



## Legislation Text

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**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 reevaluated 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).