



City of Portland, Oregon



BUREAU OF FIRE AND POLICE DISABILITY AND RETIREMENT

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FPDR MEMBER ADVISORY

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The 2014 benefit adjustments, effective July 1, 2014 for payments in August, are shown below.

FPDR Two (“New Plan”)

Charter Section 5-312 gives the FPDR Board of Trustees discretion in the amount and timing of FPDR Two benefit adjustments, except that the percentage rate of change cannot exceed the rate that the Oregon Public Employees Retirement System applies to police and fire retirement benefits. At its March 2014 meeting, the FPDR Board of Trustees approved a **1.25%** benefit adjustment for benefits payable on or after July 1, 2014. This is the highest percentage adjustment allowed to police and fire retirees in PERS under Senate Bill 861 that was passed during the 2013 Special Legislative Session.

FPDR One (“Old Plan”)

As stated in Charter Section 5-120, FPDR One benefits vary annually at the beginning of the fiscal year (July 1) and are based on the current salary of either a First Class Fire Fighter or First Class Police Officer. FPDR calculates the hourly rates of pay for First Class Fire Fighters and First Class Police Officers, multiplies by 2088 hours per year and divides by 12 to get the monthly pay amounts for a First Class Fire Fighter and a First Class Police Officer that determines FPDR One benefits.

Please note these rates for July 1, 2014 are estimated based on FPDR’s understanding of how the hourly rates of pay for fire fighters and police officers are calculated. Because of rounding in calculating hourly rates, the actual percentage rate of change may be slightly different than the percentage rate of change used in the calculation. For example, the currently hourly rate of a top-step fire fighter (working 40 hours a week) is \$36.82, and the increase in the Consumer Price Index used in the City’s collective bargaining agreements is 2.7%. Multiplying \$36.82 by 1.027 yields 37.814, which rounds to a new hourly rate of \$37.81, an effective increase of 2.69%.

FPDR One Fire

Assuming that the Multnomah County Circuit Court approves the proposed settlement of the cases concerning the inclusion of apparatus operator pay in the salary of a First Class Fire Fighter, FPDR One Fire participants will see the hourly rate used to calculate their benefits increase as shown below.

	First Class Fire Fighter Pay		
	7/1/2013	6/1/2014*	7/1/2014*
7/1/13 top-step Fire Fighter hourly rate	36.82	36.82	
7/1/14 hourly rate with 2.7% COLA			37.81
6% longevity hourly rate	2.21	2.21	2.27
3% apparatus operator hourly rate		1.10	1.13
First Class Fire Fighter hourly rate	39.03	40.13	41.21
Percent increase		2.82%	2.69%

*Assumes Court approves proposed settlement regarding apparatus operator pay

Apparatus operator pay will be added to First Class Fire Fighter pay effective June 1, 2014 for the July 2014 payments. Retroactive payments to class members pursuant to the terms of the Settlement Agreement will be made the second half of June. Taxes will be withheld from these payments, except in the case of payments made to estates.

FPDR One Police

FPDR One Police participants will receive the following increases effective July 1, 2014:

- 0.9% cost-of-living adjustment Police Officers received effective August 29,2013
- Increase of maximum longevity pay from 6% to 7% effective January 1, 2014
- 2.7% cost-of-living adjustment Police Officers will receive effective July 1, 2014

The hourly rates used to calculate the benefits for FPDR One Police participants currently and effective July 1, 2014 are shown below.

	First Class Police Officer Pay			
	7/1/2012	8/29/2013	1/1/2014	7/1/2014
7/1/12 top-step Police Officer hourly rate	36.73			
8/29/13 hourly rate with 0.9% COLA		37.06	37.06	
7/1/14 hourly rate with 2.7% COLA				38.06
6% longevity hourly rate	2.20	2.22		
7% longevity hourly rate (eff. 1/1/14)			2.59	2.66
First Class Police Officer hourly rate	38.93			40.72
Percent increase				4.60%