

1 **..Title**

2 **Police and Fire Retirement Plan Cost of Living Adjustments** – For the purpose of  
3 providing that effective July 1, 2013, and each July 1<sup>st</sup> thereafter, each Retired Member  
4 or survivor of any such Retired Member of the New Plan or New Plan Revised, entitled  
5 to receive a retirement benefit as of June 30<sup>th</sup> of any year, shall receive a fixed annual  
6 two-percent (2%) increase above the amount the Retired Member or survivor had  
7 received on June 30<sup>th</sup> of the same year.

8 **..Body**

9 **CITY COUNCIL OF THE**  
10 **City of Annapolis**

11 **Ordinance 18-15**

12 **Introduced by: Alderwoman Finlayson and Alderman Arnett**

13  
14  
15  
16 **Referred to**  
17 **Rules and City Government**  
18 **Finance**

19  
20 **A ORDINANCE** concerning

21  
22 **Police and Fire Retirement Plan Cost of Living Adjustments**  
23

24 **FOR** the purpose of providing that effective July 1, 2013, and each July 1<sup>st</sup> thereafter,  
25 each Retired Member or survivor of any such Retired Member of the New Plan or  
26 New Plan Revised, entitled to receive a retirement benefit as of June 30<sup>th</sup> of any  
27 year, shall receive a fixed annual two-percent (2%) increase above the amount the  
28 Retired Member or survivor had received on June 30<sup>th</sup> of the same year.

29  
30 **BY** repealing and re-enacting with amendments the following portions of the Code of  
31 the City of Annapolis, 2013 Edition  
32 Section 3.36.150  
33

34 **WHEREAS,** in 2012, the City of Annapolis entered into negotiations with the United  
35 Food and Commercial Workers (UFCW) Local 400 and the International  
36 Association of Fire Fighters (IAFF) Local 1926 regarding, among other  
37 matters, cost of living adjustments (COLAs) associated with pension  
38 plans; and  
39

40 **WHEREAS,** as a result of the negotiations, the City of Annapolis and UFCW Local 400  
41 and IAFF Local 1926 reached an agreement that effective July 1, 2013,  
42 and each July 1<sup>st</sup> thereafter, each Retired Member or survivor of any such  
43 Retired Member, entitled to receive a retirement benefit as of June 30<sup>th</sup> of  
44 any year, shall receive a fixed annual two-percent (2%) increase above the

1 amount the Retired Member or survivor had received on June 30<sup>th</sup> of the  
2 same year; and  
3

4 **WHEREAS,** on October 28, 2013 the City Council ratified separate Memoranda of  
5 Understanding (MOU) between UFCW Local 400 and IAFF Local 1926  
6 on October 28, 2013; and  
7

8 **WHEREAS,** pursuant to the ratified MOUs, COLAs were effective on July 1, 2013;  
9

10 **WHEREAS,** since the COLAs had an effective date before the City Council ratified the  
11 MOUs, the City paid a 2% COLA on June 2, 2014 to Old Plan and Old  
12 Plan Revised Retired Members and survivors of any such Retired  
13 Members for the period of July 1, 2013 through June 30, 2014, plus an  
14 additional 5% interest in recognition of the COLA effective date of July 1,  
15 2013; and  
16

17 **WHEREAS,** on June 2, 2014, the City paid to New Plan and New Plan Revised Retired  
18 Members and survivors a COLA of 2%, inclusive of an October 1, 2013  
19 adjustment of 1.79% based on the Consumer Price Index (CPI) in  
20 recognition of the July 1, 2013 effective date; and  
21

22 **WHEREAS,** Retired Members received a 2% COLA with their July 1, 2014 payment.  
23

24 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE**  
25 **ANNAPOLIS CITY COUNCIL** that the Code of the City of Annapolis shall be  
26 amended to read as follows:  
27

### 28 **CHAPTER 3.36 – POLICE AND FIRE RETIREMENT**

29

#### 30 **3.36.150 Cost-of-living adjustment.**

31

32 Effective July 1, 2013 and EACH July 1<sup>st</sup> thereafter, each Retired Member or survivor of  
33 any such Retired Member OF THE NEW PLAN OR NEW PLAN REVISED, entitled to  
34 receive a retirement benefit as of June 30<sup>th</sup> of any year, shall receive a fixed annual two-  
35 percent (2%) increase above the amount the Retired Member or survivor had received on  
36 June 30<sup>th</sup> of the same year.  
37

38 THE RETIREMENT PENSION BENEFITS OF ANY MEMBER, AND THE  
39 ANNUITY BENEFITS OF ANY ELIGIBLE SURVIVOR OF A DECEASED  
40 MEMBER, SHALL BE ADJUSTED ACCORDING TO THE FOLLOWING:  
41

- 42 A. FOR (1) ANY MEMBER HIRED PRIOR TO AUGUST 1, 1972, (2) ANY  
43 MEMBER HIRED ON OR AFTER AUGUST 1, 1972 AND PRIOR TO  
44 AUGUST 1, 1979 WHO DOES NOT ELECT TO BE COVERED BY  
45 SECTION 3.36.020(A)(11)(C)(II) (PERTAINING TO NORMAL SERVICE  
46 RETIREMENT AFTER TWENTY-FIVE YEARS OF ACTIVE SERVICE),

1 AND (3) THE ELIGIBLE SURVIVORS OF A DECEASED MEMBER  
 2 FALLING INTO CATEGORY (1) OR (2), THE PENSION BENEFITS FOR  
 3 SERVICE RETIREMENT OR DISABILITY RETIREMENT BEING PAID TO  
 4 THE MEMBER, OR THE ANNUITY BENEFITS BEING PAID TO  
 5 ELIGIBLE SURVIVOR(S) OF SUCH A DECEASED MEMBER, SHALL BE  
 6 ADJUSTED ACCORDING TO THE FOLLOWING:  
 7

- 8 1. EACH RETIRED MEMBER'S PENSION SHALL BE INCREASED BY  
 9 THE SAME PERCENTAGE AS ANY INCREASE IN THE PAY SCALE  
 10 FOR MEMBERS OF THE SAME RANK AND YEARS OF SERVICE  
 11 WHO ARE ON ACTIVE DUTY. IF NO INCREASE IN THE PAY  
 12 SCALE FOR MEMBERS OF THE SAME RANK AND YEARS OF  
 13 SERVICE WHO ARE ON ACTIVE DUTY IS PROVIDED IN THE  
 14 ANNUAL BUDGET, THEN THE MEMBER'S PENSION SHALL BE  
 15 INCREASED, EFFECTIVE JULY 1ST OF THAT YEAR, BY SUCH  
 16 COST OF LIVING ADJUSTMENT AS THE CITY COUNCIL, IN ITS  
 17 DISCRETION, SHALL PROVIDE BY RESOLUTION. IF THE MEMBER  
 18 HAD ELECTED TO BE COVERED UNDER THE NORMAL SERVICE  
 19 RETIREMENT BENEFIT FORMULA DESCRIBED IN SECTION  
 20 3.36.040(A)(2), THE ANNUAL ADJUSTMENT TO THE MEMBER'S  
 21 RETIREMENT BENEFIT SHALL NOT EXCEED FOUR PERCENT OF  
 22 THE AMOUNT OF THE ANNUITY THE MEMBER WAS RECEIVING  
 23 IMMEDIATELY BEFORE THE DATE THE ADJUSTMENT IS MADE.  
 24
- 25 2. THE ANNUITY PAYABLE TO AN ELIGIBLE SURVIVOR OF A  
 26 DECEASED MEMBER SHALL BE INCREASED BY THE SAME  
 27 PERCENTAGE AS ANY INCREASE IN THE PAY SCALE FOR A  
 28 MEMBER HOLDING THE SAME POSITION WITH THE CITY AS  
 29 HELD BY THE MEMBER FROM WHOM THE ELIGIBLE SURVIVOR  
 30 DERIVES THE SURVIVOR'S RIGHTS UNDER THIS PLAN  
 31 IMMEDIATELY BEFORE THE MEMBER'S RETIREMENT DATE;  
 32 PROVIDED, HOWEVER, THAT THE INCREASE IN THE ANNUITY  
 33 BENEFIT SHALL NOT EXCEED THREE PERCENT OF THE  
 34 AMOUNT OF THE ANNUITY THE ELIGIBLE SURVIVOR WAS  
 35 RECEIVING IMMEDIATELY BEFORE THE DATE THE  
 36 ADJUSTMENT IS MADE.

37  
 38 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED**  
 39 **BY THE ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the  
 40 date of its passage.  
 41

42 **EXPLANATION**

43 CAPITAL LETTERS indicate matter added to existing law.

44 ~~Strikethrough~~ indicates matter stricken from existing law.

45 Underlining indicates amendments.