

# AGENDA ITEM SUMMARY

## FORT COLLINS CITY COUNCIL

**ITEM NUMBER:** 11

**DATE:** April 20, 1999

**STAFF:** Alan Krcmarik

### **SUBJECT:**

Second Reading of Ordinance No. 47, 1999, Amending Section 21-87 of the City Code and Article XI of the General Employees Retirement Plan Concerning Membership in the General Employees Retirement Committee.

### **RECOMMENDATION:**

Staff and the General Employees Retirement Committee recommend adoption of the Ordinance on Second Reading.

### **EXECUTIVE SUMMARY:**

Ordinance No. 47, 1999, which was unanimously adopted on First Reading on March 16, 1999 adds one position on the Committee to be filled by a retired member of the Plan. This Ordinance also amends both the City Code provisions and the Plan.

# AGENDA ITEM SUMMARY

## FORT COLLINS CITY COUNCIL

**ITEM NUMBER:** 19

**DATE:** March 16, 1999

**STAFF:** Alan Krcmarik

### SUBJECT:

First Reading of Ordinance No. 47, 1999, Amending Section 21-87 of the City Code and Article XI of the General Employees Retirement Plan Concerning Membership in the General Employees Retirement Committee.

### RECOMMENDATION:

Staff and the General Employees Retirement Committee recommend adoption of the Ordinance on First Reading.

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### FINANCIAL IMPACT:

The Ordinance does not have any direct financial impact. One of the key issues for retirees is the need for cost of living adjustments. The General Employees Retirement Committee will provide a recommendation to the Council on this issue in the next budget process.

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### EXECUTIVE SUMMARY:

Since the creation of the General Employees Retirement Plan in 1971, a five member board has been responsible for oversight and implementation of the Plan. None of the slots for the committee are specifically reserved for a retiree from the Plan. At the end of 1998, 368 active members of the Plan decided to convert to a money purchase plan. Beginning in 1999, all new hires at the City will enroll in the money purchase plan. The ratio of retirees to active members has changed significantly over the past few years. In 1998, there were 839 active members compared to 96 retirees and 11 beneficiaries, a ratio of 8 to 1. After the partial conversion, there are approximately 560 active members and the 96 retirees and 11 beneficiaries. The General Employees Retirement Committee has discussed the situation and strongly believes that the retirees are a significant portion of the Plan and they should be represented on the Committee. The Ordinance would add one position on the Committee to be filled by a retired member of the Plan. The Ordinance amends both the City Code provisions and the Plan.