

Legislation Details (With Text)

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Title: Consideration Of Resolution 2017-22, A Resolution Of The Board Of Mayor And Aldermen For The City Of Franklin Employees' Pension Plan, Providing A Cost Of Living Adjustment To The Monthly Benefit For Retired Recipients, Effective July 2017. (04/13/17 FINANCE 3-0)

Sponsors: Kristine Brock

Indexes:

Code sections:

Attachments: 1. BLS chart for retiree cola calculation_2017, 2. 2017-22 RES Cost of Living increase for retirees.Law Approved

Date	Ver.	Action By	Action	Result
4/25/2017	1	Board of Mayor & Aldermen	approved	Pass
4/13/2017	1	Budget & Finance Committee	approved	Pass

DATE: April 13, 2017

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Kristine Tallent, Assistant City Administrator/CFO
Kevin Townsel, Human Resources Director

SUBJECT:
Consideration Of Resolution 2017-22, A Resolution Of The Board Of Mayor And Aldermen For The City Of Franklin Employees' Pension Plan, Providing A Cost Of Living Adjustment To The Monthly Benefit For Retired Recipients, Effective July 2017. (04/13/17 FINANCE 3-0)

Purpose

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning approval of a cost-of-living increase for existing recipients of benefits from the City of Franklin Pension Plan.

Background

The Board of Mayor and Aldermen has the authority to approve adjustments to the benefit levels of those retired under the City Pension Plan. For several years, the Board has followed the policy for cost of living increases similar to the one used by the State of Tennessee Consolidated Retirement plan. The parameters call for a cost-of-living increase that matches the increase in the "core" Consumer Price Index (CPI) for all items, excluding food & energy, subject to a 3% maximum. The measure is to be revaluated each year based

on the March CPI, which for 2017 is 2.00%.

Financial Impact

No direct impact to the City. Pension benefits are paid from the investment earnings of the Pension Fund.

Recommendation

Staff recommends the Board continue the policy and approve an increase based on the March, 2017 CPI of 2.00% (Series ID: CUUR0000SA0L1E).