

Executive Summary  
Agreement between City of Stamford and MAA, AFSCME Local 2657

June 24, 2020

Number of Full-Time Employees: 107

Term: 7/1/18 – 6/30/23

General Wage Increase:

|                    |           |
|--------------------|-----------|
| 7/1/2018           | 2.25%     |
| 7/1/2019           | 0.00%     |
| 7/1/2020 – 6/30/23 | re-opener |

**See attached analysis for cost projection.**

Health Insurance: Migrate to the State Partnership Plan.  
**First year annual savings projected \$143,695 (see attached Lockton analysis).**  
Employee cost share subject to reopener.  
Employees who waive medical insurance shall receive a payment of \$3,500 up from \$3,000.  
**14 waives – projected cost increase \$7,000.**

Retirement: Increase in employee contribution to retirement to 6.25% from 6%.  
The buy back of a higher pension upon promotion is reduced to a formula based on 10 years reduced from 12 years.  
Employees have option to withdraw from the CERF retirement plan and not accrue any additional services credits.  
**See attached Milliman memo impact to CERF.**  
City match to defined contribution plan to increase to 5.5% from 4.5%.  
**Projected increase of \$35,652 annually.**

Retiree Medical: Employees who retiree under this agreement will not be eligible for the IRMAA portion of Medicare Part B reimbursement.  
New hires will not be eligible for Medicare Part B reimbursement in retirement.  
New Hires will not be eligible for retiree medical insurance from the City in retirement.  
**Milliman has already factored these provisions in annual valuation based on current contract language.**

Training: The training fund for MAA employees increased by \$5,000 to \$55,000.

Education Stipend: Employees with a B.A.degree to receive a non pensionable \$250.stipend when such BA is not a requirement in the employee's job description. (Same for M.A, at \$500).  
**Estimated cost \$16,250.**

Vacation: Employees have the option to be paid for accrued unused vacation in excess of 30 days as of June 30 at 75% of the per diem rate of pay.  
**Projected maximum cost for FY 21 \$465,297.**

No Layoff Clause: The City agreed that it will not lay off bargaining unit employees for the year July 1, 2020 through June 30, 2021. This provision does not prevent the City from eliminating positions due to reorganizing or elimination or reduction of services; affected employee to be reassigned to substantially similar position or if not available alternative position with no reduction in salary.

## Average General Wage Increases

### General Wage Increase by Fiscal Year: Arbitration Awards

The following are select summary statistics related to all arbitration awards reported to CCM from July 1, 2012. Each month the data below is updated to reflect new settlements received by CCM.

|                    | FY 13 | FY 14 | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | FY 20 | FY 21 |
|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Average</b>     | 1.87% | 1.99% | 2.21% | 2.29% | 2.52% | 2.33% | 1.96% | 2.05% | 1.94% |
| <b>Minimum</b>     | 0.00% | 0.00% | 1.00% | 1.25% | 2.25% | 2.25% | 1.75% | 2.00% | 1.85% |
| <b>Maximum</b>     | 3.00% | 3.00% | 3.00% | 3.50% | 2.90% | 2.50% | 2.25% | 2.25% | 2.00% |
| <b>Sample Size</b> | 20    | 21    | 22    | 17    | 9     | 6     | 6     | 5     | 4     |

### General Wage Increase by Fiscal Year: Negotiated Settlements

The following are select summary statistics related to all negotiated settlements reported in the Data Reporter from July 1, 2015. Each month the data below will be updated to reflect new settlements received by CCM. For information regarding a particular municipal settlement, please contact CCM.

|                    | FY15-16 | FY16-17 | FY17-18 | FY18-19 | FY19-20 | FY20-21 | FY 21-22 |
|--------------------|---------|---------|---------|---------|---------|---------|----------|
| <b>Average</b>     | 2.29%   | 2.27%   | 2.22    | 2.21%   | 2.21%   | 2.17%   | 2.21%    |
| <b>Minimum</b>     | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 1.25%    |
| <b>Maximum</b>     | 3.50%   | 3.50%   | 3.50%   | 6.00%   | 3.25%   | 3.25%   | 3.00%    |
| <b>Mode</b>        | 2.00%   | 2.50%   | 2.00%   | 2.00%   | 2.50%   | 2.25%   | 2.00%    |
| <b>Sample Size</b> | 281     | 291     | 306     | 292     | 211     | 120     | 50       |

### Number of Wage Freezes Achieved: Negotiation Versus Arbitration

The following are the number of wage freezes reported in the Data Reporter from July 1, 2015. It is important to note that for negotiated settlements, the number reflects only those contracts received by CCM and reported in the Data Reporter and corresponds to the sample sizes in the preceding tables. Each month the data below will be updated to reflect new settlements received by CCM. For information regarding a particular municipal settlement, please contact CCM.

|                    | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 |
|--------------------|----------|----------|----------|----------|----------|----------|----------|
| <b>Negotiated</b>  | 4        | 8        | 8        | 5        | 5        | 2        | 0        |
| <b>Arbitration</b> | 0        | 0        | 0        | 0        | 0        | 0        | 0        |

GENERAL WAGE INCREASES 2014 - 2022

| Bargaining Units                           | 1-Jul-14     | 1-Jul-15     | 1-Jul-16     | 1-Jul-17     | 1-Sep-18     | 1-Jul-19     | 1-Jul-20       | 1-Jul-21       | 1-Jul-22       | 2014-2018<br>Average GWI |
|--|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|----------------|--------------------------|
| Assistant Corporation Counsel – 6.2019     | 1.75%        | 2.00%        | 2.00%        | 2.00%        | 2.25%        |              |                |                |                | 2.00%                    |
| Firefighters – Expired 6.2019              | 2.00%        | 2.00%        | 2.50%        | 2.50%        | 2.25%        |              |                |                |                | 2.25%                    |
| IUOE Operating Engineers – Expired 6.2019  | 3.00%        | 2.25%        | 2.25%        | 2.50%        | 2.75%        |              |                |                |                | 2.55%                    |
| MAA/Municipal Supervisory – Expired 6.2018 | 1.75%        | 2.00%        | 2.00%        | 2.25%        | <b>2.25%</b> | <b>0.00%</b> | <b>re-open</b> | <b>re-open</b> | <b>re-open</b> | 1.71%                    |
| Municipal Nurses – Expired 6.2019          | 2.00%        | 2.25%        | 2.25%        | 2.25%        | 2.25%        |              |                |                |                | 2.20%                    |
| Police – Expired 6.2019                    | 2.00%        | 2.00%        | 2.50%        | 2.70%        | 2.50%        |              |                |                |                | 2.34%                    |
| UAW – Expired 6.2017                       | 2.00%        | 2.25%        | 2.50%        | <b>2.00%</b> | <b>2.00%</b> | <b>0.00%</b> | <b>re-open</b> |                |                | 1.79%                    |
| Dental Hygienists – 7.2014 - 6.2020        | 1.50%        | 1.50%        | 1.50%        | 1.50%        | 1.50%        | 2.00%        |                |                |                | 1.58%                    |
| IUOE WPCA 7.2017-6.2021                    | 1.75%        | 2.00%        | 2.25%        | 2.25%        | 2.25%        | 2.00%        | 1.75%          |                |                | 2.04%                    |
| Custodians – 7.2013-6.2025                 | 2.00%        | 2.25%        | 2.50%        | 2.50%        |              |              |                |                |                | 2.31%                    |
| <b>Average</b>                             | <b>1.98%</b> | <b>2.05%</b> | <b>2.23%</b> | <b>2.25%</b> | <b>2.22%</b> | <b>1.00%</b> | <b>1.75%</b>   |                |                |                          |

***Bold Italic = T.A. pending approval***

**CONFIDENTIAL DOCUMENT PENDING RATIFICATION BY UNION MEMBERSHIP**

**MAA - Tentative Agreement Estimated Wage Cost Summary**

| <i>City MAA Estimated Retro Wages</i> |                   |                            |                         |                         |                     |  |                  |                     |                                      |                                   |
|---------------------------------------|-------------------|----------------------------|-------------------------|-------------------------|---------------------|--|------------------|---------------------|--------------------------------------|-----------------------------------|
| <b>Fiscal Year</b>                    | <b>Wage Basis</b> | <b>Proposed % Increase</b> | <b>Year 1 (FY18-19)</b> | <b>Year 2 (FY19-20)</b> | <b>FICA (7.65%)</b> | <b>Estimated Total Prior Year Commitment</b> | <b>FY20/21</b>   | <b>FICA (7.65%)</b> | <b>Estimated FY20/21 Contingency</b> | <b>Total Estimated Commitment</b> |
| Year 1 (FY18-19)                      | 11,994,942        | 2.250%                     | \$269,886               | \$269,886               | \$41,293            | \$581,065                                    | 269,886          | 20,646              | 290,532                              | 871,597                           |
| Year 2 (FY19-20)                      | 12,264,828        | 0.000%                     | \$0                     | \$0                     | \$0                 | \$0  | 0                | 0                   | 0                                    | 0                                 |
|                                       |                   |                            | <b>\$269,886</b>        | <b>\$269,886</b>        | <b>\$41,293</b>     | <b>\$581,065</b>                             | <b>\$269,886</b> | <b>\$20,646</b>     | <b>\$290,532</b>                     | <b>871,597</b>                    |

| <i>BOE MAA Estimated Retro Wages</i> |                   |                            |                         |                         |                     |  |                 |                     |                                      |                                   |
|--------------------------------------|-------------------|----------------------------|-------------------------|-------------------------|---------------------|--|-----------------|---------------------|--------------------------------------|-----------------------------------|
| <b>Fiscal Year</b>                   | <b>Wage Basis</b> | <b>Proposed % Increase</b> | <b>Year 1 (FY18-19)</b> | <b>Year 2 (FY19-20)</b> | <b>FICA (7.65%)</b> | <b>Estimated Total Prior Year Commitment</b> | <b>FY20/21</b>  | <b>FICA (7.65%)</b> | <b>Estimated FY20/21 Contingency</b> | <b>Total Estimated Commitment</b> |
| Year 1 (FY18-19)                     | 642,950           | 2.250%                     | \$14,466                | \$14,466                | \$2,213             | \$31,146                                     | 14,466          | 1,107               | 15,573                               | 46,719                            |
| Year 2 (FY19-20)                     | 657,417           | 0.000%                     | \$0                     | \$0                     | \$0                 | \$0  | 0               | 0                   | 0                                    | 0                                 |
|                                      |                   |                            | <b>\$14,466</b>         | <b>\$14,466</b>         | <b>\$2,213</b>      | <b>\$31,146</b>                              | <b>\$14,466</b> | <b>\$1,107</b>      | <b>\$15,573</b>                      | <b>46,719</b>                     |

Total Cost City and  
BOE Combined

|                  |                  |                 |                  |                  |                 |                  |                  |
|------------------|------------------|-----------------|------------------|------------------|-----------------|------------------|------------------|
| <b>\$284,353</b> | <b>\$284,353</b> | <b>\$43,506</b> | <b>\$612,211</b> | <b>\$284,353</b> | <b>\$21,753</b> | <b>\$306,106</b> | <b>\$918,317</b> |
|------------------|------------------|-----------------|------------------|------------------|-----------------|------------------|------------------|

|               | 2020-2021 City       |                         | CT State Partnership  |              | State Plan Increase / (Savings) | Runoff Claims Costs | Runoff Admin | H.S.A. Seed         | Rx Rebates, URC Reimbursements | Gross First Year Savings after Expenses |
|---------------|----------------------|-------------------------|---|--------------|---------------------------------|---------------------|--------------|---------------------|--------------------------------|---|
|               | Estimated Costs      | Partnership Plan Rates) | Estimated Cost (based on July 2020 CT State Partnership Plan Rates) | % Difference |                                 |                     |              |                     |                                |   |
| <b>Active</b> | <b>\$ 37,222,381</b> | <b>\$ 30,149,543</b>    |   | <b>-19%</b>  | <b>\$ (7,072,839)</b>           | <b>\$ 4,336,120</b> |              | <b>\$ (969,900)</b> | <b>\$ 454,170</b>              | <b>\$ (3,252,449)</b>                   |
| CUS           | \$ 4,091,714         | \$ 3,310,465            |   | -19%         | \$ (781,248)                    | \$ 476,653          |              | \$ 49,925           | \$ (254,670)                   |   |
| DEN           | \$ 91,606            | \$ 83,783               |   | -9%          | \$ (7,822)                      | \$ 10,971           |              | \$ 1,118            | \$ (4,033)                     |   |
| DTL           | \$ 30,535            | \$ 26,000               |   | -15%         | \$ (4,535)                      | \$ 3,557            |              | \$ 373              | \$ (606)                       |   |
| FIR           | \$ 7,114,686         | \$ 6,497,524            |   | -9%          | \$ (617,172)                    | \$ 828,807          |              | \$ 86,810           | \$ (136,555)                   |   |
| LAW           | \$ 152,676           | \$ 127,666              |   | -16%         | \$ (24,990)                     | \$ 17,786           |              | \$ 1,863            | \$ (14,342)                    |   |
| MAA           | \$ 2,778,701         | \$ 2,309,304            |   | -17%         | \$ (469,397)                    | \$ 323,697          |              | \$ 33,904           | \$ (143,695)                   |   |
| NHE           | \$ 122,141           | \$ 115,567              |   | -5%          | \$ (6,574)                      | \$ 14,228           |              | \$ 1,490            | \$ 9,145                       |   |
| NON           | \$ 610,704           | \$ 432,084              |   | -29%         | \$ (178,620)                    | \$ 71,142           |              | \$ 7,452            | \$ (100,026)                   |   |
| NUR           | \$ 854,985           | \$ 694,450              |   | -19%         | \$ (160,535)                    | \$ 99,599           |              | \$ 10,432           | \$ (51,504)                    |   |
| POL           | \$ 7,847,541         | \$ 6,550,089            |   | -17%         | \$ (1,297,452)                  | \$ 914,178          |              | \$ 95,752           | \$ (733,522)                   |   |
| IUOE WPCA     | \$ 793,915           | \$ 547,597              |   | -31%         | \$ (246,317)                    | \$ 92,485           |              | \$ 9,687            | \$ (183,146)                   |   |
| UAW           | \$ 9,282,694         | \$ 6,857,096            |   | -26%         | \$ (2,425,598)                  | \$ 1,081,362        |              | \$ 113,263          | \$ (1,230,973)                 |   |
| IUOE OFS      | \$ 3,450,475         | \$ 2,597,898            |   | -25%         | \$ (852,577)                    | \$ 401,954          |              | \$ 42,101           | \$ (408,522)                   |   |



80 Lambertson Road  
Windsor, CT 06095  
USA

Main +1 860 687 2110  
Fax +1 860 687 2111

milliman.com

June 24, 2020

**PERSONAL & CONFIDENTIAL**

Mr. Alfred Cava  
Director of Human Resources  
City of Stamford  
Via email

Re: The Classified Employees' Retirement Trust Fund of the City of Stamford  
Proposed Plan Changes for Members of the MAA Group

Dear Al:

At your request, we have analyzed the long-range financial impact of several proposed retirement plan changes that you outlined in your email dated June 18, 2020. The proposed plan changes are as follows:

**Proposal 1:** increase the employee contribution rate from 6.00% to 6.25%.

**Proposal 2:** amend option 1 with respect to the salary used for the pension calculation for members that are promoted into the MAA. Currently option 1 requires such members to make a buyback payment and the amount of the payment is based on the member's years of service. This proposal would limit the service used to calculate the buyback payment to 10 years.

**Proposal 3:** allow members to stop making contributions and stop service accruals upon reaching 25 years of service and age 60.

Proposal 2 relates to members that are promoted into the MAA after June 16, 2018. Currently, such members can elect from three options as to what salary is used to calculate their pension benefit. Our valuation assumes that they elect option 2. Since Proposal 2 amends the details of option 1, it has no impact on our calculation of the City's Actuarially Determined Contributions. However, the proposed change would result in an increased cost to the City if any Plan members elect option 1 and have more than 10 years of service.

We prepared long-range forecasts of the City's Actuarially Determined Contributions for just Proposal 1, for just Proposal 3, and the combination of Proposals 1 and 3. The results of our analysis, as well as an explanation of the projection methodology, can be found on the attached

exhibit. If the attached exhibit is distributed, it must be distributed with a copy of this letter in its entirety.

Please note that for Proposal 3, we have assumed that all eligible members elect to take advantage of this provision and stop making contributions to the pension plan upon reaching 25 years of service and age 60. Also note that since MAA members hired after April 3, 2012 do not participate in the CERF, the number of active MAA plan members is projected to decline quickly as current members terminate or retire. As a result, we project that the impact of these proposals will be greatest in the next few years. As the number of active MAA members declines, so does the impact of the proposals.

Except as noted above, our calculations are based on the actuarial methods and assumptions used for our July 1, 2019 valuation and assume the plan changes were made effective on that date. The actual cost will depend on the final form of the plan changes, the effective date, and the eligible members at that time. The proposed changes do not materially impact the analysis of risk that was presented in the July 1, 2019 valuation report.

It is certain that actual experience will not conform exactly to the assumptions used in this analysis. To the extent future experience deviates from those assumptions, the results of this analysis could vary from the results presented here. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as 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 our assignment, we did not perform an analysis of the potential range of such future measurements.

We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete and our calculations may need to be revised.

Milliman's work is prepared solely for the internal business use of the City of Stamford. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product, and Milliman may include a legend on its reports so stating. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject



Mr. Alfred Cava  
June 24, 2020  
Page 3

to the following exceptions: (a) the City may provide a copy of Milliman's work, in its entirety, to the City's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the City; and (b) the City may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law. No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

We have not explored any legal issues with respect to the proposed plan changes. We are not attorneys and cannot give legal advice on such issues. The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. I am not aware of any relationship that would impair the objectivity of my work.

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

Please let me know if you have any questions.

Sincerely,



Rebecca A. Sielman, FSA  
Consulting Actuary

RAS 47 SCE06xx20 MAA Plan Design

# The Classified Employees' Retirement Trust Fund of the City of Stamford

## Cost Impact of Proposed Pension Plan Changes for MAA

### Based on July 1, 2019 Valuation

**Proposed Change #1: Increase the employee contribution rate from 6.00% to 6.25%**

**Proposed Change #3: Allow members to stop making contributions and stop service accruals upon reaching 25 yrs. of service and age 60 (assuming 100% elect to do so)**

| Fiscal Year Ending | Baseline No Changes | Proposed Change #1 |                              | Proposed Change #3 |                              | Proposed Change #1 Plus Proposed Change #3 |                              |
|--------------------|---------------------|--------------------|------------------------------|--------------------|------------------------------|--|------------------------------|
|                    | City's Annual Cost  | City's Annual Cost | Impact on City's Annual Cost | City's Annual Cost | Impact on City's Annual Cost | City's Annual Cost                         | Impact on City's Annual Cost |
| 2020-21            | \$8,064,000         | \$8,064,000        | \$0                          | \$8,064,000        | \$0                          | \$8,064,000                                | \$0                          |
| 2021-22            | 8,323,000           | 8,307,000          | (16,000)                     | 8,263,000          | (60,000)                     | 8,247,000                                  | (76,000)                     |
| 2022-23            | 8,164,000           | 8,149,000          | (15,000)                     | 8,106,000          | (58,000)                     | 8,091,000                                  | (73,000)                     |
| 2023-24            | 8,054,000           | 8,041,000          | (13,000)                     | 7,991,000          | (63,000)                     | 7,977,000                                  | (77,000)                     |
| 2024-25            | 7,809,000           | 7,798,000          | (11,000)                     | 7,763,000          | (46,000)                     | 7,752,000                                  | (57,000)                     |
| 2025-26            | 7,657,000           | 7,647,000          | (10,000)                     | 7,606,000          | (51,000)                     | 7,595,000                                  | (62,000)                     |
| 2026-27            | 7,381,000           | 7,371,000          | (10,000)                     | 7,336,000          | (45,000)                     | 7,327,000                                  | (54,000)                     |
| 2027-28            | 7,123,000           | 7,115,000          | (8,000)                      | 7,087,000          | (36,000)                     | 7,079,000                                  | (44,000)                     |
| 2028-29            | 6,888,000           | 6,880,000          | (8,000)                      | 6,853,000          | (35,000)                     | 6,846,000                                  | (42,000)                     |
| 2029-30            | 6,663,000           | 6,654,000          | (9,000)                      | 6,619,000          | (44,000)                     | 6,613,000                                  | (50,000)                     |
| 2030-31            | 6,482,000           | 6,474,000          | (8,000)                      | 6,457,000          | (25,000)                     | 6,451,000                                  | (31,000)                     |
| 2031-32            | 6,172,000           | 6,166,000          | (6,000)                      | 6,153,000          | (19,000)                     | 6,149,000                                  | (23,000)                     |
| 2032-33            | 6,063,000           | 6,058,000          | (5,000)                      | 6,049,000          | (14,000)                     | 6,046,000                                  | (17,000)                     |
| 2033-34            | 5,774,000           | 5,770,000          | (4,000)                      | 5,743,000          | (31,000)                     | 5,740,000                                  | (34,000)                     |
| 2034-35            | 5,584,000           | 5,581,000          | (3,000)                      | 5,549,000          | (35,000)                     | 5,547,000                                  | (37,000)                     |
| 2035-36            | 5,468,000           | 5,466,000          | (2,000)                      | 5,436,000          | (32,000)                     | 5,434,000                                  | (34,000)                     |
| 2036-37            | 5,404,000           | 5,402,000          | (2,000)                      | 5,373,000          | (31,000)                     | 5,370,000                                  | (34,000)                     |
| 2037-38            | 5,366,000           | 5,364,000          | (2,000)                      | 5,344,000          | (22,000)                     | 5,341,000                                  | (25,000)                     |
| 2038-39            | 5,244,000           | 5,243,000          | (1,000)                      | 5,251,000          | 7,000                        | 5,250,000                                  | 6,000                        |
| 2039-40            | 5,185,000           | 5,183,000          | (2,000)                      | 5,176,000          | (9,000)                      | 5,176,000                                  | (9,000)                      |
| 2040-41            | 5,131,000           | 5,130,000          | (1,000)                      | 5,119,000          | (12,000)                     | 5,119,000                                  | (12,000)                     |

This projection is based on the results of the July 1, 2019 actuarial valuation and assumes that there are no future changes in the actuarial methods or assumptions or in the plan provisions. Actual results at each point in time will yield different values, reflecting the actual experience of the plan membership and assets.

This work product was prepared solely for the City for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

**This exhibit should only be distributed with a copy of the accompanying letter dated 06/24/2020 in its entirety.**

**06/24/2020**

City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO

Tentative Agreement  
6-15-2020

CONTRACT REVISIONS (Unless addressed specifically herein all terms and conditions of the current Agreement shall remain in effect status quo for the duration of the successor agreement)

The Parties agree that mutually agreed upon TAs are included (see attached)

**Article II - Union membership**

**Section 2 (replaces current section)**

Upon receipt of an employee's signed authorization to deduct membership dues or voluntary agency fees, the Employer agrees to deduct from the pay of the employee an amount as established and periodically adjusted by the union. Such deductions shall continue unless the employer is notified in writing by Council 4 that the employee is no longer a member. Council 4 reserves the right to modify and or replace any such authorization form.

**Article VI – Vacations**

**Section 6.3**

Employees shall be allowed to carryover up to forty-five (45) days of earned vacation leave at fiscal year-end. **Employees shall annually have the option to cash out accrued vacation in excess of thirty (30) days at fiscal year-end at the rate of 75% of the employee's regular daily pay rate. Employees who choose this option shall receive the vacation payout in the first pay period following the pay period that includes July 1.** Employees are eligible for payout of a maximum of thirty (30) days upon separation of employment at 100% of their regular daily pay rate **and at 75% for any days in excess of thirty (30) days**, unless such separation is due to a layoff where sufficient notice is not provided. In such a case, the employee will be eligible for payout of all their vacation leave. The limit for maximum carryover may be exceeded with the approval of the employee's Director and the Director of Human Resources.

**Article VIII – Wages**

**Section 8.0**

- A. Effective July 1, 2018, the wage rates in effect on June 30, 2018, will be increased by two percent (2.25%) and will be retroactive to July 1, 2018.
- B. Effective July 1, 2019, the wage rates in effect on June 30, 2019, will be increased by zero percent (0%).
- C. NOTE: wages for Fiscal Year 2020/2021, 2021/2022, and 2022/2023 will be subject to reopener negotiations between the Parties in or about February 2021.

**Section 8.6**

An annual educational non-pensionable stipend in the following amounts shall be paid on or about December 15<sup>th</sup> of each year to an employee who holds or subsequently receives a

City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO

Tentative Agreement  
6-15-2020

degree from an accredited college or university and said degree exceeds the minimum job requirements of the position held by the employee.

|                    |           |
|--------------------|-----------|
| Bachelor's Degree: | \$250.00  |
| Master's Degree:   | \$500.00. |

**Article X – Insurance and Pension**

**Section 10.0**

The City will apply for the State Partnership Plan (“SPP”), subject to the following conditions:

In the event any of the following occur, the City or the Union may reopen negotiations in accordance with MERA as to the sole issue of health insurance, including plan design and plan funding, premium cost share and/or introduction of replacement medical insurance in whole or in part:

(a) If the City’s application for the SPP is denied; and/or

(b) If the SPP in its current form is no longer available; or if the benefit plan design of the SPP is modified as a result of a change in the State’s collective bargaining agreement with SEBAC, if such modifications would substantially increase the cost of the medical insurance plan offered herein. Reopener negotiations shall be limited to health insurance plan design and funding, premium cost share and/or introduction of an additional optional health insurance plan; and/or

(c) If Conn. Gen. Stat. Section 3-123rrr et seq. is amended, or if there are any changes to the administration of the SPP, or if additional fees and/or charges for the SPP are imposed so as to affect the City, any of which amendments, changes, fees or charges (individually or collectively) would substantially increase the cost of the medical insurance plan offered herein. Reopener negotiations shall be limited to health insurance plan design and funding, premium cost share and/or introduction of an additional optional health insurance plan; and/or

(d) In any negotiations triggered under the above as well as negotiations for a successor to this collective bargaining agreement, the parties shall consider the following additional factors:

- Trends in health insurance plan design outside of the SPP;
- The costs of different plan designs, including a high deductible health plan structure and a PPO plan structure.

City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO

Tentative Agreement  
6-15-2020

Should such negotiations be submitted to arbitration for resolution, the arbitration panel shall consider the foregoing in applying the statutory criteria in making its ruling. In addition, the arbitrators shall consider the City's position that the High Deductible Health Plan proposed during negotiations should be the baseline for such negotiations, and shall also consider the Union's position that the High Deductible Health Plan should be an option for employees.

(e) The SPP contains a Health Enhancement Plan (HEP) component. All employees participating in the SPP are subject to the terms and provisions of the HEP. In the event SPP administrators impose a HEP non-participation or noncompliance per month premium cost increase or annual deductible, those sums shall be paid 100% in their entirety by the nonparticipating or non-compliant employee. No portion or percentage shall be paid by the City. The per month premium cost increase shall be implemented through payroll deduction, and the annual deductible shall be implemented through claims administration.

**NOTE:**

Dental and vision to remain with City plans

**Section 10.3**

**B: Retiree Costs**

iii. Each employee who retires and when sixty-five (65) years of age or older, shall receive premium reimbursement for coverage paid under Medicare Part B. **An employee whose retirement income requires that the employee pay an amount in excess of the Medicare Part B standard premium amount shall only be reimbursed for the standard premium amount.**

Employees hired after the ratification of this Agreement shall not be eligible for any Medicare Part B premium reimbursement.

**C: Employees hired after ratification of the CBA will not entitled to retiree insurance.**

**Section 10.4**

A.2. Each employee hired after ratification April 3, 2012 shall not become members of the CERF, but shall be eligible to contribute to a 457 deferred compensation plan. The City shall match ~~fifty percent (50%)~~ of the employee's contribution by way of a contribution to a 401 (a) money purchase plan. The City's contribution shall not exceed **five and one half percent (5.5%)** ~~four and one half percent (4.5%)~~ of the employee's annual wages. **The 401a contributions will be made within thirty (30) days of the close of each quarter.**

**E. Upon ratification, the employee contribution to the CERF shall be six and one-quarter percent (6.25%) of employee's base annual salary.**

**City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO**

**Tentative Agreement  
6-15-2020**

- P. i. Pay the City (buy-back) the value of the higher pension, **to a maximum of ten (10) years of service**. For example; if the difference between the current salary and the new salary is \$10,000, and the person has twelve (12) years of service, the employee would pay the City the employee's contribution, at 6% per year, for ten (10) years for the time. In this example, the cost would be **\$6,000** ~~\$7,200~~ (6% at ~~12~~ **10** years x \$10,000). The employee would immediately be entitled to a base salary for pension purposes based on their new salary. Moreover, the person would not be eligible to receive the pension on the new salary until after he/she is in the new position for one (1) year. The City will allow the buy-back through payroll deductions over one year or from rollover from the 457 plan.
- S. Upon reaching 25 years of service and 60 years of age, an employee may voluntarily elect to stop making contributions to the CERF pension plan and shall not accrue any further service credits under that plan, thereby freezing the employee's pension multiplier. However, the employee's salary for the purposes of calculating his/her pension will not be frozen, and any future salary increases will be applied upon retirement in calculating the employee's pension amount according to the terms of the CERF plan.**

**Section 10.6**

An employee who is eligible for health benefits provided by the City and where such benefits are extended to his/her spouse and/or child(ren), the employee may voluntarily elect, subject to Section 125 of the Internal Revenue Code, to waive all medical/dental/vision benefits, and in lieu thereof, be remunerated an annual amount of three thousand **five hundred** dollars (**3,500**) (~~\$3,000~~) provided the employee has notified the Benefit Manager's Office during the enrollment period. In order to be eligible for this annual payment, the employee must provide evidence of similar coverage under another group health benefit program which is not obtained through the City of Stamford or Stamford Board of Education group health benefit program(s). If an eligible employee has waived his/her insurance benefits the previous year, and does not notify the Benefit Manager's Office of his/her selection for the coming fiscal year, the waiver will remain in effect. Payment for the waiver will be made in two (2) equal installments, six (6) months apart (January and July).

**Section 10.7 Employee Contributions**

**A. When the City successfully transitions the employees' medical coverage from their respective current providers to having the Connecticut Partnership Plan become the sole provider of medical benefits, all employees covered by the Connecticut Partnership Plan, except for employees who have waived health insurance coverage under Section 10.6, employees shall contribute, pursuant to Internal Revenue Code Section 125, on a pre-tax**

**City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO**

**Tentative Agreement  
6-15-2020**

**payroll deduction basis seventeen and one-half percent (17.5%) of the premium equivalent rate for their single, two person (two (2) times single coverage), and family coverage (two and one-half (2) times single coverage), respectively. The employees' premium cost share for the remainder of the contract will be subject to negotiations between the Parties in or about February 2021 at the same time as the wage reopener.**

**Article XI – Working Rules, Union Activities**

**Section 11.2**

Effective upon ratification, the City shall provide an MAA Training and Tuition Fund in the amount of Fifty-Five Thousand Dollars **(\$55,000)** ~~(\$50,000)~~ per fiscal year, for those employees meeting the requirements contained herein. Any monies remaining in the fund as of June 30<sup>th</sup> of each fiscal year will be forfeited.

**Article XVII – Duration**

**Section 17.1**

This Agreement shall remain in full force and effect up to and including June 30, **2023** ~~2018~~. It is understood and agreed that all matters subject to collective bargaining between the parties have been covered herein and that it may not be opened before said date for change in its terms or additions of new subject matter. Any and all Memoranda of Understanding entered into previously and/or subsequently by and between and/or on behalf of the MAA and/or any one or all of its membership with the Human Resources Department and/or Administration of the City of Stamford shall be deemed to be incorporated by reference into any Collective Bargaining Agreement entered into by the parties.

**The Parties shall meet in or about February 2021 for reopener negotiations for wages and health insurance premium cost share.**

**The City agrees that it shall not layoff any full-time or permanent part time bargaining unit employee employed as of the date of this Agreement, except as specifically provided below. This clause shall terminate June 30, 2021 except as provided below. This provision shall not prevent the reassignment of an employee to a substantially similar position with a similar salary range for the following reasons:**

- The implementation of a reorganization of a department or division**
- The elimination or reduction in a City program or service**

**In the event that an employee can not be reassigned to a substantially similar position with a similar salary range for the above reasons, the employee shall be offered on a temporary**

City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO

Tentative Agreement  
6-15-2020

basis an alternative job that is as close as possible to the job from which the employee is reassigned, and if that job has a lower salary shall be red circled in the employee's original salary grade until a substantially similar job becomes available.

For the purposes of this provision, the term layoff shall be defined as the elimination of a position, reduction in force, or involuntary separation of service any other reason not independently grounds for separation under the collective bargaining agreement.

If the Union agrees to a 0% wage increase for any year of the contract during the February 2021 reopener negotiations, or if an arbitration panel awards a 0% wage increase, then the foregoing no layoff language will apply for the applicable year of the 0% wage increase.

## **TENTATIVE AGREEMENTS REACHED DURING NEGOTIATIONS**

### **1. CITY PROPOSAL NO. 2**

#### **Section 7.2** **TA on 2/11/19**

Employees are entitled to up to five (5) consecutive working days funeral leave with pay at the time of death of a spouse, parent, child, grandparent, grandchild, brother or sister, and three (3) consecutive working days funeral leave with pay at the time of death of a father-in-law, mother-in-law, brother-in-law, or sister-in-law. At the discretion of the Department Head, where unusual circumstances and equity dictate, one (1) working day may be granted with pay at the time of death of any other relative not described in this section in order to attend the funeral of that person. ~~Employees shall have the right to use five (5) days of accumulated sick leave in any year for the purpose of family illness.~~

**NOTE: The City proposes to move the deleted sentence to Section 7.0.A.**

### **2. UNION PROPOSAL #10**

#### **Section 7.2** **TA on 2/11/19**

**Add: "An additional day may be granted for the purpose of travel at the discretion of the supervisor."**

#### **Section 7.7**



City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO

Tentative Agreement  
6-15-2020

TA on 2/11/19

**MAA Sick Leave Bank**

- a) The “sick leave bank” is established to be used to provide additional paid sick leave for extreme hardship cases due to personal illness and/or personal injury and are not intended for casual use. Any employee hired before July 1, 1997, may contribute two (2) days of sick leave per fiscal year to the sick bank. Any day contributed shall be deducted from the contributing individual’s accumulation of sick leave. Employees hired after July 1, 1997 ~~after completing their first year of service~~, will have ~~five (5)~~ **three (3)** of their twelve (12) annually allotted sick leave days assigned to the MAA Sick Leave Bank **until they reach a balance of thirty (30) in accordance with Section 7.0**. Only employees who contribute to the bank are eligible to participate.

**3. UNION PROPOSAL #12**

**Section 12.0**

TA on 2/11/19

Step One: In the event that any employee shall be disciplined, suspended, discharged or reduced in grade and the employee feels that such action was taken without just cause or, **an employee or his Union representative may attempt to adjust the matter with his Department Head within ten (10) working days after the action was taken or the dispute arose. Within five (5) working days after the Department Head receives such grievance, he/she shall arrange to meet with the affected employee or his/her Union representative.** ~~In~~ In the event a dispute shall arise concerning the interpretation of performance of this contract, an employee or his Union representative may attempt to adjust the matter with his Department Head within ~~ten (10) working~~ **thirty (30) calendar** days after the action was taken or the dispute arose. Within five (5) working days after the Department Head receives such grievance, he shall arrange to meet with the affected employee or his Union representative.

City of Stamford  
and  
Stamford Municipal Supervisory Employees Union  
AFSCME Local 2657, Council #4, AFL-CIO

Tentative Agreement  
6-15-2020

Agreed to by the Parties:

For the Union

For the City

*Paul R Lavallee* \_\_\_\_\_

*Gabriel J. Jiran* \_\_\_\_\_

Date

Date

6/18/2020

6/18/20