



CLASSIFIED EMPLOYEES' RETIREMENT TRUST FUND OF THE CITY OF
STAMFORD

ACTUARIAL VALUATION REPORT - **REVISED**

JULY 1, 2017



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Table of Contents

Executive Summary	1
Valuation Results and Highlights	2
Purpose of the Valuation	2
Information Available in the Valuation Report.....	2
Changes Reflected in the Valuation.....	2
Cash Contribution for Fiscal Year Ending 2019.....	2
Liability Experience During Period Under Review	2
Asset Experience During Period Under Review	3
Certification	4
Development of Unfunded Accrued Liability and Funded Ratio.....	5
Unfunded Accrued Liability and Funded Ratio per Group	6
Determination of Normal Cost and Actuarially Determined Employer Contribution.....	8
Actuarially Determined Employer Contribution per Group	9
Valuation Contribution Change	10
Determination of Actuarial Gain/Loss.....	11
Development of Asset Values.....	12
Target Allocation and Expected Rate of Return	16
Amortization of Unfunded Liability	17
Member Data	18
Description of Actuarial Methods	21
Description of Actuarial Assumptions	22
Summary of Plan Provisions	25

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Executive Summary

	July 1, 2017	July 1, 2016
Number of members		
Active employees	594	587
Terminated vested members	141	167
Vested in employee contributions only	12	17
Retired, disabled and beneficiaries	706	702
Total	1,453	1,473
Covered employee payroll	41,463,538	39,685,331
Average plan salary	69,804	67,607
Actuarial present value of future benefits	305,589,856	283,986,512
Actuarial accrued liability	268,864,782	249,941,161
Plan assets		
Market value of assets	210,354,348	190,594,323
Actuarial value of assets	221,592,260	216,205,953
Unfunded accrued liability	47,272,522	33,735,208
Funded ratio	82.4%	86.5%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2019	2018
ADEC	7,864,000	6,348,000



Valuation Results and Highlights

Purpose of the Valuation

The purpose of the valuation is to develop the Actuarially Determined Employer Contribution (ADEC).

The ultimate cost of a pension plan is based primarily on the level of benefits promised by the plan. The pension fund's investment earnings serve to reduce the cost of plan benefits and expenses. Thus,

$$\text{Ultimate cost} = \text{Benefits Paid} + \text{Expenses Incurred} - \text{Investment Return} - \text{Employee Contributions}$$

The actuarial cost method distributes this ultimate cost over the working lifetime of current plan participants. By means of this budgeting process, costs are allocated to both past and future years, and a cost is assigned to the current year. The current year's allocated cost, or normal cost, is the building block upon which the actuarially determined employer contribution is developed. The July 1, 2017 valuation produces the contribution for the fiscal year ending 2019.

Information Available in the Valuation Report

The Executive Summary is intended to emphasize the notable results of the valuation from the perspective of the Plan Sponsor. Supporting technical detail is documented in Results of the Valuation, Supporting Exhibits and Description of Actuarial Methods and Assumptions. A concise summary of the principal provisions of the Plan is outlined in Summary of Plan Provisions.

Changes Reflected in the Valuation

The investment rate of return assumption was lowered from 7.5% to 7.2%. This change increased liabilities by about \$7.8 million. The valuation reflects the latest contracts for the Nurses and MAA. The plan changes lowered liabilities by about \$70,000 and normal cost by about \$92,000.

Cash Contribution for Fiscal Year Ending 2019

The City cost is:	2019 Fiscal Year
Board of Education	\$866,000
City	6,582,000
WPCA	<u>416,000</u>
Total	\$7,864,000

Liability Experience During Period Under Review

The plan experienced a net actuarial loss on liabilities since the prior valuation of approximately \$4.4 million. The main reasons for the loss were that actual increases in salary were higher than expected, increases in the Medicare Part B reimbursement amounts and new entrants.



Asset Experience During Period Under Review

	2017 Fiscal Year
Market Value Basis	14.6%
Actuarial Value Basis	6.2%

The Actuarial Value of assets, rather than the Market Value, is used to determine plan contributions. The Actuarial Value spreads the asset volatility over 5 years, thereby smoothing out fluctuations that are inherent in the Market Value.



Certification

This report presents the results of the July 1, 2017 Actuarial Valuation for Classified Employees' Retirement Trust Fund of The City of Stamford (the Plan) for the purpose of estimating the funded status of the Plan and determining the Actuarially Determined Employer Contribution (ADEC) for the fiscal year ending June 30, 2019. 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 that 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 Trustee. 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 *Summary of 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 factors such as, but not limited to, the following: 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.

Evan W. Woollacott, Jr., FCA, MAAA
Enrolled Actuary 17-04513

March 14, 2018



Development of Unfunded Accrued Liability and Funded Ratio

	July 1, 2017	July 1, 2016
Actuarial accrued liability for inactive members		
Retired, disabled and beneficiaries	\$136,993,433	\$129,265,750
Terminated vested members	13,941,590	15,075,940
Due refund of employee contributions only	140,513	121,575
Total	151,075,536	144,463,265
Actuarial accrued liability for active employees	117,789,246	105,477,896
Total actuarial accrued liability	268,864,782	249,941,161
Actuarial value of assets	221,592,260	216,205,953
Unfunded accrued liability	47,272,522	33,735,208
Funded ratio	82.4%	86.5%

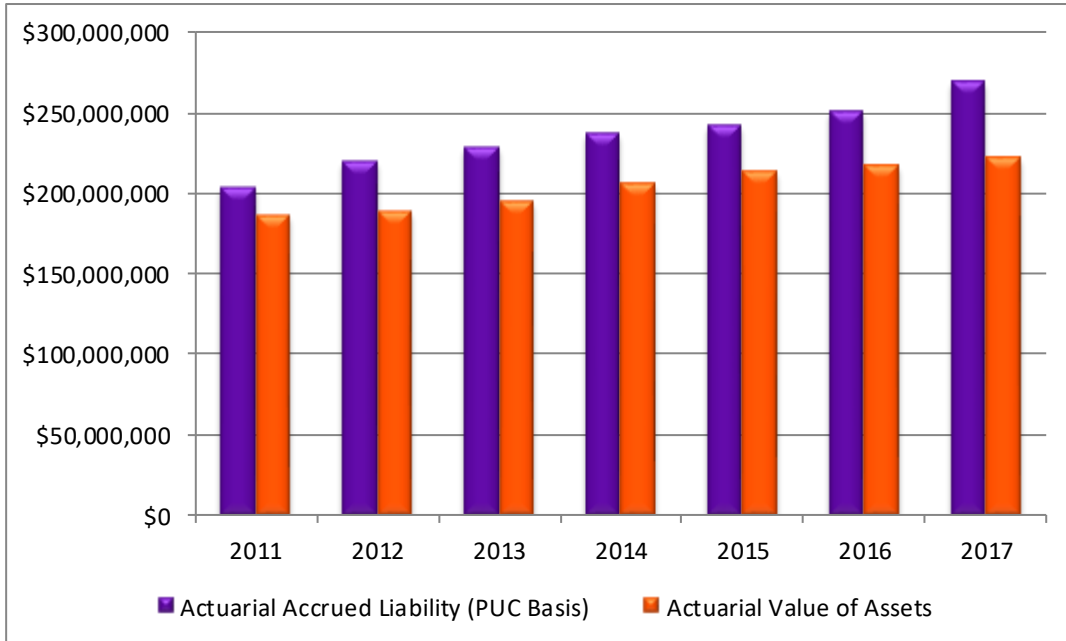


Unfunded Accrued Liability and Funded Ratio per Group

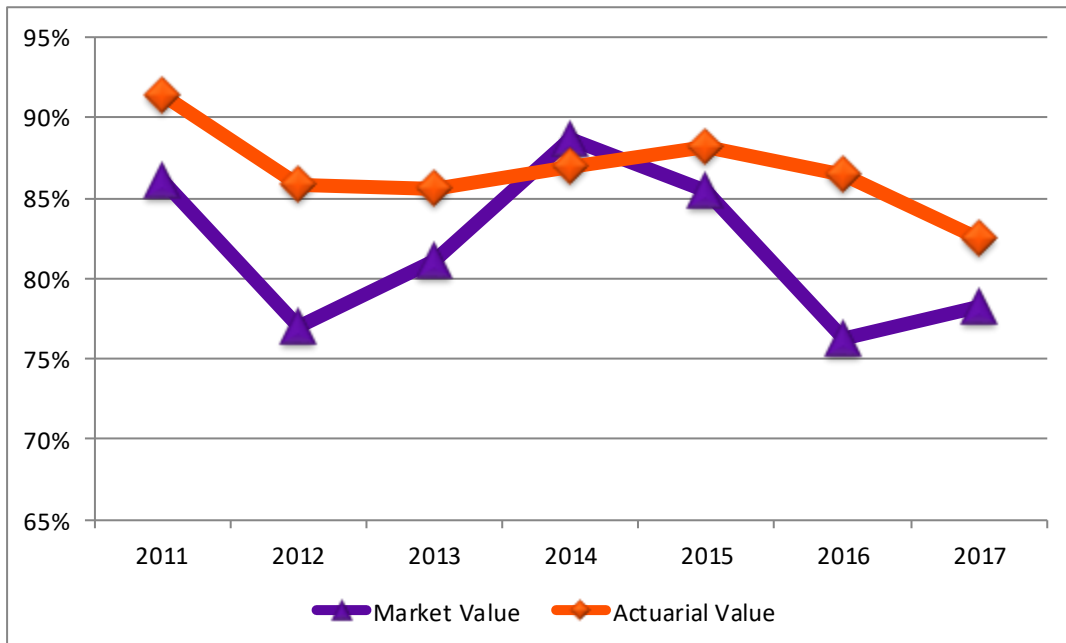
	Board of Education	City	WPCA	Total
Actuarial accrued liability for inactive members				
Retired, disabled and beneficiaries	\$13,787,582	\$116,754,708	\$6,451,143	\$136,993,433
Terminated vested members	703,567	12,727,481	510,542	13,941,590
Due refund of employee contributions only	0	82,729	57,784	140,513
Total	14,491,149	129,564,918	7,019,469	151,075,536
Actuarial accrued liability for active employees	12,828,023	97,878,297	7,082,926	117,789,246
Total actuarial accrued liability	27,319,172	227,443,215	14,102,395	268,864,782
Actuarial value of assets	22,236,160	187,541,324	11,814,776	221,592,260
Unfunded accrued liability	5,083,012	39,901,891	2,287,619	47,272,522
Funded ratio	81.4%	82.5%	83.8%	82.4%



Actuarial Accrued Liability vs. Actuarial Value of Assets



Funded Ratio





Determination of Normal Cost and Actuarially Determined Employer Contribution

	July 1, 2017		July 1, 2016	
	Cost	Percent of payroll	Cost	Percent of payroll
Gross normal cost	\$4,453,896	12.7%	\$4,152,598	12.2%
Estimated employee contributions	(1,678,135)	-4.8%	(1,548,869)	-4.5%
Estimated administrative expenses	105,712	0.3%	113,955	0.3%
City's normal cost	2,881,473	8.2%	2,717,684	8.0%
Amortization of unfunded accrued liability	4,903,009	14.0%	3,555,133	10.4%
Contribution before adjustment as of the valuation date	7,784,482	22.2%	6,272,817	18.4%
Contribution rounded to nearest \$1,000	7,784,000		6,273,000	
Estimated valuation year payroll for actives not yet at 100% assumed retirement age	35,104,451		34,045,302	
Fiscal year ending	2019		2018	
Adjustment for interest and inflation	80,000		75,000	
Actuarially determined employer contribution	7,864,000		6,348,000	



Actuarially Determined Employer Contribution per Group

	Board of Education	City	WPCA	Total
Gross normal cost	\$507,736	\$3,686,234	\$259,926	\$4,453,896
Estimated employee contributions	(190,811)	(1,395,474)	(91,850)	(1,678,135)
Estimated administrative expenses	12,051	87,492	6,169	105,712
City's normal cost	328,976	2,378,252	174,245	2,881,473
Actuarial accrued liability	27,319,172	227,443,215	14,102,395	268,864,782
Actuarial value of assets	22,236,160	187,541,324	11,814,776	221,592,260
Unfunded accrued liability	5,083,012	39,901,891	2,287,619	47,272,522
Amortization of unfunded accrued liability	527,200	4,138,542	237,267	4,903,009
Contribution before adjustment as of the valuation date	856,176	6,516,794	411,512	7,784,482
Contribution rounded to nearest \$1,000	856,000	6,517,000	411,000	7,784,000
Fiscal year ending June 30, 2019				
Adjustment for interest and inflation	10,000	65,000	5,000	80,000
Actuarially determined employer contribution	866,000	6,582,000	416,000	7,864,000



Valuation Contribution Change

Valuation Contribution Change		
Contribution before adjustment as of July 1, 2016		\$6,273,000
Increase due to actuarial return on assets	\$295,000	
Increase due to liability losses	459,000	
Increase due to assumption or method changes	1,037,000	
Decrease due to plan provision changes	(98,000)	
Impact of lower discount rate on amortization	(79,000)	
Miscellaneous decrease	<u>(103,000)</u>	
Total increase in contribution		<u>1,511,000</u>
Contribution before adjustment as of July 1, 2017		<u>7,784,000</u>



Determination of Actuarial Gain/Loss

Actuarial Gain / Loss	
Expected unfunded accrued liability July 1, 2017	
Expected unfunded accrued liability July 1, 2017	
Unfunded accrued liability July 1, 2016	33,735,208
Gross normal cost July 1, 2016	4,266,553
City and employee contributions for 2016-2017	(7,971,979)
Interest at 7.50% to July 1, 2017	<u>2,342,533</u>
Expected unfunded accrued liability July 1, 2017	32,372,315
Actuarial (gain) / loss July 1, 2017	<u>7,151,790</u>
Actual unfunded accrued liability July 1, 2017, prior to plan provision, assumption and method changes	39,524,105
Sources of (gain) / loss	
Assets	2,796,000
Liabilities	<u>4,356,000</u>
Total (gain) / loss (rounded to nearest \$1,000)	7,152,000
Assumption and method changes since prior valuation	7,811,868
Plan provision changes since prior valuation	<u>(63,451)</u>
Actual unfunded accrued liability July 1, 2017, after plan provision, assumption and method changes	47,272,522



Development of Asset Values

Summary of Fund Activity	
1. Beginning market value of assets July 1, 2016	
Trust assets	\$190,594,323
2. Contributions	
City contributions during year	5,923,000
Employee contributions during year	<u>2,048,979</u>
Total for plan year	7,971,979
3. Disbursements	
Benefit payments during year	15,860,384
Administrative expenses during year	<u>100,944</u>
Total for plan year	15,961,328
4. Net investment return	
Interest and dividends	3,398,335
Net appreciation (depreciation)	24,507,812
Investment-related expenses	<u>(156,773)</u>
Total for plan year	27,749,374
5. Ending market value of assets July 1, 2017	
Trust assets: (1) + (2) - (3) + (4)	210,354,348
6. Approximate rate of return	
	14.6%



Determination of the Actuarial Value of Assets	
1. Actuarial value of assets July 1, 2016	\$ 216,205,953
2. City contributions during 2016-2017	5,923,000
3. Employee contributions during 2016-2017	2,048,979
4. Benefit payments and administrative expenses during 2016-2017	(15,961,328)
5. Expected return during 2016-2017	<u>16,185,134</u>
6. Expected actuarial value of assets July 1, 2017	224,401,738
7. Market value of assets July 1, 2017	210,354,348
8. Appreciation (depreciation) recognized: 20% x [(7) - (6)]	(2,809,478)
9. Preliminary actuarial value of assets July 1, 2017: (6) + (8)	221,592,260
10. Preliminary actuarial value of assets as a percentage of market value of assets	105.3%
11. Actuarial value of assets July 1, 2017	221,592,260
2016-2017 return on actuarial value of assets	6.2%

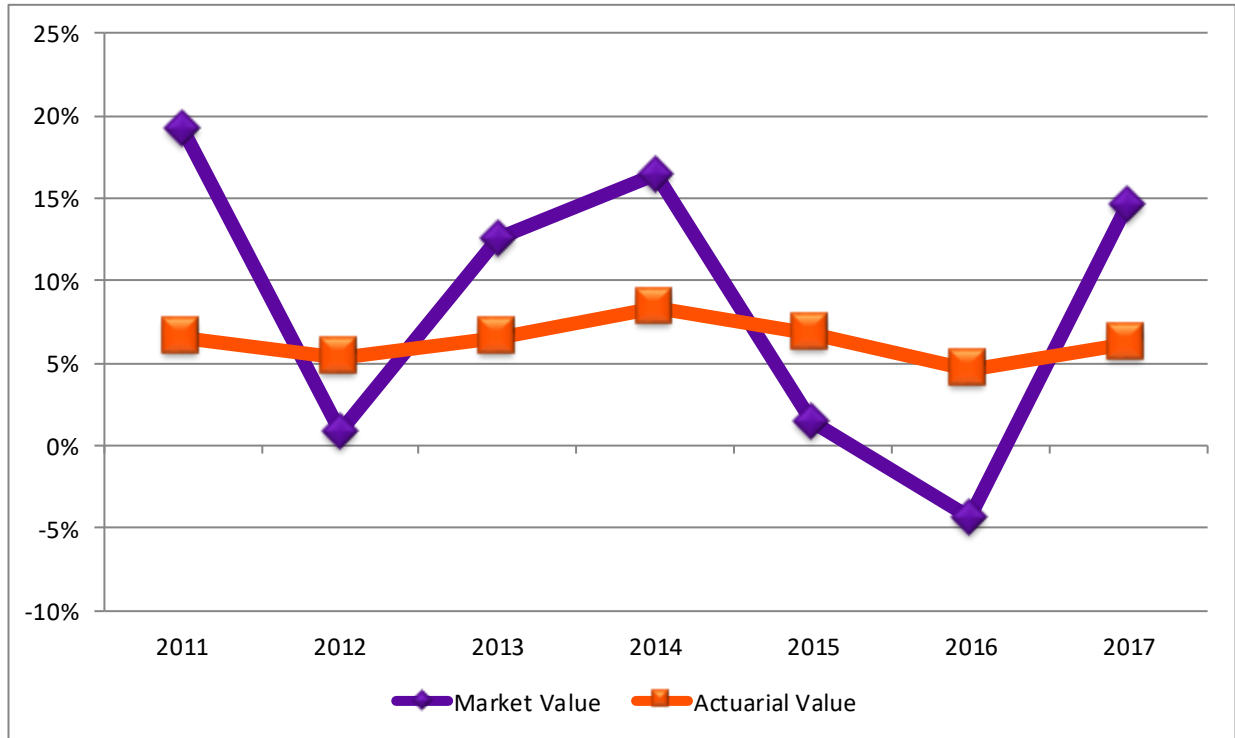


Rate of Return on Market Value of Assets				
Period Ending June 30	Average Annual Effective Rate of Return			
	1 Year	3 Years	5 Years	10 Years
2008	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2010	13.9%	N/A	N/A	N/A
2011	19.2%	N/A	N/A	N/A
2012	0.8%	11.0%	N/A	N/A
2013	12.6%	10.6%	N/A	N/A
2014	16.5%	9.8%	12.4%	N/A
2015	1.5%	10.0%	9.8%	N/A
2016	-4.4%	4.2%	5.1%	N/A
2017	14.6%	3.6%	7.8%	N/A

Rate of Return on Actuarial Value of Assets				
Period Ending June 30	Average Annual Effective Rate of Return			
	1 Year	3 Years	5 Years	10 Years
2008	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2010	3.8%	N/A	N/A	N/A
2011	6.5%	N/A	N/A	N/A
2012	5.4%	5.2%	N/A	N/A
2013	6.5%	6.1%	N/A	N/A
2014	8.4%	6.7%	6.1%	N/A
2015	6.8%	7.2%	6.7%	N/A
2016	4.6%	6.6%	6.3%	N/A
2017	6.2%	5.9%	6.5%	N/A



Actual Rate of Return on Assets





Target Allocation and Expected Rate of Return July 1, 2017

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
Core Fixed Income	22.30%	1.65%	0.37%
Global Fixed Income	5.50%	1.85%	0.10%
Domestic Large Cap	31.00%	5.55%	1.72%
Domestic Small Cap	6.90%	6.00%	0.41%
Intl Developed Equity	27.50%	5.55%	1.53%
Intl Emerging Markets Equity	6.80%	6.50%	0.44%
	100.00%		4.57%
Long-Term Inflation Expectation			2.25%
Long-Term Expected Nominal Return			6.82%

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

The long-term expected rate of return on pension plan 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 pension plan's 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 6.75% and 7.25%. An expected rate of return of 7.20% was used.



Amortization of Unfunded Liability

Schedule of Amortization Bases				
	Date established	Amortization installment	Years remaining	Present value of remaining installments as of July 1, 2017
2017 base	July 1, 2017	4,903,009	15	47,272,522



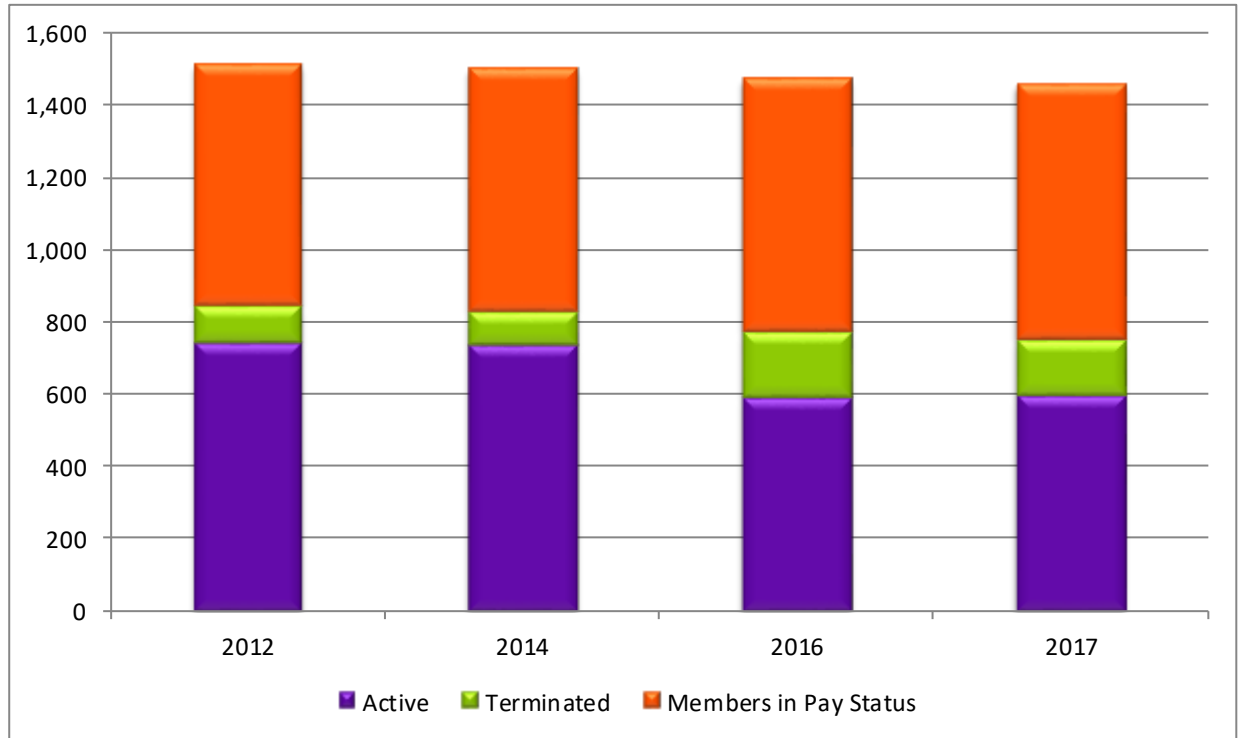
Member Data

The data reported by the Plan Sponsor for this valuation includes 594 active employees who met the Plan's minimum age and service requirements as of July 1, 2017

Member Data					
	Active	Terminated vested	Due refund of contributions	Members in pay status	Total
Total members July 1, 2016	587	167	17	702	1,473
Adjustments	0	0	0	-4	-4
Retirements	-13	-17	N/A	+30	0
Disabilities	0	N/A	N/A	0	0
Terminations					
Vested	-6	+6	N/A	N/A	0
Lump sum payments	0	-14	-12	N/A	-26
Due contributions only	-7	N/A	+7	N/A	0
Deaths					
With death benefit	0	0	0	-14	-14
Without death benefit	-2	-1	0	-22	-25
Transfers	0	0	0	N/A	0
Rehires	0	0	0	N/A	0
New beneficiaries	N/A	N/A	N/A	+14	+14
New entrants	+35	N/A	0	N/A	+35
Total members July 1, 2017	594	141	12	706*	1,453



Member Counts by Status





Member Data				
	Active	Terminated vested	Due refund of contributions	Members in pay status
Average age				
July 1, 2016	52.0	51.3	48.7	75.3
July 1, 2017	52.2	52.0	41.8	75.7
Average service				
July 1, 2016	15.2	N/A	N/A	N/A
July 1, 2017	15.2	N/A	N/A	N/A
Covered employee payroll				
July 1, 2016	\$39,685,331	N/A	N/A	N/A
July 1, 2017	41,463,538	N/A	N/A	N/A
Total annual benefits				
July 1, 2016	N/A	\$2,043,330	N/A	\$15,208,693
July 1, 2017	N/A	1,885,432	N/A	15,682,472



Description of Actuarial Methods

Asset Valuation Method

The Actuarial Value of assets used in the development of plan contributions phases in the recognition of differences between the Market Value and Expected Actuarial Value by recognizing 20% of the difference each year. The Actuarial Value is adjusted, if necessary, to be within the range of 70% and 130% of the Market Value of assets.

Actuarial Cost Method

- A. Changes in Actuarial Cost Method: None.
- B. Description of Current Actuarial Cost Method: Projected Unit Credit

Normal Cost: Under this method, the normal cost equals the total present value of the benefits accruing for all members during the upcoming year, increased to reflect salaries projected to the assumed retirement date.

Unfunded Accrued Liability: The actuarial accrued liability equals the present value of all benefits accrued to date, increased to reflect salaries for all active members. The actuarial accrued liability is reduced by plan assets to develop the unfunded accrued liability. This amount is amortized over 15 years on an open basis.

Experience Gains and Losses: All experience gains and losses (the financial effect of the difference between the actual experience during the prior period and the result expected by the actuarial assumptions for that prior period) appear directly in the actuarial accrued liability and are amortized at the same rate the plan is amortizing the remaining unfunded accrued liability.



Description of Actuarial Assumptions

Changes in Actuarial Assumptions

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.)

- Investment rate of return

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

Investment rate of return (net of investment-related and administrative expenses)

7.2%. (Prior: 7.5%)

Salary Scale

Yearly Rates of Increases

	Current Year	Prior Year
Age	Rate	Rate
20	6.25%	6.50%
25	6.25%	6.50%
30	5.60%	5.85%
35	4.95%	5.20%
40	4.30%	4.55%
45	3.65%	3.90%
50	3.00%	3.25%
55+	2.75%	3.00%

In addition, a one-time retroactive increase of 2.25% per year is assumed for the unions with outstanding contracts.

The assumption is based on input from the plan sponsor regarding future expectations, as well as knowledge that younger employees generally earn higher annual percentage increases than older employees.

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

50/50 Blend of RP-2000 No Collar Combined Table and RP-2000 Blue Collar Combined Table.

Mortality Improvement

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

We have selected mortality tables commonly used by public pension systems (such as the State of Connecticut). The plan does not have sufficiently credible data on which to perform a mortality experience study.

We are using Scale BB because it is the most up to date mortality improvement scale which was developed for use with RP-2000.



Retirement age

Assumed annual rates of retirement after the earliest of 1) 50 with 25 years of service, 2) 55 with 15 years of service, or 3) 60 with 10 years of service are as follows:

Age	Retirement Rate
50-61	5%
62-65	100%

Termination prior to retirement

The following annual rates of turnover are assumed:

Age	Probability
20	10.6%
25	7.9%
30	5.8%
35	4.2%
40	3.1%
45	2.1%
50	1.3%
55	0.5%
60	0.5%

Disability

The following annual rates of disability are assumed:

Age	Probability
20	.05%
25	.05%
30	.05%
35	.06%
40	.09%
45	.18%
50	.40%
55	.85%
60	.85%

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.

Administrative expenses

The assumed administrative expense is the average of the prior two years.

Payroll growth

2.75% per year.



Percent of active employees married

80%.

Spouse's age

Husbands are assumed to be 4 years older than wives.

Medicare Part B Reimbursement

2.75% per year increase assumption.

Pension Service Exchange and Payout Bank

50% of retirees are assumed to elect the maximum exchange (based on their current bank) and 50% of retirees are assumed to elect a lump sum payout.



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.

Pension Earnings

Salary in Final Year of Employment. For UAW and TEA, the average of the highest three years out of the last 10 years.

Normal Retirement

Eligibility: The earlier of 1) age 58 with 15 years of service, or 2) age 60 with 10 years of service, or 3) 25 years of service for MAA only.

For UE participants hired on or after 7/1/2012, the 58 and 15 criteria does not apply. For UAW, the 58 and 15 criteria only applies for a grandfathered group (those age 55 with 25+ year of service on 1/1/2015). For TEA, the 58 and 15 criteria does not apply.

Benefit: 2% of pension earnings per year of service to a maximum of 33 years.

For UE participant hired on or after 7/1/2012, the maximum is 30 years of service.

For UAW and TEA:

- 1.75% for service after 1/1/2015 for those who are not grandfathered (grandfathered if 25+ years of service for UAW or 20+ years of service for TEA, or otherwise eligible to retire on 1/1/2015 for either union.
- 1.5% for new hires after 1/1/2015
- The maximum multiplier is 70% for UAW, 66% for TEA.

For participants promoted to MAA after 6/16/2018, the multiplier immediately prior to promotion will be used for service after promotion. These participants also have three options regarding what pay will be used for their pension calculation (their new pay, their new pay with phase in or the salary for their pre-promotion position).

Limits on Annual Benefit

Maximum: None.

Minimum: \$1,000 with 25 years of service.

Early Retirement

Eligibility: Age 50 with 25 years of service.

Benefit: Accrued retirement benefit reduced .25% for each of the first 36 months prior to age 58 and .55% for each month in excess of 36. There is no reduction for a member of the MAA who retires with 25 years of service.

Disability – Non-Service Connected

Service Requirement: 10 years of service, except 15 for UAW, Nurses, and Dental.

Benefit: 50% of pension earnings if less than 25 years of service (20 years for TEA). Accrued retirement benefit if more than 25 years of service (20 years for TEA).



Disability – Service Connected

Service Requirement: None.

Benefit: 50% of pension earnings.

Pre-Retirement Death Benefit – Non Service Connected

Service Requirement: None.

Benefit: Return of contributions if less than 15 years of service. \$166.67 minus social security with 15 years of service or more and not eligible to retire. 100% Joint & Survivor benefit if eligible to retire.

Pre-Retirement Death Benefit – Service Connected

Service Requirement: None.

Benefit: 50% of pension earnings less workman's compensation, minimum \$83.33.

Post-Retirement Spouse's Benefit

None.

Post-Retirement Death Benefit

Lump sum, excess of accumulated contributions over benefits paid to member or survivors (if not eligible for spouse's benefit).

Postretirement Life Insurance

Lump sum equal to 6,000 for all retirees except for the LAW.

Vesting in Accrued Benefit

Eligibility: 5 years of service (10 years of service for TEA and UE), payable at later of termination date and age 60 (age 58 if 15+ years of vesting service and eligible for Normal Retirement at 58 and 15).

Benefit: Accrued retirement benefit.

Termination Benefit

Accumulated contributions as lump sum, if not vested.

Employee Contributions

Current: 3% of salary for 1199, 6% of salary for UE, MAA, NUR, NHE, NSH, and 5% of salary for all others. For UAW participants with multiplier less than 2%, 4.5% of salary.

For LAW, those with 33+ years of service on 8/5/13 do not contribute. For MAA, Nurses, Teamsters, UE and Dental Hygienists, those with 33+ years of service on 7/1/2012 do not contribute. For all other unions, no contributions for those with service over the limit for benefit calculation purposes.



Vacation/Sick Leave Banks:

Union	Payout Bank Source	Additional Pension Credits Available		Eligibility Cut off Date for Sick Pay	Eligibility Cut off Date for Vacation Pay
		Vacation	Sick		
1119	Operating Budget	Yes-payout only	Yes-payout only	7/1/1998	-
Dental	CERF	No	Yes	7/1/1997	-
Law	Operating Budget	Yes-payout only	Yes-payout only	-	-
MAA	CERF	Yes	Yes	7/1/1997	-
Nurses	CERF	Yes	Yes	7/1/1997	-
Teamsters	CERF	Yes	Yes	7/1/1997	-
UAW	CERF	Yes	Yes	7/1/1998	1/1/2015
UE	CERF	Yes	Yes	7/1/2012	7/1/2012

UE hires on or after 7/1/2012 not eligible for exchange. UAW and TEA hires on or after 1/1/2015 not eligible for exchange.

The amount of the exchange/payout bank is equal to 50% of sick days subject to a 75 day maximum, plus vacation days. Employees can trade in up to 100 days of eligible time for additional pension credit. Each 25 days grants an additional 1% of salary up to a maximum of 4%. The remainder of the bank is paid out in a lump sum.

Additional Provisions

Employees in the MAA, LAW and Dental Hygienists Union can pay 3% of 2011-2012 base salary for one additional year of service credit. The additional benefit will only be paid at age 65+. Payment must be made by 6/30/2013 or 6/30/2014 (depending on Union).