



Agenda Item Executive Summary

TMRS reached out to its cities with the option of adopting a new method to calculate COLA for retirees. Currently the City utilizes the Retro method, which requires TMRS to calculate the COLA of a retiree based on the CPI at the time they retired. The new COLA option, called the Non-Reto method, is a simpler calculation used to determine COLA for all retirees regardless of what the CPI was at time of their retirement. The Non-Reto method is more equitable for all retirees and more cost effective for the City.

Choosing the Non-Reto method allows the City to save approximately \$48,600 this year, based on our estimated payroll.