

July 14, 2015
Public Hearing
Administrative Rule, Part 7.3

Minutes of Public Hearing on 07-14-2015 Administrative Rule, Part 7.3

Chairman Pinard opened the Public Hearing at 8:30 a.m. to hear any communications regarding Administrative Rule, Part 7.3 regarding Sufficient Funds Through Earnings.

Mr. Fleury explained that the purpose of the amendment to Rule 7.3 is to bring the language in the Rule in line with key actuarial assumptions that were approved by the board and included in the valuation each year. Rule 7.3 makes reference to an obsolete actuarially assumed rate of 1.5% and must be amended to the board approved rate of 1.25%.

Mr. Fleury also requested an additional amendment to the draft Rule 7.3 which is inclusive of an example of how the COLA is calculated with respect to gain sharing. He explained that the nature of the example works out hypothetical numbers and correlations and is using the proposed rate change of 1.25% COLA, however the sum of the example was not changed to reflect the 1.25% assumed rate. Mr. Fleury indicated that the Total, Maximum Total COLA, should therefore be corrected to 1.46%

Mr. Fleury noted that the amendments had been posted to all city departments for the required, 30-day period, and that the Retirement System had not received any comments.

There being no further public comment, Chairman Pinard officially closed the public hearing at 8:31a.m.

Respectfully Submitted,

Gerard E. Fleury
Executive Director