates	Component Category	Section	Language
TEA (IUOE)	7/1/2011 - 6/30/2014	Retiree Healthcare Plan Changes (New Comp Mix Plan)	Section 13.3	The Union shall accept the City's revised health and prescription plan as further described in Exhibit A., attached hereto;
TEA (IUOE)	7/1/2011 - 6/30/2014	Retiree Healthcare Cost Share Pre-65	Section 13.3	All employees eligible to retire on or before June 30, 2014, shall pay 33% of the cost of the pre-age-65 retiree health plan. All employees eligible to retire After June 30, 2014, shall pay 50% of the cost of the pre-age-65 retiree health plan;
TEA (IUOE)	7/1/2011 - 6/30/2014	Retiree Healthcare Post- 65 eligibility	Section 13.3	Effective July 1, 2011, new hires shall not be entitled to post-65 retiree Medicare supplemental coverage;



Appendix A – Plan Changes
 continued

Union	Contract Dates	Component Category	Section	Language
UE	7/1/2010 - 6/30/2015	Retiree Healthcare Plan Changes (New Comp Mix Plan)	Section 13.3	The revised health and prescription plan shall be as set forth in the Summary of Benefits attached hereto as Exhibit A. Said plan shall become effective no earlier than 7/1/12. Any employee eligible for normal retirement on or before 12/31/12 may retire on or before that date under the terms of the former health plan;
UE	7/1/2010 - 6/30/2015	Retiree Healthcare Cost Share Pre-65	Section 13.3	Employees who are eligible for normal retirement on or before 6/30/15 shall contribute one-third (33.33%) for the City's pre-65 retiree health plan. Employees not eligible for normal retirement on or before 6/30/15 shall pay fifty 50% percent for the City's pre-65 retiree health plan;
UE	7/1/2010 - 6/30/2015	Retiree Healthcare Post-65 eligibility	Section 13.3	Post age 65 retirees hired after 7/1/2012 shall not be entitled to supplementary Medicare coverage;



Appendix A – Plan Changes
Continued

Union	Contract Dates	Component Category	Section	Language
LAW	7/1/2010 - 6/30/2014	Retiree Healthcare Plan Changes (New Comp Mix Plan)	3 TA; Exhibit 1 of CBA	1. The Union shall accept the City's revised health and prescription plan as further described in Exhibit A, attached hereto. Said plan will be effective January 1, 2014;
LAW	7/1/2010 - 6/30/2014	Retiree Healthcare Cost Share Pre-65	6 TA; Pgs 10-11 of CBA	Employees who retire prior to 7/1/2014 must pay one-third (33.33%) and the City will pay two-thirds (66.66%) of the cost of such plan. Effective July 1, 2014, (the employee shall pay fifty (50%) percent and the City will pay fifty (50%) percent.
LAW	7/1/2010 - 6/30/2014	Retiree Healthcare Post-65 eligibility	7 TA; Pgs 10-11 of CBA	Employees eligible for normal retirement on or before June 30, 2014, shall pay 33% of the cost of the post-age-65 Medicare supplement plan. Employees eligible for normal retirement after June 30, 2014, shall pay 50% of the cost of the post-age-65 Medicare supplement plan. Employees hired after 6/30/2012 are not eligible for Post-65 health care benefits.
LAW	7/1/2010 - 6/30/2014	Retiree Healthcare Post-65 eligibility	8 TA; Pg 10 of CBA	1 New hires after 8/5/2013 shall not be entitled to supplemental Medicare coverage;



Appendix A – Plan Changes
Continued

Union	Contract Dates	Component Category	Section	Language
UAW	7/1/2010 - 6/30/2017	Retiree Healthcare Cost Share Pre-65	13 TA	1. Employees who are eligible for normal retirement on or before 12/31/14 shall contribute one-third (33.33%) for the City's pre-65 retiree health plan. Employees not eligible for normal retirement on or before 12/31/14 shall pay fifty 50% percent for the City's pre-65 retiree health plan, provided they retire on or before June 30, 2015. Employees not eligible for normal retirement on or before 12/31/14 who retire on or after July 1, 2015 shall pay a percentage of the retiree healthcare premium for the pre-65 plan as follows: 50% at age 64, and 2% more for each year under age 64. However this group shall pay 50% regardless of age if they retire as a result of an involuntary layoff.