



The City of Newport, Rhode Island Postemployment Benefits Plan

ACTUARIAL VALUATION REPORT

as of July 1, 2025

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Report Prepared By:

Robert P. Lessard
Assistant Vice President &
Consulting Actuary
860.856.2106
rob.lessard@usi.com

Steve A. Lemanski
Partner | Vice President & Senior
Consulting Actuary
860.856.2073
steve.lemanski@usi.com

Wesley Ko
Senior Actuarial Analyst
860.856.2076
wes.ko@usi.com

Executive Summary

	July 1, 2025	July 1, 2024
Number of members		
Active members	680	698
Retired members and dependents	<u>825</u>	<u>840</u>
Total	1,505	1,538
Covered employee payroll	53,715,969	52,024,334
Average plan salary	78,994	74,533
Actuarial present value of future benefits	151,951,692	144,942,672
Actuarial accrued liability	132,708,237	128,613,722
Plan assets		
Market value of assets	83,486,337	73,208,809
Actuarial value of assets	79,235,123	72,280,558
Unfunded accrued liability	53,473,114	56,333,164
Funded ratio	59.7%	56.2%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2026	2025
ADEC	7,532,179	7,170,784

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 an OPEB plan is based primarily on the level of benefits promised by the plan. The OPEB 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, 2025 valuation produces the contribution for the fiscal year ending 2026.

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 mortality, retirement, termination prior to retirement, disability, marital status, spouse's age, and healthcare cost trend rate assumptions were updated. The majority of these assumption changes originated from the recently published Fire and Police experience studies. See the Description of Actuarial Assumptions section for more details. The impact of this change was an increase in the actuarial accrued liability of approximately 4.7%.

Cash Contribution for Fiscal Year Ending 2026

The City cost is:	2026 Fiscal Year
Fire	\$2,289,771
Police	2,466,469
Public Works	160,374
Water	216,750
WPC	42,339
Recreation	3,753
General Government	390,500
Planning	33,346
Harbor	0
Equip Operations	11,947
School	1,916,930
Total	\$7,532,179

Liability Experience During Period Under Review

The plan experienced an approximate gain of \$4.5 million. The gain was driven by a decrease in population and premiums increasing less than expected.

Asset Experience During Period Under Review

The plan's assets provided the following rates of return during the past fiscal year:

	2025 Fiscal Year
Market Value Basis	13.7%
Actuarial Value Basis	9.4%

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, 2025 Actuarial Valuation for The City of Newport, Rhode Island Postemployment Benefits Plan (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, 2026. 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.

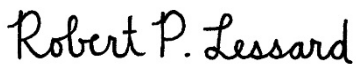
I certify that the actuarial assumptions and methods that were selected by me and represent my best estimate of anticipated actuarial experience under the Plan.

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.



Robert P. Lessard, ASA, MAAA
Enrolled Actuary 23-08801



Steve A. Lemanski, FSA, FCA, MAAA
Enrolled Actuary 23-05506

January 21, 2026

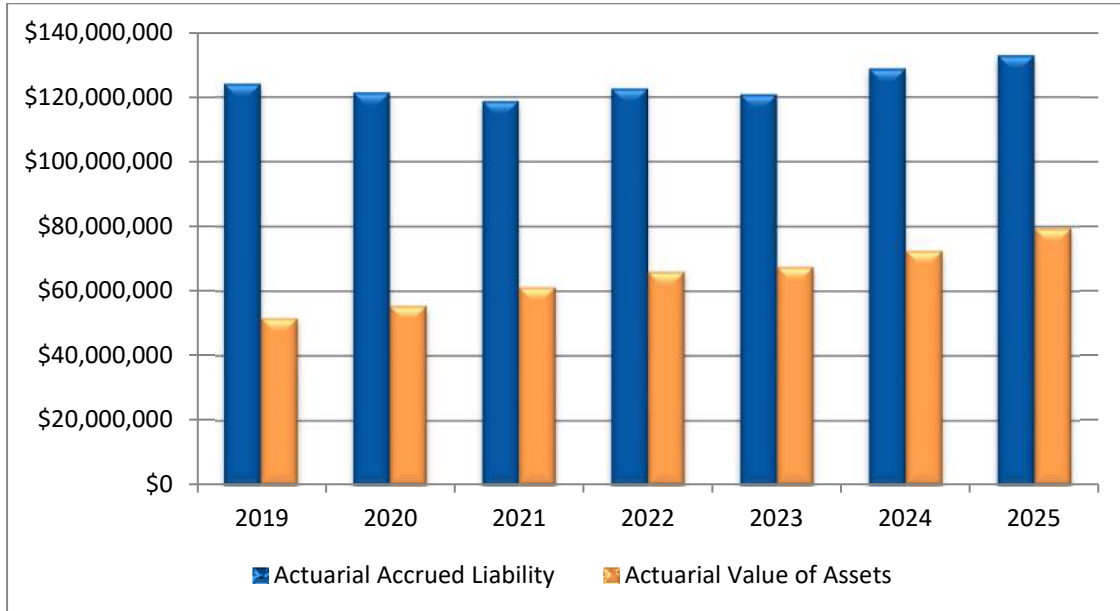
Development of Unfunded Accrued Liability and Funded Ratio

	July 1, 2025	July 1, 2024
Actuarial accrued liability for active members		
Members under age 65	\$15,792,319	\$14,342,188
Members over age 65	5,827,764	5,144,600
Dependents under age 65	13,742,092	12,077,685
Dependents over age 65	4,143,109	3,623,716
Total	39,505,284	35,188,189
Actuarial accrued liability for inactive members		
Members under age 65	7,728,914	8,912,149
Members over age 65	45,644,416	43,875,706
Dependents under age 65	10,346,837	11,854,786
Dependents over age 65	29,482,786	28,782,892
Total	93,202,953	93,425,533
Total actuarial accrued liability	132,708,237	128,613,722
Actuarial value of assets	79,235,123	72,280,558
Unfunded accrued liability	53,473,114	56,333,164
Funded ratio	59.7%	56.2%

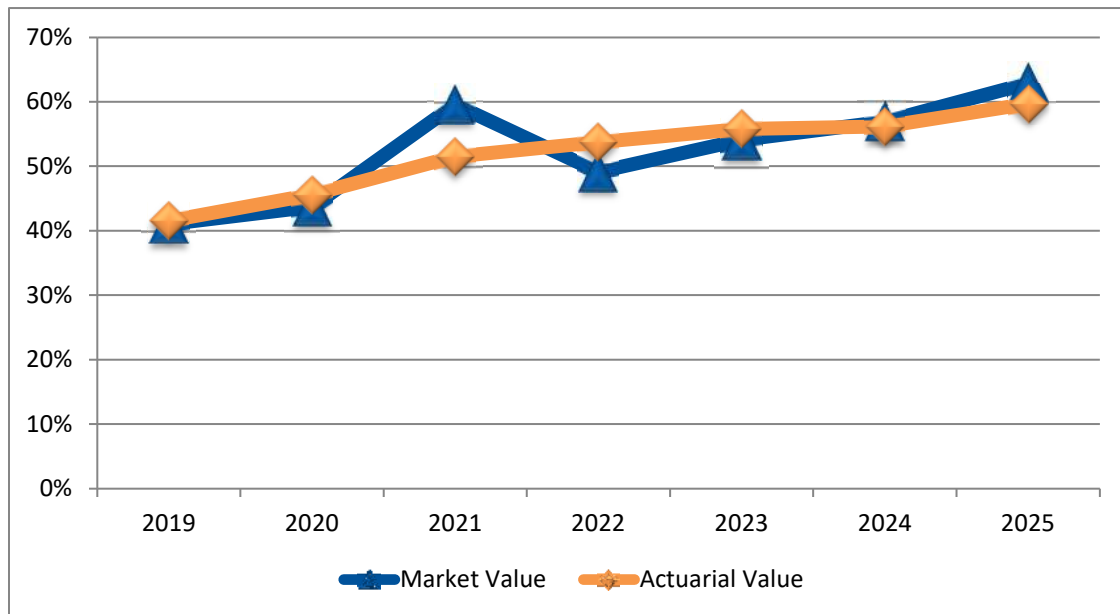
	Current Discount Rate (6.75%)	1% Decrease (5.75%)	1% Increase (7.75%)
Actuarial accrued liability for active members	39,505,284	45,062,300	34,857,206
Actuarial accrued liability for inactive members	93,202,953	102,456,905	85,342,512
Total actuarial accrued liability	132,708,237	147,519,205	120,199,718

	Healthcare Cost Trend Rates (7.00% decreasing to 4.40%)	1% Decrease (6.00% decreasing to 3.40%)	1% Increase (8.00% decreasing to 5.40%)
Actuarial accrued liability for active members	39,505,284	34,004,873	46,252,816
Actuarial accrued liability for inactive members	93,202,953	85,608,895	101,983,780
Total actuarial accrued liability	132,708,237	119,613,768	148,236,596

Actuarial Accrued Liability vs. Actuarial Value of Assets



Funded Ratio



Development of Unfunded Accrued Liability and Funded Ratio by Group

	Fire	Police	Public Works	Water
Actuarial accrued liability for active members				
Members under age 65	\$4,650,582	\$5,114,174	\$497,356	\$466,082
Members over age 65	1,932,226	1,958,588	356,484	320,267
Dependents under age 65	5,247,831	4,628,528	604,284	610,508
Dependents over age 65	1,691,417	1,437,986	221,021	189,591
Total	13,522,056	13,139,276	1,679,145	1,586,448
Actuarial accrued liability for inactive members				
Members under age 65	2,909,714	4,206,613	0	0
Members over age 65	8,292,314	10,290,348	334,770	1,026,364
Dependents under age 65	4,317,019	5,075,579	165,465	56,640
Dependents over age 65	8,298,410	7,933,803	326,492	693,624
Total	23,817,457	27,506,343	826,727	1,776,628
Total actuarial accrued liability	37,339,513	40,645,619	2,505,872	3,363,076
Actuarial value of assets	22,294,026	24,267,978	1,496,162	2,007,967
Unfunded accrued liability	15,045,487	16,377,641	1,009,710	1,355,109
Funded ratio	59.7%	59.7%	59.7%	59.7%

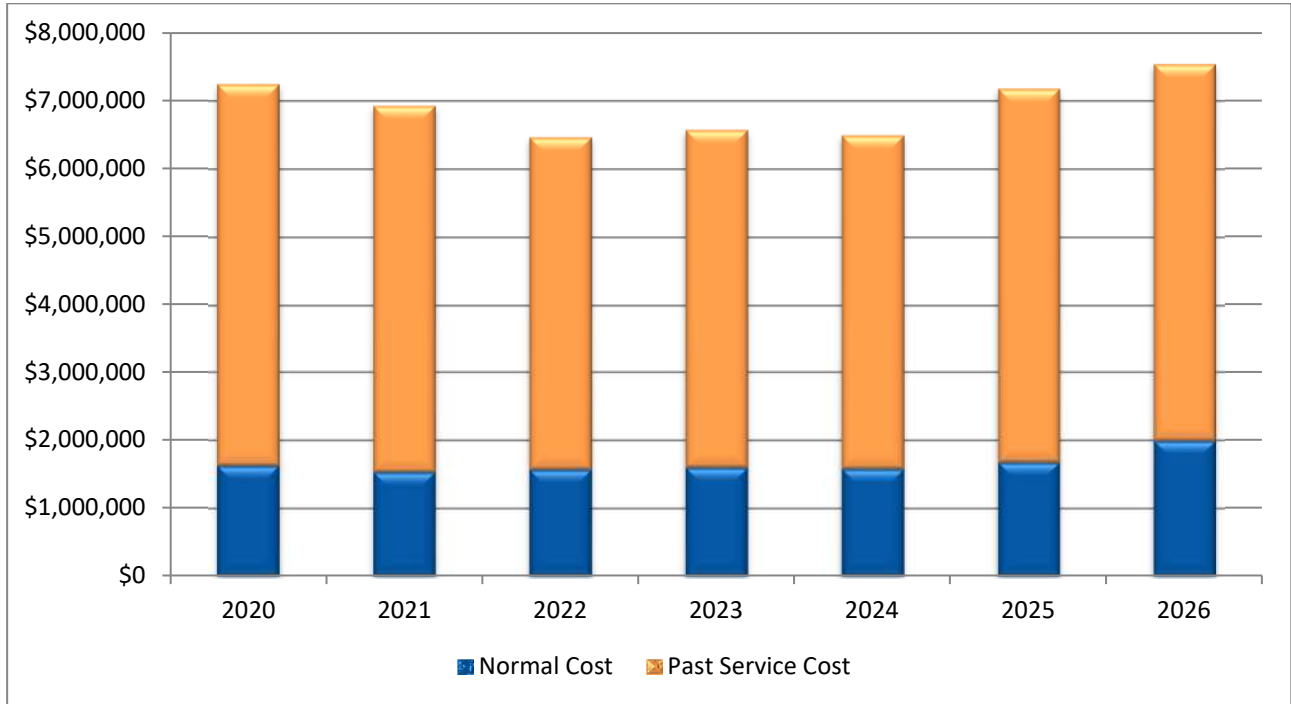
	WPC	Recreation	General Government	Planning
Actuarial accrued liability for active members				
Members under age 65	\$107,623	\$0	\$344,421	\$0
Members over age 65	48,160	0	987,736	0
Dependents under age 65	128,931	0	141,891	0
Dependents over age 65	32,809	0	517,950	0
Total	317,523	0	1,991,998	0
Actuarial accrued liability for inactive members				
Members under age 65	0	0	69,774	0
Members over age 65	28,082	86,540	1,546,681	384,786
Dependents under age 65	0	0	0	0
Dependents over age 65	0	0	818,841	416,532
Total	28,082	86,540	2,435,296	801,318
Total actuarial accrued liability	345,605	86,540	4,427,294	801,318
Actuarial value of assets	206,348	51,670	2,643,372	478,437
Unfunded accrued liability	139,257	34,870	1,783,922	322,881
Funded ratio	59.7%	59.7%	59.7%	59.7%

	Harbor	Equip Operations	School	Total
Actuarial accrued liability for active members				
Members under age 65	\$0	\$0	\$4,612,081	\$15,792,319
Members over age 65	0	0	224,303	5,827,764
Dependents under age 65	0	0	2,380,119	13,742,092
Dependents over age 65	0	0	52,335	4,143,109
Total	0	0	7,268,838	39,505,284
Actuarial accrued liability for inactive members				
Members under age 65	0	0	542,813	7,728,914
Members over age 65	0	134,288	23,520,243	45,644,416
Dependents under age 65	0	0	732,134	10,346,837
Dependents over age 65	0	139,747	10,855,337	29,482,786
Total	0	274,035	35,650,527	93,202,953
Total actuarial accrued liability	0	274,035	42,919,365	132,708,237
Actuarial value of assets	0	163,616	25,625,547	79,235,123
Unfunded accrued liability	0	110,419	17,293,818	53,473,114
Funded ratio	0.0%	59.7%	59.7%	59.7%

Determination of Normal Cost and Actuarially Determined Employer Contribution

	July 1, 2025		July 1, 2024	
	Cost	Percent of payroll	Cost	Percent of payroll
Gross normal cost	\$1,995,052	3.8%	\$1,682,953	3.3%
Estimated employee contributions	(10,092)	0.0%	(14,884)	0.0%
City's normal cost	1,984,960	3.8%	1,668,069	3.3%
Amortization of unfunded accrued liability	5,547,219	10.6%	5,502,715	10.7%
Contribution before adjustment as of the valuation date	7,532,179	14.4%	7,170,784	14.0%
Estimated valuation year payroll for actives not yet at 100% assumed retirement age	52,437,885		51,269,303	
Fiscal year ending	2026		2025	
Adjustment for interest and inflation	0		0	
Actuarially determined employer contribution	7,532,179		7,170,784	

Actuarially Determined Employer Contribution



Actuarially Determined Employer Contribution per Group

	Fire	Police	Public Works	Water
Gross normal cost	\$726,482	\$767,511	\$56,062	\$78,816
Estimated employee contributions	0	0	0	0
City's normal cost	726,482	767,511	56,062	78,816
Actuarial accrued liability	37,339,513	40,645,619	2,505,872	3,363,076
Actuarial value of assets	22,294,026	24,267,978	1,496,162	2,007,967
Unfunded accrued liability	15,045,487	16,377,641	1,009,710	1,355,109
Amortization of unfunded accrued liability	1,563,289	1,698,958	104,312	137,934
Contribution before adjustment as of the valuation date	2,289,771	2,466,469	160,374	216,750
Fiscal year ending June 30, 2026				
Adjustment for interest and inflation	0	0	0	0
Actuarially determined employer contribution	2,289,771	2,466,469	160,374	216,750

	WPC	Recreation	General Government	Planning
Gross normal cost	\$27,861	\$0	\$206,074	\$0
Estimated employee contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
City's normal cost	27,861	0	206,074	0
Actuarial accrued liability	345,605	86,540	4,427,294	801,318
Actuarial value of assets	<u>206,348</u>	<u>51,670</u>	<u>2,643,372</u>	<u>478,437</u>
Unfunded accrued liability	139,257	34,870	1,783,922	322,881
Amortization of unfunded accrued liability	14,478	3,753	184,426	33,346
Contribution before adjustment as of the valuation date	42,339	3,753	390,500	33,346
Fiscal year ending June 30, 2026				
Adjustment for interest and inflation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Actuarially determined employer contribution	42,339	3,753	390,500	33,346

	Harbor	Equip Operations	School	Total
Gross normal cost	\$0	\$0	\$132,246	\$1,995,052
Estimated employee contributions	<u>0</u>	<u>0</u>	<u>(10,092)</u>	<u>(10,092)</u>
City's normal cost	0	0	122,154	1,984,960
Actuarial accrued liability	0	274,035	42,919,365	132,708,237
Actuarial value of assets	<u>0</u>	<u>163,616</u>	<u>25,625,547</u>	<u>79,235,123</u>
Unfunded accrued liability	0	110,419	17,293,818	53,473,114
Amortization of unfunded accrued liability	0	11,947	1,794,776	5,547,219
Contribution before adjustment as of the valuation date	0	11,947	1,916,930	7,532,179
Fiscal year ending June 30, 2026				
Adjustment for interest and inflation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Actuarially determined employer contribution	0	11,947	1,916,930	7,532,179

Development of Asset Values

Summary of Fund Activity		
	Market Value	Actuarial Value
1. Beginning value of assets July 1, 2024		
Trust assets	\$73,208,809	\$72,280,558
2. Contributions		
City contributions during year	3,250,000	3,250,000
Employee contributions during year	0	0
Total for plan year	3,250,000	3,250,000
3. Disbursements		
Benefit payments during year	3,170,755	3,170,755
Administrative expenses during year	96,806	96,806
Total for plan year	3,267,561	3,267,561
4. Net investment return		
Interest and dividends	0	N/A
Realized and unrealized gain / (loss)	10,347,303	N/A
Expected return	N/A	5,059,047
Recognized gain / (loss)	N/A	1,913,079
Required adjustment due to corridor	N/A	0
Reversal of prior year required adjustment	N/A	0
Investment-related expenses	(52,214)	N/A
Total for plan year	10,295,089	6,972,126
5. Ending value of assets July 1, 2025		
Trust assets: (1) + (2) - (3) + (4)	83,486,337	79,235,123
6. Approximate rate of return	13.7%	9.4%

Relationship of Actuarial Value to Market Value

1. Market value 7/1/2025	\$83,486,337
2. Gain / (loss) not recognized in actuarial value 7/1/2025	4,251,214
3. Preliminary actuarial value 7/1/2025: (1) - (2)	79,235,123
4. Preliminary actuarial value as a percentage of market value: (3) ÷ (1)	94.9%
5. Gain / (loss) recognized for corridor minimum / maximum	N/A
6. Actuarial value 7/1/2025 after corridor minimum / maximum: (3) + (5)	79,235,123
7. Actuarial value as a percentage of market value: (6) ÷ (1)	94.9%

Development of Market Value Gain / Loss for 2024-2025 Plan Year

1. Market value 7/1/2024	\$73,208,809
2. City contributions	3,250,000
3. Employee contributions	0
4. Benefit payments	3,170,755
5. Administrative expenses	96,806
6. Expected return at 6.75%	5,059,047
7. Expected value 7/1/2025: (1) + (2) + (3) - (4) - (5) + (6)	78,250,295
8. Market value 7/1/2025	83,486,337
9. Market value gain / (loss) for 2024-2025 plan year: (8) - (7)	5,236,042

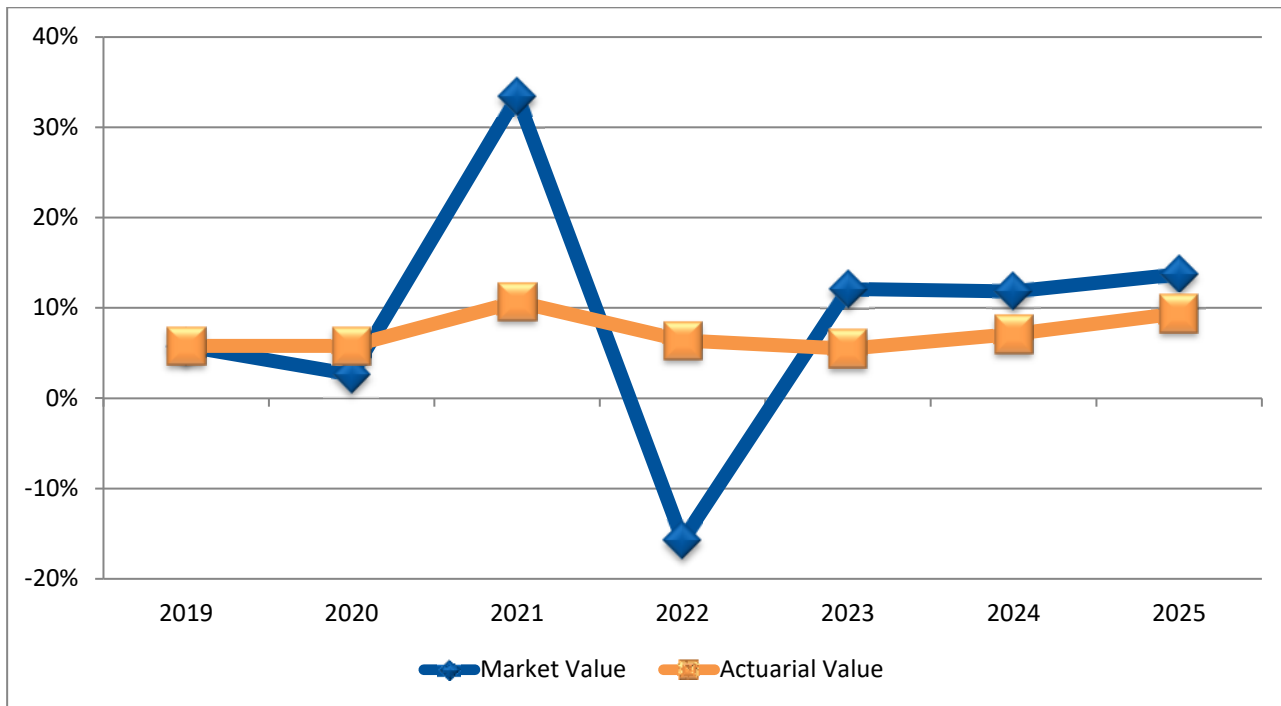
Recognition of Gain / Loss in Actuarial Value

Year	(a) Gain / (loss)	(b) Total recognized as of 7/1/2024	(c) Recognized in current year: 20% of (a)	(d) Total recognized as of 7/1/2025: (b) + (c)	(e) Not recognized as of 7/1/2025: (a) - (d)
2020-2021	\$14,000,013	\$11,200,012	\$2,800,001	\$14,000,013	\$0
2021-2022	(16,249,544)	(9,749,727)	(3,249,909)	(12,999,636)	(3,249,908)
2022-2023	3,175,252	1,270,100	635,050	1,905,150	1,270,102
2023-2024	3,403,644	680,729	680,729	1,361,458	2,042,186
2024-2025	5,236,042	0	1,047,208	1,047,208	4,188,834
Total			1,913,079		4,251,214

Rate of Return on Market Value of Assets				
Period Ending	Average Annual Effective Rate of Return			
June 30	1 Year	3 Years	5 Years	10 Years
2016	N/A	N/A	N/A	N/A
2017	13.5%	N/A	N/A	N/A
2018	11.3%	N/A	N/A	N/A
2019	5.8%	10.1%	N/A	N/A
2020	2.6%	6.5%	N/A	N/A
2021	33.4%	13.1%	12.8%	N/A
2022	-15.7%	4.9%	6.3%	N/A
2023	12.1%	8.0%	6.5%	N/A
2024	11.8%	1.8%	7.7%	N/A
2025	13.7%	12.5%	9.9%	N/A

Rate of Return on Actuarial Value of Assets				
Period Ending	Average Annual Effective Rate of Return			
June 30	1 Year	3 Years	5 Years	10 Years
2016	N/A	N/A	N/A	N/A
2017	13.5%	N/A	N/A	N/A
2018	11.3%	N/A	N/A	N/A
2019	5.8%	10.1%	N/A	N/A
2020	5.8%	7.6%	N/A	N/A
2021	10.7%	7.4%	9.4%	N/A
2022	6.4%	7.6%	8.0%	N/A
2023	5.5%	7.5%	6.8%	N/A
2024	7.1%	6.3%	7.1%	N/A
2025	9.4%	7.3%	7.8%	N/A

Actual Rate of Return on Assets



Target Allocation and Expected Rate of Return July 1, 2025

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
Large Cap Equity	20.00%	4.60%	0.92%
Mid Cap Equity	15.00%	4.98%	0.75%
Small Cap Equity	15.00%	4.98%	0.75%
International Equity	15.00%	4.95%	0.74%
Fixed Income	20.00%	2.79%	0.56%
Real Estate and Timber	15.00%	3.98%	0.60%
	100.00%		4.32%
Long-Term Inflation Expectation			2.40%
Long-Term Expected Nominal Return			6.72%

**Long-Term Real Returns are provided by the Horizon Survey of Capital Market Assumptions Data. The returns are geometric means.*

The long-term expected rate of return on OPEB 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 OPEB 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. An expected rate of return of 6.75% 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, 2025
Initial base	July 1, 2021	\$5,304,128	12	\$51,155,355
2022 base	July 1, 2022	34,528	12	296,700
2023 base	July 1, 2023	(178,641)	13	(1,616,634)
2024 base	July 1, 2024	467,016	14	4,426,083
2025 base	July 1, 2025	(79,812)	15	(788,390)
Total		5,547,219		53,473,114

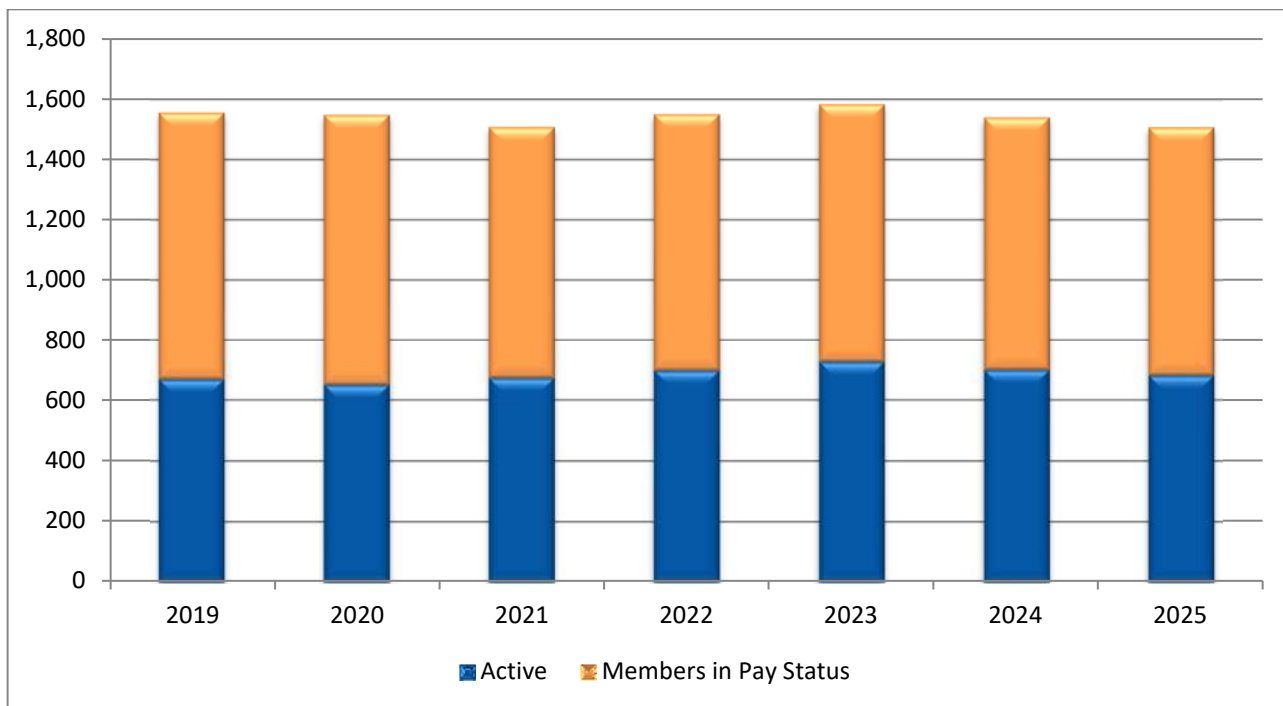
Member Data

The data reported by the Plan Sponsor for this valuation includes 680 active employees who met the Plan's minimum age and service requirements as of July 1, 2025.

	Fire	Police	Public Works	Water	WPC	Recreation
Total members July 1, 2025						
Active members	96	99	41	44	15	0
Retirees	109	120	6	15	1	1
Dependents of current retirees	92	83	4	9	0	0
Total	297	302	51	68	16	1
Average age July 1, 2025						
Active members	41.3	40.8	50.0	50.0	35.5	N/A
Retirees	70.5	68.9	81.3	77.4	90.5	72.4
Dependents of current retirees	66.4	65.3	69.7	71.0	N/A	N/A
Total members July 1, 2024						
Active members	94	93	42	41	15	2
Retirees	117	122	7	15	1	1
Dependents of current retirees	94	84	5	9	1	0
Total	305	299	54	65	17	3
Average age July 1, 2024						
Active members	40.5	40.3	48.9	48.2	36.4	56.4
Retirees	70.4	68.2	78.0	76.4	89.5	71.4
Dependents of current retirees	65.3	64.2	73.6	70.0	87.9	N/A

	General Government	Planning	Harbor	Equip Operations	School	Total
Total members July 1, 2025						
Active members	54	0	0	0	331	680
Retirees	21	6	0	2	220	501
Dependents of current retirees	10	5	0	2	119	324
Total	85	11	0	4	670	1,505
Average age July 1, 2025						
Active members	50.8	N/A	N/A	N/A	48.2	46.3
Retirees	76.2	79.6	N/A	78.7	75.3	73.0
Dependents of current retirees	72.0	73.6	N/A	78.7	74.1	69.5
Total members July 1, 2024						
Active members	43	7	0	0	361	698
Retirees	24	6	0	2	219	514
Dependents of current retirees	10	5	0	2	116	326
Total	77	18	0	4	696	1,538
Average age July 1, 2024						
Active members	50.6	56.0	N/A	N/A	47.2	45.6
Retirees	75.7	78.6	N/A	77.7	74.4	72.3
Dependents of current retirees	71.0	72.6	N/A	77.7	73.3	68.5

Member Counts by Status



Expected Benefit Payments from Trust Fund

An important consideration in formulating short-term or intermediate-term investment policy is the need for liquidity to meet the payment requirements of the Plan. The Plan's investment advisors may wish to compare expected benefit payments and expenses with anticipated cash income from investments and employer contributions.

The table below presents projected annual benefit payments for the next twenty plan years. The following assumptions are reflected in this table:

- Retirements among active participants will occur consistent with the Plan's retirement assumption.
- Benefits will continue to accrue according to the provisions of the Plan.

Differences between actual experience and that assumed will affect the pattern of benefit payments.

Participant categories reflect status as of July 1, 2025.

Year	Active as of July 1, 2025	Retired and Terminated as of July 1, 2025	Total Benefit Payments
2025	\$312,345	\$7,450,069	\$7,762,414
2026	707,690	7,545,062	8,252,752
2027	1,120,294	7,543,419	8,663,713
2028	1,582,120	7,679,612	9,261,732
2029	1,978,701	7,914,854	9,893,555
2030	2,418,433	8,000,869	10,419,302
2031	2,791,088	7,886,866	10,677,954
2032	3,096,654	7,811,718	10,908,372
2033	3,558,972	7,715,143	11,274,115
2034	3,628,681	7,589,219	11,217,900
2035	3,805,375	7,417,794	11,223,169
2036	4,075,123	7,292,171	11,367,294
2037	4,307,783	7,197,225	11,505,008
2038	4,566,274	7,021,752	11,588,026
2039	4,650,458	6,925,735	11,576,193
2040	4,802,511	6,665,677	11,468,188
2041	5,056,598	6,438,755	11,495,353
2042	5,577,714	6,142,685	11,720,399
2043	6,111,620	5,892,791	12,004,411
2044	6,584,353	5,625,876	12,210,229

Expected Per Capita Claims (without Medicare Integration)

Others (Pre-65)

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$8,057	\$11,230
50	10,521	13,085
55	13,806	15,243
60	17,786	17,779
64	21,720	20,813

School Actives (Pre-65)

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$8,007	\$11,160
50	10,456	13,004
55	13,721	15,149
60	17,676	17,669
64	21,586	20,685

School Retirees (Pre-65)

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$8,197	\$11,425
50	10,705	13,313
55	14,047	15,509
60	18,096	18,089
64	22,099	21,176

Others (Post-65)

Sample Age	Expected Claim (Male)	Expected Claim (Female)
65	\$5,235	\$4,961
70	6,002	5,682
75	6,525	6,198
80	6,863	6,554
85	6,906	6,598

School Actives (Post-65)

Sample Age	Expected Claim (Male)	Expected Claim (Female)
65	\$5,235	\$4,961
70	6,002	5,682
75	6,525	6,198
80	6,863	6,554
85	6,906	6,598

School Retirees (Post-65)

Sample Age	Expected Claim (Male)	Expected Claim (Female)
65	\$5,542	\$5,252
70	6,354	6,015
75	6,908	6,561
80	7,265	6,938
85	7,311	6,985

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 actual return on Market Value and expected return on Market Value over a 5-year period at 20% per year.

Actuarial Cost Method

Changes in Actuarial Cost Method: None.

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). This amount is amortized over 15 years on a closed basis. Effective with the July 1, 2022 valuation, future changes in the unfunded accrued liability are amortized separately, assuming a new 15-year amortization each valuation with level dollar payments.

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 past service liability and are amortized at the same rate the plan is amortizing the remaining unfunded past service liability.

In addition, an annual 2.40% amortization increase rate was assumed for the initial base (with level dollar amortization for new bases established effective July 1, 2022 and thereafter.

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.)

- Mortality
- Healthcare cost trend rates
- Retirement
- Marital status
- Termination prior to retirement
- Spouse's age
- Disability
- Rate of compensation increase

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)

6.75%.

Rate of compensation increase (including inflation)

Police: 2.40% per year plus longevity increases of 3.00% after seventh year of employment and 0.50% for each year of employment thereafter through the thirty-first year of employment. No longevity increases are assumed after the thirty-first year of employment.

Fire:

Years of Credited Service	Rate*
0	13.00%
1	13.00%
2	13.00%
3	13.00%
4	11.00%
5	5.50%
6	2.00%
7	1.80%
8	1.40%
9	1.00%
10	0.80%
11+	0.50%

*Inflation: 2.40%

Prior: 2.40% per year plus longevity increases of 3.00% after seventh year of employment and 0.50% for each year of employment thereafter through the thirty-first year of employment. No longevity increases are assumed after the thirty-first year of employment.

School and General City: 2.40% per year.

The assumption is based on input from the plan sponsor regarding future expectations, as well as our review of long-term inflation expectations.

Inflation

2.40%.

This assumption is consistent with the Social Security Administration’s current best estimate of the ultimate long-term (75-year horizon) annual percentage increase in CPI, as published in the 2025 OASDI Trustees Report.

Mortality

Police: Pub-2016 Public Retirement Plans Mortality Tables for Public Safety employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.

(Prior: Pub-2010 Public Retirement Plans Mortality Tables for Public Safety employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.)

Fire: Retirees - Pub-2016 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.

Survivors - Pub-2016 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety Contingent Survivors, projected to the valuation date with Scale MP-2021 set forward 2 years.

Disabilities - Pub-2016 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety Disabled Retirees, projected to the valuation date with Scale MP-2021.

(Prior: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.)

Teachers and Administrators: Pub-2016 Public Retirement Plans Mortality Tables for Teachers, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.

(Prior: Pub-2010 Public Retirement Plans Mortality Tables for Teachers, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.)

School Support Staff and General City: Pub-2016 Public Retirement Plans Mortality Tables for General employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.

(Prior: Pub-2010 Public Retirement Plans Mortality Tables for General employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.)

Mortality improvement

Projected to date of decrement using Scale MP-2021 (generational).

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

Retirement

Police:

Years of Credited Service	Rate
20	10%
21-23	3%
24	15%
25	60%
26-29	10%
30+	100%

Retirement (cont.)

Prior:

Years of Credited Service	Rate
20	10%
21-24	2%
25	50%
26-29	10%
30	50%
31-34	20%
35+	100%

Fire:

Hired prior to July 1, 2011

Years of Credited Service	Rate
20	10%
21-23	3%
24	10%
25	45%
26-28	15%
29	30%
30+	100%

Hired on or after July 1, 2011

Age	Years of Credited Service				
	15-19	20-24	25	26-29	30+
58	15%	25%	50%	40%	100%
59	50%	50%	50%	50%	100%
60+	100%	100%	100%	100%	100%

Prior:

Years of Credited Service	Rate
20	10%
21-24	2%
25	50%
26-29	10%
30	50%
31-34	20%
35+	100%

Teachers and Administrators: Rates of retirement are based on an employee's age. Selected ages are listed below.

Age	Retirement Rate	
	Male	Female
45	10.00%	5.00%
50	16.00%	12.00%
55	26.00%	22.00%
60	40.00%	35.00%
62	25.00%	25.00%
65	25.00%	35.00%
70	100.00%	100.00%

Retirement (cont.)

School Support Staff and General City: Rates of retirement are based on an employee's age. Selected ages are listed below.

Age	Retirement Rate	
	Male	Female
45	10.00%	10.00%
50	15.00%	10.00%
55	15.00%	15.00%
60	25.00%	20.00%
62	25.00%	30.00%
65	25.00%	30.00%
70	100.00%	100.00%

Termination prior to retirement

Police: None.

Prior:

Years of Credited Service	Rate
0	3.00%
1	2.25%
2	2.00%
3	1.75%
4	1.50%
5	1.25%
6	1.00%
7	0.75%
8	0.50%
9	0.25%
10+	0.00%

Fire:

Years of Credited Service	Rate
0	5.00%
1	3.50%
2	2.50%
3	2.00%
4	1.50%
5	1.25%
6	1.00%
7	0.75%
8	0.50%
9	0.25%
10+	0.00%

Termination prior to retirement (cont.)

Prior:

Years of Credited Service	Rate
0	3.00%
1	2.25%
2	2.00%
3	1.75%
4	1.50%
5	1.25%
6	1.00%
7	0.75%
8	0.50%
9	0.25%
10+	0.00%

Teachers and Administrators: Rates of withdrawal are based on an employee's age. Selected ages are listed below.

Age	Withdrawal Rate	
	Male	Female
20	20.00%	20.00%
25	20.00%	20.00%
30	12.00%	14.00%
35	8.00%	11.30%
40	6.50%	8.60%
45	5.80%	6.00%
50	5.40%	5.00%
55	0.00%	0.00%

School Support Staff and General City: Rates of withdrawal are based on an employee's age. Selected ages are listed below.

Age	Withdrawal Rate*	
	Male	Female
20	4.14%	4.14%
25	3.15%	3.15%
30	2.52%	2.52%
35	2.10%	2.10%
40	1.95%	1.95%
45	1.73%	1.73%
50	1.44%	1.44%
55	0.00%	0.00%

* Higher rates in effect for first 9 years of service

Disability

Police: Blend of 2 tables, 50% of the 1985 Pension Disability Study Unisex Class 2 Table and 50% of the 1985 Pension Disability Study Unisex Class 3 Table.

Sample Rates	
Age	Rate
25	0.15%
35	0.32%
45	0.67%
55	1.80%

Prior:

Sample Rates	
Age	Rate
25	0.17%
35	0.29
45	0.72
55	1.21

Fire: Blend of 2 tables, 75% of the 1985 Pension Disability Study Unisex Class 1 Table and 25% of the 1985 Pension Disability Study Unisex Class 2 Table.

Sample Rates	
Age	Rate
25	0.06%
35	0.13%
45	0.32%
55	1.01%

Prior:

Sample Rates	
Age	Rate
25	0.17%
35	0.29
45	0.72
55	1.21

Teachers and Administrators: Rates of Disability are based on an employee's age. Selected ages are listed below.

Age	Ordinary Disability		Accidental Disability	
	Male	Female	Male	Female
25	0.015%	0.015%	0.008%	0.008%
30	0.018%	0.018%	0.010%	0.010%
35	0.024%	0.024%	0.013%	0.013%
40	0.036%	0.036%	0.019%	0.019%
45	0.059%	0.059%	0.032%	0.032%
50	0.099%	0.099%	0.054%	0.054%
55	0.165%	0.165%	0.089%	0.089%
60	0.230%	0.230%	0.124%	0.124%

Disability (cont.)

School Support Staff and General City: Rates of Disability are based on an employee’s age. Selected ages are listed below.

Age	Ordinary Disability		Accidental Disability	
	Male	Female	Male	Female
25	0.025%	0.036%	0.020%	0.009%
30	0.030%	0.044%	0.025%	0.011%
35	0.041%	0.060%	0.034%	0.015%
40	0.061%	0.088%	0.050%	0.022%
45	0.099%	0.144%	0.081%	0.036%
50	0.168%	0.244%	0.137%	0.061%
55	0.278%	0.404%	0.227%	0.101%
60	0.388%	0.564%	0.317%	0.141%

The actuarial assumptions in regards to decrements shown above for Police and Fire are based on the results of actuarial experience studies for the period July 1, 2019 through June 30, 2024.

Utilization

Police and Fire: 100% of current active members will elect medical coverage at retirement.

Teachers and Administrators: 90% of current active members will elect medical coverage at retirement.

School Support Staff: 80% of paraprofessionals and 95% of others will elect medical coverage at retirement.

General City: 100% of AFSCME and NEA and 95% of others will elect medical coverage at retirement.

100% of all pre-65 retirees will continue medical coverage after age 65, if eligible.

100% of future Police retirees are expected to elect life insurance.

Marital status

Police: 80% of male and 80% of female active members are assumed to be married and elect spousal benefits at retirement.

Fire: 85% of male and 85% of female active members are assumed to be married and elect spousal benefits at retirement.

(Prior: 80% of male and 80% of female active members are assumed to be married and elect spousal benefits at retirement.)

Teachers and Administrators: 70% of male and 60% of female active members are assumed to be married and elect spousal benefits at retirement.

School Support Staff: 70% of male and 60% of female active members are assumed to be married and elect spousal benefits at retirement.

General City: 70% of male and 50% of female active members are assumed to be married and elect spousal benefits at retirement.

The marital status assumption was updated to better reflect actual experience.

Spouse’s age

Fire, Teachers and Administrators, School Staff and General City:

Husbands are assumed to be 3 years older than wives.

Police: Husbands are assumed to be 2 years older than wives.

(Prior: Husbands are assumed to be 3 years older than wives.)

The spouse’s age difference assumption was updated to better reflect actual experience.

Healthcare cost trend rates

Year Beginning	Trend Rate
2025	7.00%
2026	6.80%
2027	6.60%
2028	6.40%
2029	6.20%
2030	6.00%
2031	5.80%
2032	5.60%
2033	5.40%
2034	5.20%
2035	5.00%
2036	4.80%
2037	4.60%
2038+	4.40%

Prior:

Year Beginning	Trend Rate
2024	6.75%
2025	6.55%
2026	6.35%
2027	6.15%
2028	5.95%
2029	5.75%
2030	5.55%
2031	5.35%
2032	5.15%
2033	4.95%
2034	4.75%
2035	4.55%
2036+	4.40%

Medicare Part B is assumed to increase by 3.4% 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.

The trend rates were changed to better reflect anticipated experience.

Payroll growth rate

2.40%.

Pre-age 65 retirees

Current retirees who are under age 65 are assumed to remain in their current medical plan until age 65.

Current City active employees who are assumed to retire prior to age 65 are valued with a weighted-average premium. This weighted-average premium is based on the medical plan coverage of current retirees under age 65. Current School active employees are assumed to be in the Healthmate CC \$250 Deductible plan if retiring prior to age 65.

Post-age 65 retirees

Current grandfathered retirees over age 65 are valued as remaining in their current medical plan; all other retirees (if eligible) are assumed to participate in Plan 65. It is assumed that all future eligible retirees will enroll in Plan 65 upon reaching age 65, except that Teachers in the Extended Benefit Program who retired prior to August 31, 2005 are assumed to remain in their current medical plan.

Please see the Summary of Plan Provisions for Plan 65 eligibility information by group.

Premiums / Allocation Rates

	Single	Dual
Pre-65		
School Active	\$10,818	\$26,130
School Retiree	11,075	26,751
Others - Retiree	10,885	26,292
Post-65		
School Active	6,349	12,698
School Retiree	6,721	13,442
Others - Retiree	6,349	12,698

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

We have not valued any liability for dental benefits as it is our understanding that retirees pay the full cost for these benefits.

Expected claims costs

The sample per capita claims costs for plans not integrated with Medicare were developed as follows: Using the total count of active participants eligible for post-retirement medical benefits and retirees currently electing medical coverage in a non-Medicare supplement plan, 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.

The sample per capita claims costs for plans integrated with Medicare were developed as follows: Using the total count of retirees currently electing medical coverage in a Medicare Supplement plan, 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.

Medicare Part B premium

\$185.00 per month for 2025, assumed to increase 3.40% per year.

Dental insurance

Premiums paid for retiree pay all dental coverage are assumed to be self-supporting, based on our understanding of the arrangements involved.

Life insurance

Valued per actual benefit amounts in force.

Employee contributions (Teachers)

Teacher employees who have elected the Extended Benefit plan contribute 5% of pay while employed. The value of future contributions is not directly reflected in the valuation. The Actuarially Determined Contribution amount is assumed to reflect the overall contribution amount for the fiscal year, with the City's required Normal Cost contribution to be directly reduced by any contribution made by the employees. This treatment is consistent with the entry age normal actuarial cost method. The valuation does not reflect an estimated value of return of contributions for amounts contributed prior to the valuation date.

Patient Protection and Affordable Care Act (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.

Plan identification

Single-employer OPEB plan.

All Groups

Participants who retire with a disability receive the same benefits as regular retirees and remain in their chosen plan until age 65, at which time they are enrolled in Plan 65.

Fire

Retirement Eligibility

- Hired on or after July 1, 2011: Age 58 with 10 years of service or 30 years of service
- Hired prior to July 1, 2011: 20 years of service

Vesting Eligibility

10 years of service.

Disability Eligibility

10 years of service.

Medical Coverage

- Healthmate DED 250 (pay the difference if opting for a more expensive plan)
- Blue Cross Plan 65 upon reaching the age of 65
 - Not available for members hired on or after July 1, 2011

Cost Share

- Retire after July 1, 1987 with more than 10 years but less than 25 years of service – City’s contribution is reduced 4% per year of service less than 25
- Retire on or after September 13, 2007 and before December 31, 2011 pay 1.0% of their pension (with annual COLA increases; and in addition to bullet #1)
- Retire after December 31, 2011 pay 2.0% of their pension (with annual COLA increases; and in addition to bullet #1)
- Retire on or after January 1, 2016 shall pay an additional 5.0% of coverage cost
- Surviving spouses purchase health insurance coverage at their own expense
- Retire after January 1, 2022 pay a minimum of 10% of premium

Life Insurance

None.

Police

Retirement Eligibility

- Hire date after July 1, 2014: 25 years of service
- Hire date before July 1, 2014: 20 years or service.

Vesting Eligibility

10 years of service.

Disability Eligibility

10 years of service.

Medical Coverage

- Base Plan is Healthmate DED 250 (pay the difference if opting for a more expensive plan)
- Blue Cross Plan 65 upon reaching the age of 65
 - Not available for members hired on or after July 1, 2009

Cost Share

- Retired prior to July 1, 2014 with 25 years of service as of January 1, 2007 shall not make any contribution
- Retired Prior to June 30, 2013 with 20 years of service as of January 1, 2007 shall not make any contribution
- Hired after July 1, 2006 and retired prior to July 1, 2014 with less than 20 Years of Service - City's contribution is reduced 5% per year of service less than 20
- Retired after July 1, 1987 and prior to July 1, 2014 with less than 20 Years of Service – City's contribution is reduced 5% per year of service less than 20
- Retire on or after July 1, 2014 through June 30, 2018 (including members retiring on a job-related accidental disability pension) shall pay 5% of premium.
- Retire on or after July 1, 2018 through June 30, 2019 (including members retiring on a job-related accidental disability pension) shall pay 7.5% of premium.
- Retire after July 1, 2019 (including members retiring on a job-related accidental disability pension) shall pay 10% of premium.
- Surviving spouses purchase health insurance coverage at their own expense

Life Insurance

- \$25,000 effective July 1, 1986
- Retired members shall bear ½ the cost of any increase in life insurance rates effective July 1, 1993

Teachers

Retirement Eligibility

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's Article 7 Retirement Date (described in Rhode Island's ERSRI Valuation Report) and the retirement age applicable to members hired after June 30, 2012 in bullet #1 above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's Article 7 Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their Article 7 Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- Effective July 1, 2015, members will be eligible to retire with full benefits at the earlier of their current RIRSA date described in bullets #1 - #3 above or upon the attainment of age 65 with 30 years of service, age 64 with 31 years of service, age 63 with 32 years of service, or age 62 with 33 years of service.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with a reduced benefit. The reduction is 9% for year 1, 8% for year 2, and 7% for each year thereafter.

Vesting Eligibility

As of July 1, 2012, 5 years of contributing service.

Disability Eligibility

5 years of service.

Medical Coverage

- Healthmate Coast to Coast plan until age 65
- Extended Health Care Benefit Plan – Plan 65 (we rely upon data provided by the client to determine who is eligible for post-65 coverage)
 - As of 2006-2007 school year, not available for new members.
 - 25 years of service as of June 30, 2015 and not retired by June 30, 2018 shall be offered a single individual post-65 coverage (not available for retiree's spouse)
- Medicare Part B – retired before July 1, 2011 shall be reimbursed upon becoming Medicare eligible

Cost Share

- Effective September 1, 2012, future retiree who does not participate in the Extended Health Care Benefit Plan, pay 20% of the premium cost
- Employed effective on or after July 1, 1998 and retired as of August 31, 2005, pay a cost share of 5% of the annual premium
- Retired from July 1, 2012 to June 30, 2014, 20% for Healthmate Coast to Coast plan and 5% for Extended Health Care Benefit Plan
- Retire prior to July 1, 1998, no cost until Medicare eligible and 3% for Extended

Retirement Date	Premium Cost Share	Extended Benefits
Prior to June 30, 2005	0%	4%
July 1, 2005 – June 30, 2006	3%	5%
July 1, 2006 – June 30, 2007	5%	5%
July 1, 2007 – June 30, 2008	7%	5%
July 1, 2008 – June 30, 2009	10%	5%
July 1, 2009 – June 30, 2010	10.5%	5%
July 1, 2010 – June 30, 2011	12%	5%
July 1, 2011 – June 30, 2012	15%	5%
After July 1, 2012	20%	5%

Life Insurance

\$50,000 coverage until age 65 for those grandfathered. As of September 1, 2015, continuation of life insurance coverage if at retiree's expense.

School Administrators

Retirement Eligibility

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's Article 7 Retirement Date (described in Rhode Island's ERSRI Valuation Report) and the retirement age applicable to members hired after June 30, 2012 in bullet #1 above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's Article 7 Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their Article 7 Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- Effective July 1, 2015, members will be eligible to retire with full benefits at the earlier of their current RIRSA date described in bullets #1 - #3 above or upon the attainment of age 65 with 30 years of service, age 64 with 31 years of service, age 63 with 32 years of service, or age 62 with 33 years of service.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with a reduced benefit. The reduction is 9% for year 1, 8% for year 2, and 7% for each year thereafter.

Vesting Eligibility

As of July 1, 2012, 5 years of contributing service to the defined benefit pension plan.

Disability Eligibility

5 years of service.

Medical Coverage

- Healthmate Coast to Coast plan until age 65
- Extended Health Care Benefit Plan – Plan 65 (we rely upon data provided by the client to determine who is eligible for post-65 coverage)
 - Not available for members hired after July 1, 2012
- Medicare Part B reimbursement – not available

Cost Share

Retirement Date	Premium Cost Share	Extended Benefits
Prior to June 30, 2004	0%	3%
July 1, 2004 – June 30, 2008	10%	3%
July 1, 2008 – June 30, 2010	12.5%	3%
July 1, 2010 – June 30, 2012	20%	3%
After July 1, 2012	20%	N/A

The cost share at the time of retirement remains in place until age 65.

Life Insurance

\$50,000 coverage until age 65.

Schools Support Staff

Retirement Eligibility

- Members with less than 5 years of contributory service as of June 30, 2012 and members hired on or after June 30, 2012 are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior Retirement Date, described in bullet #6 below, and the retirement age applicable to members hired after June 30, 2012 in bullet #1 above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date.
- Effective July 1, 2015, members will be eligible to retire at the earlier of above or upon reaching age 65 with 30 years of service, age 64 with 31 years of service, age 63 with 32 years of service or age 62 with 33 years of service.
- A member who is within five years of reaching their retirement eligibility date and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

Vesting Eligibility

As of July 1, 2012, 5 years of contributing service to the defined benefit pension plan.

Disability Eligibility

5 years of service.

Medical Coverage

- Healthmate Coast to Coast plan until age 65
- Extended Health Care Benefit Plan – Plan 65 (we rely upon data provided by the client to determine who is eligible for post-65 coverage)
 - Not available for members hired after July 1, 2012
- Medicare Part B reimbursement for those that retired before July 1, 2012 and had 15 or more years of service.

Cost Share

Retirement Date	Premium Cost Share	Extended Benefits
Prior to June 30, 2006	0%	3%
July 1, 2006 – June 30, 2007	3%	4%
July 1, 2007 – June 30, 2008	5%	5%
July 1, 2008 – June 30, 2009	7%	5%
July 1, 2009 – June 30, 2012	10%	5%
July 1, 2012 – June 30, 2013	12%	5%
July 1, 2013 – June 30, 2016	15%	5%
July 1, 2016 – June 30, 2017	15.5%	5%
July 1, 2017 – June 30, 2019	16%	5%
After July 1, 2019	20%	5%

Para-educators who retire pay 50% of premium as cost share.

Life Insurance

\$50,000 coverage until age 65.

General Employees

Retirement Eligibility

- Members with less than 5 years of contributory service as of June 30, 2012 and members hired on or after June 30, 2012 are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member’s prior Retirement Date, described in bullet #6 below, and the retirement age applicable to members hired after June 30, 2012 in bullet #1 above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member’s prior Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date.
- Effective July 1, 2015, members will be eligible to retire at the earlier of above or upon reaching age 65 with 30 years of service, age 64 with 31 years of service, age 63 with 32 years of service or age 62 with 33 years of service.

Retirement Eligibility (cont.)

- A member who is within five years of reaching their retirement eligibility date and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.
- For all NEA employees retiring effective July 1, 2019 and thereafter, City health insurance coverage shall no longer be provided after retirement.

Vesting Eligibility

As of July 1, 2012, 5 years of contributing service.

Disability Eligibility

5 years of service.

Medical Coverage

- Healthmate DED 250 (pay the difference if opting for a more expensive plan)
- Blue Cross Plan 65 upon reaching the age of 65 and plan supplementation will be provided at no cost to retirees
- For AFSCME and NEA - retired on or after June 1, 2009, no post-65 benefit.
- For all others, retiree and spouse are covered for lifetime.

Cost Share

- Retired on or after July 1, 2009, 3.0% of the premium (April 9, 2009 for NEA)
- Retired on or after January 1, 2017, 5.0% of the premium (January 1, 2016 for NEA)
- Non-union Municipal Supervisory employees who retire between July 1, 2004 and July 31, 2010 pay 10% of the premium as a cost share. Those retired on or after August 1, 2010 pay 15% of the premium as a cost share. Those retired before July 1, 2004 do not incur a cost.
- AFSCME employees who retire on or after January 1, 2023 pay 10% of the premium as a cost share.
- All AFSCME retirees, regardless of their date of hire, will pay 10% of the premium effective January 1, 2023 for coverage at ages 65 and later.