

FISCAL IMPACT NOTE

Legislation No: O-24-14 **First Reader Date:** 07/14/14
Note Date: 07/22/14

Legislation Title: Police and Fire Retirement Plan Cost of Living Adjustments

Description: For the purpose of providing that effective July 1, 2013, and each July 1st thereafter, each Retired Member or survivor of any such Retired Member entitled to receive a retirement benefit as of June 30th of any year shall receive a fixed annual two-percent (2%) increase above the amount the Retired Member or survivor had received on June 30th of the same year.

Analysis of Fiscal Impact: This legislation does not produce a significant fiscal impact, as it was included in the Interest Based Bargaining process that was completed in October of 2013. The fixed annual two percent (2%) increase to Retired Members or their survivors will be paid directly from the Police & Fire Pension Plan, which is included in the Annual Required Contribution amount. By increasing the City contribution to the defined benefit pension plan as a percentage of payroll by 2% annually through FY 2016, and then 18% thereafter, the plan will continue to be fully funded. This includes paying the Retired Members or their survivors a fixed annual two percent (2%) increase.