

Wilmington, Delaware
October 15, 2026

#0288

Sponsor:

**Council
Member
Oliver**

WHEREAS, the City of Wilmington has historically recognized and honored the dedicated service of its retired municipal employees, whose decades of public service have contributed fundamentally to the safety, infrastructure, administration, and civic well-being of the City; and

WHEREAS, rising inflationary pressures, escalated living costs, and compounding utility and healthcare expenditures continue to substantially erode the purchasing power of fixed retirement incomes; and

WHEREAS, federal programs such as Social Security calculate annual Cost-of-Living Adjustments based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) tracked by the U.S. Department of Labor to protect beneficiaries from the erosion of purchasing power; and

WHEREAS, similarly, public pension systems, including the State of Delaware Employees' Pension Plan, periodically evaluate post-retirement increases to help retired public servants keep pace with economic inflation and cost-of-living increases; and

WHEREAS, the City of Wilmington has not enacted a permanent baseline Cost-of-Living Adjustment (COLA) for municipal pensioners since July 2008, leaving retirees without a structural benefit increase for more than eighteen (18) years despite cumulative inflation exceeding forty-five percent (45%) over that same period; and

WHEREAS, according to official municipal pension records, there are currently 1,019 retired pensioners and 1,277 total beneficiaries-including surviving spouses, designated beneficiaries, and alternate payees under qualified domestic relations orders-relying on the City of Wilmington's pension plans across police, fire, and non-uniformed civilian service; and

WHEREAS, City Council previously adopted Resolution No. 24-026 on April 18, 2024, urging the Administration and the Wilmington Pension Commission to prioritize a Cost-of-Living Adjustment (COLA) to assist retirees facing these economic headwinds; and

WHEREAS, on recommendation of the Wilmington Pension Commission, City Council subsequently enacted Ordinance No. 26-034 authorizing a one-time retiree stipend for Fiscal Year 2027 to provide immediate, short-term financial relief to eligible City pensioners; and

WHEREAS, while the one-time stipend provided critical temporary assistance, it did not adjust baseline retirement allowances nor provide a permanent hedge against sustained inflationary growth for municipal retirees; and

WHEREAS, Chapter 39 of the Wilmington City Code charges the Wilmington Pension Commission with the administration and oversight of the City's pension systems and authorizes the Commission to review actuarial evaluations, funding health, and benefit adjustment policies; and

WHEREAS, City Council affirms that establishing an ongoing, sustainable Cost-of-Living Adjustment (COLA) for City pension beneficiaries should be designated among the City's foremost financial and budgetary priorities for Fiscal Year 2028; and

WHEREAS, City Council affirms that the long-term economic security of retired City employees is essential to maintaining the dignity of public service and ensuring fairness across generations of municipal workers.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON, that City Council respectfully recommends and requests that the Wilmington Pension Commission examine, evaluate, and formulate recommendations regarding an ongoing, actuarially sound Cost-of-Living Adjustment (COLA) for City pension beneficiaries, and that such an adjustment be considered among the City's key financial priorities for the Fiscal Year 2028 budget.

BE IT FURTHER RESOLVED, that the Council requests that the Pension Commission, in consultation with its actuaries and the City Treasurer, provide an informational briefing or report to the City Council Finance & Economic Development Committee outlining potential options, funding structures, and projected actuarial impacts.

Passed by City Council,

ATTEST: _____
City Clerk

SYNOPSIS: This Resolution formally recommends and requests that the Wilmington Pension Commission examine, evaluate, and formulate recommendations regarding an ongoing, actuarially sound Cost-of-Living Adjustment (COLA) for City of Wilmington pension beneficiaries. Building upon Resolution No. 24-026 and recognizing the temporary relief afforded by the one-time retiree stipend in Ordinance No. 26-034, this Resolution affirms that municipal retirees have not received a permanent, baseline pension adjustment since July 2008. Highlighting that over 1,000 retired municipal workers and nearly 1,300 total beneficiaries across the City's police, fire, and civilian systems are impacted, this Resolution establishes that providing a sustainable COLA to protect the fixed incomes of retired municipal employees against cumulative inflationary pressures should be designated among the City's top financial and budgetary priorities for Fiscal Year 2028 and requests an informational report on structural models and funding options for City Council's Finance & Economic Development Committee.

FISCAL IMPACT STATEMENT

- **Direct Fiscal Impact of this Action:** This Resolution is an advisory policy recommendation and request for an actuarial evaluation; it does not authorize an appropriation, alter pension benefit schedules, or incur direct expenditure to the City operating budget or City pension funds upon passage.
- **Potential Future Fiscal Impact:** Should subsequent legislation be enacted by City Council based on the Pension Commission's findings to implement an ongoing COLA in Fiscal Year 2028, the fiscal impact would depend on the structural benefit percentage, eligibility criteria, and funding mechanism selected (e.g., annual general fund contributions or amortized adjustments to the pension plans' unfunded actuarial accrued liability [UAAL]). The precise fiscal note and actuarial liabilities will be defined by the independent actuarial review requested herein.