

**City Council Action
Financial Impact Report**

Title of Item: An Ordinance relating to Personnel and Retirement Systems, amending Section 40-79 of Article III, Division 1, Part B, of Chapter 40 of the Oklahoma City Municipal Code, 2020, amending the cost of living adjustments to permit the payment of a stipend to retirees who are eligible for a cost of living adjustment; providing for codification.

Originating Department: Employee Retirement System

Description of Impact

On April 23, 2013, City Council adopted Ordinance No. 24,652 (Item No. VIII. E.), which reduced the maximum cost of living adjustment (COLA) for eligible retirees from 4% to 2%. COLAs are evaluated annually by the Oklahoma City Employee Retirement System (OCERS) Board of Trustees based upon the year-end Consumer Price Index (CPI) values.

Since Ordinance No. 24,652 was enacted, the change in the year-end CPI values have ranged from .7% to 2.3% until December 31, 2021, when the CPI change was 7.0%.

In order for the OCERS Board of Trustees to have the authority to consider a possible stipend during extraordinary inflationary periods, the Municipal Code needs to be amended to allow for such a possibility.

Summary of Impact

a. Cost to City Organization: No cost to the City upon initial adoption; stipend impacts will be evaluated by the OCERS Board of Trustees to determine the impact to the pension plan and City contribution level in advance of consideration.

b. Cost to Citizens/Business Community: None

c. Revenue Produced: None

Source of Funds

Fund Name: 052 – OCERS

Agency Name: Employee Retirement System

Department Head Signature:

Regina Story

OMB Review Completed by:

Latisha Jackson