

City of Venice Police Officers Retirement System

Retiree COLA Presentation

September 13, 2016 City Council Meeting



Doug Lozen, EA, MAAA
Foster & Foster, Inc.

Ad Hoc COLA

- One-time increase in benefits (not automatic).
- Proposed for all Retirees and Beneficiaries in payment status, including Disability Retirees.
- Retroactive to October 1, 2015.
- Last Ad Hoc COLA was October 1, 2006.

Proposed Increase

- 2% for each year of retirement, up to 10% maximum.
- If retired on or before October 1, 2010, then the 10% maximum applies.
- No COLA if retired on or after November 1, 2014.

Statistics for Proposed COLA Recipients (as of October 1, 2015)

- Average age – 62.2
- Average years retired – 12.4
- Average current benefit - \$4,037
- Average Ad Hoc increase – 8.4% (\$338 monthly)

Impact on Funding

	FYE 9/30/16	FYE 9/30/17	Ad Hoc Proposal for FYE 9/30/17
City Contribution ¹	\$2,078,867	\$1,337,865	\$1,572,924
UAAL	9,453,756	6,709,407	9,139,483
Funded Ratio ²	76.2%	82.9%	78.1%

¹ The increase in the City's contribution requirement is for 20 years.

² Ratio of Actuarial Value of Assets to Actuarial Accrued Liability.

Questions/Discussion