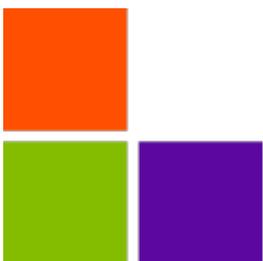


CITY OF HARTFORD OPEB PLAN

ACTUARIAL VALUATION REPORT

JULY 1, 2017



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Certification

This report presents the results of the July 1, 2017 Actuarial Valuation for the OPEB Plan post-retirement benefit other than pension (OPEB) for City (the Plan) for the purpose of estimating the funded status of the Plan and determining the Actuarially Determined Employer Contribution (ADEC) for the fiscal years ending June 30, 2019 and June 30, 2020. 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 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.

I have no relationship with the employer or the Plan that would impair, or appear to impair, my objectivity in performing the work presented in this report. I am a member of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Steve A. Lemanski, FSA, FCA, MAAA
Enrolled Actuary 17-05506

June 1, 2018



Executive Summary

The July 1, 2017 accrued liability of \$414,223,542 is higher than anticipated. There were increases in actuarial accrued liability due to the change in discount rate from 4.50% to 3.58%, higher-than-expected increases in medical premiums, refined client-provided census data, the change in actuarial cost method to Entry Age Normal, and other net plan experience. The discount rate change and cost method change was made to assist with the implementation of GASB 74/75. In addition, we made some other assumption changes including mortality, retirement, withdrawal, disability and healthcare cost trend rates. The change in the actuarial cost method and discount rate increased the liability by approximately 15%, the higher-than-expected increase in medical premiums increased the liability by approximately 4%, refined client provided census data for the EMBERS group increased the liability by approximately 10%, and updating for assumption changes including the changes reflected in the recent Pension Plan experience study increased the liability by approximately 1%. These increases were partially offset by a 16% reduction in actuarial accrued liability due to plan changes to benefits and the majority of union groups moving to high deductible health plans.

Schedule of Funding Status and Funding Progress*						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Covered Payroll	UAL as a Percentage of Covered Payroll
7/1/2013	0	234,915,000	234,915,000	0%	N/A	N/A
7/1/2015	0	279,040,000	279,040,000	0%	109,828,000	254%
7/1/2017	35,740	414,223,542	414,187,802	0%	88,297,844	469%

History of Actuarially Determined Employer Contribution (ADEC)**	
Year Ended June 30	Actuarially Determined Employer Contribution (ADEC)
2016	21,418,000
2017	26,583,000
2018	27,025,000
2019	30,154,672
2020	30,484,776

* Figures shown as of July 1, 2013 are based on prior actuary's valuation.

** ADEC's prior to FY2019 are based on a 4.50% Discount rate.



Unfunded Accrued Liability and Actuarially Determined Employer Contribution

Unfunded Accrued Liability (UAL)

Actuarial Accrued Liability 7/1/2017	Fire	Police	Local 1716	CHPEA	Non-Union	HMEA	Library	MLA	EMBERS	Grand Total
Actives	\$30,545,968	\$28,926,353	\$3,215,011	\$651,055	\$8,246,127	\$16,847,069	\$8,673,234	\$11,833	\$3,992,952	\$101,109,602
Retirees	<u>176,964,739</u>	<u>35,920,041</u>	<u>10,134,702</u>	<u>2,611,075</u>	<u>9,431,728</u>	<u>16,695,274</u>	<u>2,687,776</u>	<u>30,639</u>	<u>58,637,966</u>	<u>313,113,940</u>
Total	207,510,707	64,846,394	13,349,713	3,262,130	17,677,855	33,542,343	11,361,010	42,472	62,630,918	414,223,542
Assets 7/1/2017	<u>35,740</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>35,740</u>
Unfunded Accrued Liability (UAL) 7/1/2017	207,474,967	64,846,394	13,349,713	3,262,130	17,677,855	33,542,343	11,361,010	42,472	62,630,918	414,187,802
Funded Ratio	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%

Actuarially Determined Employer Contribution (ADEC)

2018 / 2019 Fiscal Year ADEC	Fire	Police	Local 1716	CHPEA	Non-Union	HMEA	Library	MLA	EMBERS	Grand Total
Normal Cost	\$2,281,498	\$2,407,699	\$268,815	\$68,428	\$659,059	\$705,324	\$302,810	\$2,016	\$199,788	\$6,895,437
Employee Contributions	(115,808)	0	0	0	0	0	0	0	0	(115,808)
Amortization of UAL	11,445,696	3,577,357	736,459	179,961	975,228	1,850,418	626,749	2,343	3,455,137	22,849,348
Interest	<u>241,501</u>	<u>106,190</u>	<u>17,836</u>	<u>4,407</u>	<u>28,997</u>	<u>45,346</u>	<u>16,493</u>	<u>77</u>	<u>64,848</u>	<u>525,695</u>
Total ADEC 2018 / 2019	13,852,887	6,091,246	1,023,110	252,796	1,663,284	2,601,088	946,052	4,436	3,719,773	30,154,672
2019 / 2020 Fiscal Year ADEC	Fire	Police	Local 1716	CHPEA	Non-Union	HMEA	Library	MLA	EMBERS	Grand Total
Normal Cost	\$2,389,869	\$2,522,065	\$281,584	\$71,678	\$690,364	\$738,827	\$317,193	\$2,112	\$209,278	\$7,222,970
Employee Contributions	(118,993)	0	0	0	0	0	0	0	0	(118,993)
Amortization of UAL	11,445,696	3,577,357	736,459	179,961	975,228	1,850,418	626,749	2,343	3,455,137	22,849,348
Interest	<u>243,368</u>	<u>108,220</u>	<u>18,063</u>	<u>4,465</u>	<u>29,552</u>	<u>45,940</u>	<u>16,748</u>	<u>79</u>	<u>65,016</u>	<u>531,451</u>
Total ADEC 2019 / 2020	13,959,940	6,207,642	1,036,106	256,104	1,695,144	2,635,185	960,690	4,534	3,729,431	30,484,776



Participant Counts and Average Attained Age As of July 1, 2017

Participant Counts			
Group	Active Participants	Retirees*	Total
Fire	274	472	746
Police	401	225	626
Local 1716	233	109	342
CHPEA	44	34	78
Non-Union	109	73	182
HMEA	160	167	327
Library	68	29	97
MLA	9	0	9
EMBERS	14	178	192
Total	1,312	1,287	2,599

*The Valuation includes an additional 1,941 retirees valued with life insurance only. Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age
Fire	40.2	66.4
Police	39.9	63.9
Local 1716	48.0	77.9
CHPEA	42.5	76.6
Non-Union	52.1	71.6
HMEA	49.4	73.0
Library	47.0	77.0
MLA	46.5	N/A
EMBERS	54.9	67.1



Projected Benefit Payments

Fiscal Year Beginning July 1st	Currently Active Employees	Currently Retired Employees	Total
2018	\$585,026	\$15,272,236	\$15,857,262
2019	1,059,001	15,867,388	16,926,389
2020	1,522,995	16,241,260	17,764,255
2021	2,141,148	16,730,609	18,871,757
2022	2,682,972	16,874,343	19,557,315
2023	3,311,066	17,194,300	20,505,366
2024	4,127,866	17,204,271	21,332,137
2025	4,798,473	17,107,287	21,905,760
2026	5,515,075	16,968,999	22,484,074
2027	6,523,645	16,436,523	22,960,168
2028	7,421,961	16,143,217	23,565,178
2029	8,221,670	15,645,987	23,867,657
2030	9,038,193	15,526,417	24,564,610
2031	9,636,630	15,116,863	24,753,493
2032	10,547,753	14,280,168	24,827,921
2033	11,026,889	14,188,607	25,215,496
2034	11,841,644	14,042,000	25,883,644
2035	12,291,414	13,603,377	25,894,791
2036	13,211,149	13,291,570	26,502,719
2037	13,747,907	13,111,022	26,858,929



Description of Actuarial Methods

Asset Valuation Method

Plan Assets equal the Market Value of assets.

Actuarial Cost Method

Changes in Actuarial Cost Method: Prior: Projected Unit Credit.

Description of Current Actuarial Cost Method: Entry Age Normal (level percentage of salary)

Normal Cost: Under this method, the total normal cost is the sum of amounts necessary to fund each active member's normal retirement benefit if paid annually from entry age to assumed retirement age. Entry age is the age at which the employee would have been first eligible for the plan, if it had always been in effect. The normal cost for each participant is expected to remain a level percentage of the employee's salary. The normal cost for the plan is the difference between the total normal cost for the year and the anticipated member contributions for that year.

Past Service Liability: The present value of future benefits that relates to service before the valuation date is the total past service liability. The unfunded past service liability is the difference between the total past service liability and any assets (including accumulated member contributions).

Amortization Method

The Unfunded Accrued Liability is amortized each year over 28 years on a closed basis, as a level dollar amount.

Funding Policy

The Plan Sponsor's Funding Policy is to contribute the employer portion of retiree benefit payments annually.



Description of Actuarial Assumptions

Changes in Actuarial Assumptions as of July 1, 2017

The valuation reflects changes in the actuarial assumptions listed below. (The assumptions used before and after these changes are more fully described in the next section.)

- Interest
- Mortality
- Retirement
- Withdrawal
- Disability
- Healthcare Cost Trend Rates

The assumptions indicated were changed to represent the Enrolled Actuary's current best estimate of anticipated experience of the plan.

Interest

3.58%. (Prior: 4.50%)

Since the OPEB plan's fiduciary net position is less than the first year expected benefit payments for current plan members, the selection of the discount rate is consistent with the GASB 74/75 standards linking the discount rate to the 20- year AA municipal bond index for unfunded OPEB plans. The discount rate used for this valuation is equal to the published Bond Buyer GO 20-Bond Municipal Index effective as of June 30, 2017.

Rate of compensation increase (including inflation)

2.75%.

The assumption is based on historical national wage increases and input from the plan sponsor regarding future expectations.

Inflation

2.75%.

This assumption is based on long term 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

Fire and Police: RP-2014 Adjusted to 2006 Blue Collar Mortality Table projected to valuation date with Scale MP-2017.

All others: RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to valuation date with Scale MP-2017.

(Prior: RP-2000 Mortality Table with separate male and female rates, with separate tables for non-annuitants and annuitants, projected by Scale MP-2014 to the valuation date with Blue Collar adjustment for Police and Fire and no adjustment for All Others.)

Disabled Mortality

Fire and Police: RP-2014 Adjusted to 2006 Disabled Retiree Mortality Table with Scale MP-2017.

All Others: N/A.

(Prior: RP-2000 Disabled Table – Male and Female rates.)



Mortality Improvement

Projected to date of decrement using Scale MP-2017 (generational).

(Prior: Projected to date of decrement using Scale MP-2014.)

We have selected this mortality assumption because it is based on the latest published pension mortality study released by the Society of Actuaries.

Retirement

Fire:

Age	Years of Service	
	20-24	25-29
45-49	4.0%	7.5%
50-54	10.0%	25.0%
55-59	15.0%	40.0%
60-64	30.0%	50.0%
65+	100.0%	100.0%

100% retire at 30 years of service for all ages.

Prior Fire:

Age	Years of Service	
	20-24	25-29
45-49	2.5%	5.0%
50-54	5.0%	20.0%
55-59	10.0%	30.0%
60-64	25.0%	40.0%
65+	100.0%	100.0%

100% retire at 30 years of service for all ages.

Police:

Service	Age <50	Age >50	Age >60
20	55.0%	32.5%	100.0%
21-24	30.0%	16.5%	100.0%
25-29	25.0%	12.5%	100.0%
30+	50.0%	50.0%	100.0%

100% retire at age 60, regardless of service; must be age 40 to retire.

Prior Police:

Service	Age <50	Age >50
20	50.0%	30.0%
21-24	40.0%	25.0%
25-29	30.0%	15.0%
30+	100.0%	100.0%

100% retire at age 65, regardless of service; must be age 40 to retire.



Retirement (cont.)

All Others except Local 1716:

Age	<20 yrs svc or over age 65	Service	+20 on yrs svc and under age 65
55	12.0%	20	17.5%
56-59	9.0%	21	20.0%
60-62	12.5%	22	15.0%
63-64	20.0%	23-25	12.5%
65	25.0%	26-27	16.0%
66-74	17.5%	28	17.0%
75	100.0%	29	12.0%
		30	25.0%
		31-34	15.0%
		35	100.0%

Prior All Others except Local 1716:

Age	<20 yrs svc or over age 65	Service	+20 on yrs svc and under age 65
55	15.0%	20	15%
56-59	7.5%	21	20%
60-64	15.0%	22	15%
65	30.0%	23-25	10%
66-74	15.0%	26-27	15%
75	100%	28	20%
		29	10%
		30	25%
		31-34	10%
		35	100%

Post 65 rates above used for all years of service.

The actuarial assumption in regards to rates of retirement shown above is based on the results of an actuarial experience study of the pension plan for the period July 1, 2010 through June 30, 2015.

Local 1716 - per table below (per CT MERS Valuation)

Age	Rate
45-53	15%
54	10%
55	7%
56	6%
57-59	5%
60-62	10%
63-64	15%
65	20%
66-74	15%
75+	100%

The actuarial assumption in regards to rates of retirement shown above are based on the rates used by the state of Connecticut Municipal Employee Retirement System actuaries.



Termination prior to retirement

Police and Fire:

Annual rates of termination are illustrated by the sample rates as follows:

Age	Police	Fire
20-24	4.50%	1.00%
25-29	3.25%	1.00%
30-34	2.50%	1.00%
35-39	2.00%	1.00%
40-44	1.25%	0.75%
45-49	0.75%	0.25%
50+	0.00%	0.00%

Prior Fire:

Age	Rate
20-39	1.0%
40-44	0.5%
45+	0.0%

Prior Police:

Age	Rate
20-24	4.0%
25-29	3.0%
30-34	2.5%
35-39	2.0%
40-44	1.0%
45+	0.0%

All Others except Local 1716:

Annual rates of termination are illustrated as follows:

Age	Years of Service					
	<1	1	2	3	4	5+
20-29	29.00%	27.00%	25.00%	18.00%	15.00%	12.00%
30-39	22.00%	19.00%	16.00%	14.00%	12.00%	7.00%
40-49	16.50%	12.00%	9.00%	8.00%	7.00%	5.50%
50-54	10.00%	8.00%	7.00%	6.00%	5.00%	4.00%
55+	8.00%	7.00%	6.00%	5.00%	4.00%	3.50%



Termination prior to retirement (cont.)

Prior All Others except Local 1716:

Age	Years of Service					
	<1	1	2	3	4	5+
20-29	27.0%	25.0%	22.0%	19.0%	17.0%	15.0%
30-39	20.0%	17.0%	15.0%	12.0%	10.0%	6.0%
40-49	15.0%	10.0%	9.0%	7.0%	6.0%	5.0%
50+	8.0%	7.0%	6.0%	5.0%	4.0%	3.0%

The actuarial assumption in regards to rates of termination shown above is based on the results of an actuarial experience study of the pension plan for the period July 1, 2010 through June 30, 2015.

Local 1716 - Annual rates of withdrawal per table below (per CT MERS Valuation)

Sample Rates		
Age	Male Rate	Female Rate
20	18.0%	20.0%
30	12.0%	15.0%
40	7.5%	10.0%
50	5.0%	5.0%
60	5.0%	5.0%

The actuarial assumption in regards to rates of withdrawal shown above are based on the rates used by the State of Connecticut Municipal Employee Retirement System actuaries.

Disability

DP-85 Class 1 Male and Female Disability Incidence Rate Table increased 200% for Firefighter groups and 150% for Police.

DP85 Class 1 Disability Incidence Table: Sample male and female rates:

Age	Male	Female
15	0.021%	0.023%
20	0.029%	0.030%
25	0.038%	0.047%
30	0.048%	0.080%
35	0.069%	0.136%
40	0.117%	0.211%
45	0.202%	0.323%
50	0.358%	0.533%
55	0.722%	0.952%
60	1.256%	1.159%
65	1.753%	1.358%

(Prior: Increased 250% for Fire and 150% for Police.)

The actuarial assumption in regards to disability rates shown above is based on the results of an actuarial experience study for the period July 1, 2010 through June 30, 2015.

All Others: N/A.



Utilization

95% of current active members will elect medical coverage at retirement (Life Insurance: 100%).

Spousal Coverage

80% of male and 60% of female active members are assumed to be married and elect spousal benefits at retirement with wives 3 years younger than husbands (2 years younger for Fire and Police).

Healthcare Cost Trend Rates

7.50% in 2017, reducing by 0.5% each year to an ultimate rate of 4.75% per year rate for 2023 and later.

(Prior: 6.75% in 2017, reducing by 0.5% each year to a final 4.75% per year rate for 2021 and later.)

Dental is assumed to increase by 4.75% per year.

Healthcare cost trend rates reflect both the current and long-term outlook for increases in healthcare costs. The short term rates are based on recent industry surveys, plan experience and near-term expectations. The long term trend rate is based on our general inflation assumption plus an adjustment to reflect expectations for long-term medical inflation.

Premiums/Allocation rates

	Rate
High Deductible Health Plan	\$7,160
Fire and Police Pre-65 (OAPIN/PPO)	9,980
City Pre-65 (OAPIN/PPO)	13,340
Post-65 Medicare Supplement Plan	3,440

Allocation rates were used as the basis for per capita costs. The average rate was derived by reflecting participation among the various plans offered by the employer.

Expected Claim Costs

High Deductible Health Plan		
Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$5,167	\$7,202
50	6,748	8,392
55	8,854	9,776
60	11,407	11,402
64	13,930	13,348



Expected Claim Costs (cont.)

Fire and Police Pre-65 (OAPIN/PPO)		
Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$7,202	\$10,038
50	9,405	11,696
55	12,341	13,625
60	15,898	15,892
64	19,415	18,605

City Pre-65 (OAPIN/PPO)		
Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$9,626	\$13,418
50	12,571	15,634
55	16,496	18,213
60	21,251	21,243
64	25,952	24,869

Post-65 Medicare Supplement		
Sample Age	Expected Claim (Male)	Expected Claim (Female)
65	\$5,002	\$4,740
70	5,735	5,429
75	6,235	5,922
80	6,557	6,263
85	6,598	6,304

The sample per capita claim was developed as follows: Using the total count of active participants eligible for post-retirement medical benefits and retirees currently electing medical coverage, we calculate the total projected claims by multiplying the total count by the average annual premium. Using the cost increases derived from a study sponsored by the Society of Actuaries prepared by Dale H. Yamamoto from May 2013: “Health Care Costs from Birth to Death”, we allocate the total projected claims by age and gender.

Patient Protection and Affordable Care Act (PPACA)

High Cost Plan Excise Tax (“Cadillac Tax”): Effective in 2022, 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 equal the inflation assumption. 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 Plan Provisions

This exhibit summarizes the major provisions of the Plan. It is not intended to be, nor should it be interpreted as a complete statement of all plan provisions. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

Fire

Eligibility

Hired prior to 12/15/2006: Age 50 with 5 years of service, or 20 years of service.

Hired after 12/15/2006 and prior to 12/15/2016: Age 50 with 5 years of service, or 25 years of service.

Hired on or after 12/15/2016: Age 55 with 10 years of service, or 25 years of service.

Benefit

High Deductible Health Plan w/ HSA is the only health option available for active employees.

Hired prior to 7/1/2007: prior to age 50 the retiree must pay 100% of the premium and will receive a monthly stipend of \$125 per month. At age 50, benefits will be the same as active employee including funding of the HSA, the retiree will pay the active family rate at the time of retirement plus 20% of that cost, which will be fixed until the retiree reaches age 65. At age 65 the retiree and eligible spouse will no longer be eligible to purchase coverage through the city and will receive a total monthly stipend of \$250 per month.

Hired on or after 7/1/2007 and before 12/15/2016: Retiree and spouse will pay 50% of the premium cost with no City-paid HSA contribution. There will be no access to post-65 coverage or stipend. Must contribute 1% of salary while actively employed.

Hired on or after 12/15/2016: The retiree will have no access to the City's health insurance, instead will receive a \$500 stipend per month between the ages of 55 and 65. In order to receive this stipend they must retire and immediately begin their pension benefit. Must contribute 2% of salary while actively employed.

Life Insurance; \$5,000 City-paid available to all future retirees.

Police

Eligibility

Hired prior to 7/1/1999: Age 50 with 10 years of service, or 20 years of service.

Hired on or after 7/1/1999 and prior to 7/1/2013: Age 50 with 10 years of service, or 25 years of service.

Hired on or after 7/1/2013: Age 50 with 10 years of service, Normal Retirement is age 55 with 25 years of service.

Benefit

Retirees enrolled in a High Deductible Health Plan shall receive the same HSA contribution as active employees.

Hired prior to 7/1/2012: Retiree will receive a monthly stipend of \$500 per month towards the full cost of health insurance for pre-65 coverage only.

Hired on or after 7/1/2012 and prior to 12/11/2017: Retiree can purchase health coverage by paying the full premium rate minus the active cost share in effect at the time of retirement, the amount remains unchanged through age 65. Coverage ends at age 65.



Benefit (cont.)

Employees hired prior to 7/1/2012 can opt into the post 7/1/2012 benefit by electing to contribute an additional 1.5% of salary to the pension fund.

Hired on or after 12/11/2017: 100% retiree-paid pre-65 coverage only. Retiree will be eligible to receive a stipend towards this cost which will be self-funded while actively employed.

Life Insurance: \$6,000 City-paid available to all future retirees

Local 1716

Eligibility

Age 55 with 5 years of service, or 25 years of service.

Benefit

High Deductible Health Plan w/ HSA is the only health option available effective July 1, 2018 (a buy-up option to the PPO plan is available for current employees which expires June 30, 2021). The city does not contribute to the HSA for retirees.

Hired prior to 12/20/2017 – 100% retiree-paid, pre-65 only. If retire at age 55 or older with at least 25 years of service, the City shall pay \$50 per month toward the cost of health insurance until age 62. At age 62, the City will pay the full cost of medical coverage until the retiree reaches age 65. Coverage ends at age 65 and the retiree will have no access to City health insurance.

Hired on or after 12/20/2017 – No access to health insurance through the City.

Life Insurance: \$7,500 City-paid available to all future retirees.

CHPEA

Eligibility

Hired prior to 6/26/2003: Age 55 with 5 years of service, or 20 years of service.

Hired on or after 6/26/2003: Age 55 with 5 years of service, Normal Retirement is age 55 with 25 years of service.

Benefit

High Deductible Health Plan w/ HSA is the only health option available for active employees.

Retirees are eligible to continue health coverage at 100% retiree-paid, pre-65 only.

If retire with 25 years of service (20 years of service if hired prior to 10/1/1997) retiree shall receive a stipend of \$50 per month from age 55-62, at age 62 the retiree and spouse will receive 100% City-paid coverage until age 65.

If hired on or after 12/11/2017 – No access to health insurance through the City.

Life Insurance: \$5,000 City-paid available to all future retirees



HMEA

Eligibility

Hired prior to 7/1/2003: Age 55 with 5 years of service, or 20 years of service.

Hired on or after 7/1/2003: Age 55 with 5 years of service, Normal Retirement is age 55 with 25 years of service.

Benefit

100% Retiree-paid for pre and post-65 coverage.

If retire at age 55 with 25 years of service (any age with 20 years of service if hired prior to 7/1/2003) retiree shall receive a stipend of \$50 per month until age 62, at age 62 the retiree and spouse will receive 100% City-paid coverage until age 65.

If hired on or after 6/9/2008 – No access to health insurance through the City.

Life Insurance: \$12,000 City-paid available to all future retirees

MLA

Eligibility

Age 55 with 5 years of service, Normal Retirement is age 55 with 25 years of service.

Benefit

No access to health insurance through the City.

Life Insurance: \$15,000 City-paid available to all retirees.

Library

Eligibility

Age 55 with 10 years of service, or 25 years of service.

Benefit

Hired prior to 2/3/2011: 100% retiree-paid for pre and post-65 coverage. Retiree and spouse shall receive 100% City-paid coverage from age 62 until age 65.

Hired on or after 2/3/2011: 100% retiree-paid for pre-65 coverage only. Retiree and spouse shall receive 100% City-paid coverage from age 62 until age 65 if 25 or more years of service at retirement (10-14 years of service – 25% City-paid; 15-19 years of service – 50% City-paid and 20-24 years of service – 75% City-paid). No access to post-65 coverage through the City.

Life Insurance: \$15,000 City-paid available to all retirees.



Non-Union

Eligibility

Hired prior to 1/1/2011: Age 55 with 5 years of service, or 20 years of service.

Hired on or after 1/1/2011: Age 62 with 5 years of service, or age 55 with 20 years of service.

Benefit

High Deductible Health Plan w/ HSA is the only health option available for active employees.

100% retiree-paid for pre and post-65 coverage.

Life Insurance: \$15,000 City-paid available to all retirees.

Certain EMBERS employees are eligible for 100% City-paid pre and post-65 medical coverage for self and spouse at retirement (approximately 14 active employees remain at the valuation date).