

Item 6.c.

COLA Review

COLA ACCOUNT

ANALYSIS OF EXCESS STATE CONTRIBUTIONS

	<u>October 1, 2024</u>	<u>October 1, 2023</u>
A. COLA Account at Beginning of Year	\$11,403,441	\$10,182,502
B. Investment Return	22.24%	11.82%
C. Investment Earnings	2,536,125	1,203,572
D. Chapter 175 Regular Revenue	1,795,496	1,796,317
E. Chapter 175 Supplemental Revenue	0	0
F. Total Chapter 175 Revenue	1,795,496	1,796,317
G. Chapter Revenue in Excess of \$1,206,994	588,502	589,323
H. Benefit Enhancement Percentage	0.50%	0.50%
I. Total Present Value of Benefit Enhancement	587,256	571,956
J. COLA Account at End of Year (A. + C. + G. - I.)	\$13,940,812	\$11,403,441

FIREFIGHTERS' RETIREMENT SYSTEM

Sec. 33.86. - ALLOCATION OF CHAPTER 175 PREMIUM TAX REVENUES; RETIREMENT BENEFIT ENHANCEMENT.

- (A) Effective October 1, 1994, the benefits paid to eligible retirees or their beneficiaries shall be adjusted as provided in this Section. For the purpose of this Section, "eligible retirees" are members who retired or terminated employment after September 30, 1993, and whose date of hire as a City firefighter was twenty-five (25) or more years prior to the benefit adjustment date. The benefits payable under the system to all eligible retirees or their beneficiaries shall be based on the amount of insurance premium tax revenues received by the City for the preceding plan year pursuant to F.S. ch. 175. A minimum benefit increase of one percent per year will be provided, regardless of the amount of premium tax revenues received by the City.
- (B) Effective September 8, 2016, to the extent total annual premium tax revenues received pursuant to F.S. ch. 175, exceed one million two hundred six thousand nine hundred ninety-four dollars (\$1,206,994.00), the annual one percent minimum adjustment for retirees will be increased in increments of one-tenth of one percent, based on the actuary's determination that the amount of the excess premium tax revenues is sufficient to fund the benefit increase on an actuarially sound basis. The maximum amount of the total annual benefit increase shall not exceed four (4) percent, regardless of the amount of premium tax revenues received by the City.
- (C) The annual benefit adjustment provided under this Section shall be compounded annually (i.e. the increase shall be based on the benefits received by plan members and beneficiaries at the end of the preceding plan year). The benefits payable under the system to all eligible retirees or their beneficiaries shall be adjusted annually on the anniversary of the retiree's first benefit payment. Disability retirees and their beneficiaries are not eligible to receive the retirement benefit enhancement.
- (D) Notwithstanding any other provision of this Section, the annual benefit adjustment provided in this Section for benefits accrued on or after October 5, 2016, shall not commence until one year after a member has separated from City employment.
- (E) Notwithstanding any other provision of this Section, effective September 8, 2016 all annual premium tax moneys received pursuant to Chapter 175, Florida Statutes, up to the amount received during the 2013 calendar year one million two hundred six thousand nine hundred ninety-four dollars (\$1,206,994.00) shall be used to offset the cost of current benefits by reducing the City's annual required contribution to the system, and any annual premium tax moneys received in excess of one million two hundred six thousand nine hundred ninety-four dollars (\$1,206,994.00) shall be used as provided in subsection (B) above.

(Ord. No. [17-16](#), § 2, passed 10/4/16)