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**Sponsor:**

**Council  
Member  
Oliver**

**WHEREAS**, Sec. 2-307 of the Charter of the City of Wilmington authorizes the board of pensions and retirement to submit to Council a plan for pensions and retirement that is “comprehensive, fair and actuarially sound”; and

**WHEREAS**, Chapter 39 of the Wilmington City Code enumerates the parameters of pension benefits for covered employees. There are approximately 291 active participants and 1,317 in-pay participants in the City of Wilmington pension program; and

**WHEREAS**, Section 39-6 authorizes the Pension Commission to conduct “annual reviews of the overall financial condition of the city” and evaluate the feasibility of recommending cost of living increases for City pensioners; and

**WHEREAS**, the Wilmington City Council’s 2022-2025 Strategic Plan envisions policies and strategies relating to the compensation of City employees and human resource management as fundamental components of maintaining a “Prosperous and Sustainable Wilmington.” Individuals covered by the pension system have contributed a wealth of tangible and intangible benefits to the organization and operation of City services throughout their careers. Ensuring that these individuals and their families have sufficient financial resources to live with dignity following their retirement merits consideration in the budgetary deliberations; and

**WHEREAS**, there have been substantial changes in the costs of living since a cost of living adjustment (COLA) was implemented for pension beneficiaries. The most recent modification in pension compensations was enacted by Ordinance 19-031. In fiscal year 2020,

uniform and nonuniform pensioners who received less than \$20,000 annually from the pension fund were distributed a one-time payment of \$1,000; and

**WHEREAS**, according to the Elder Index, which is produced by the Gerontology Institute at the University of Massachusetts-Boston, an individual aged 65 or older with average health and no mortgage would require approximately \$26,556 annually to live independently in the Philadelphia-Camden-Wilmington (PA-NJ-DE-MD) Metropolitan Area. Inadequate resources can contribute to financial anxiety for retirees affecting both mental and physical health outcomes; and

**WHEREAS**, this Council recommends the cost of living for the City's pensioners be evaluated based on nationally recognized standards to better align with the present economic conditions and average household expenditures these individuals incur; and

**WHEREAS**, pension benefits also support the families of retirees, their widows or widowers, and eligible dependents. In some cases, these payments constitute their sole income to meet household needs; and

**WHEREAS**, pension policies are a retention and recruitment mechanism. As other public and private employers broaden their benefits, it is incumbent on the City of Wilmington to maintain an attractive compensation package that is commensurate with the dedication and quality of talent our City seeks to engage; and

**WHEREAS**, the City's unassigned fund balance has increased from \$34 million in 2017 to \$75 million, or 40% of the budget, in fiscal year 2024. Entering fiscal year 2025, the unassigned fund balance has risen to \$95 million.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON** this Legislative body urges the Administration to include pension cost of living increases among its top budgetary priorities.

**BE IT FURTHER RESOLVED** that this Legislative body recommends that pension payments be adjusted to be more reflective of today's economic conditions, as well as our City's recognition of the positive contributions of pensioners who faithfully served the constituents of Wilmington during their tenures.

Passed by City Council,

ATTEST: \_\_\_\_\_  
City Clerk

**SYNOPSIS:** This Resolution is being presented by City Council for Council's review and approval. The 2022-2025 Wilmington City Council Strategic Plan prioritizes a "Prosperous and Sustainable Wilmington." This Resolution recommends that the Administration include a cost-of-living adjustment (COLA) for pension beneficiaries among its top budgetary priorities going forward.