City of Portland Bureau of Fire and Police Disability and Retirement
Agenda for Regular Meeting – Board of Trustees
Tuesday, September 22, 2020 – 1:00 p.m.

Please note, City Hall is closed to the public due to the COVID-19 Pandemic. Under Portland City Code and state law, the Board of Trustees is holding this meeting electronically. All members of the board are attending remotely. The meeting is available to the public on the City's eGov PDX channel on YouTube, Channel 30, and www.portlandoregon.gov/video

The FPDR is taking these steps as a result of the COVID-19 pandemic and the need to limit in-person contact and promote social distancing. The pandemic is an emergency that threatens the public health, safety and welfare which requires us to meet remotely by electronic communications. Thank you for your patience, flexibility and understanding as we manage through this difficult situation to do the FPDR's business.

ADMINISTRATION

The following consent item(s) are considered to be routine and will be acted upon by the Board in one motion, without discussion, unless a Board member, staff member or the public requests an item be held for discussion.

1 Approval of Minutes – May 26, 2020 Meeting

INTRODUCTION OF VISITORS

PUBLIC COMMENT PERIOD

Public comments will be heard by electronic communication (internet connection or telephone). If you wish to sign up for public comment, please register at the following link: https://us02web.zoom.us/webinar/register/WN_8hq6jdk_Qiia5qdtiXBA-w *You will be asked to provide your name, phone number, email address, agenda item number(s) you wish to provide comment on and zip code. After registering, you will receive a confirmation email containing information about joining the electronic/virtual meeting. Individuals will have three minutes to provide public comment unless otherwise stated at the meeting. The deadline to sign up for the September 22, 2020 electronic board meeting is Monday, September 21, 2020 at 3:00 p.m. Individuals can also provide written testimony to the Board by emailing the FPDR Director Sam Hutchison at sam.hutchison@portlandoregon.gov by September 18, 2020.*

ACTION ITEMS

1 FPDR Experience Study
- Issue: Presentation of 2014-2019 FPDR Experience Study by Milliman
- Expected Outcome: Board accepts any recommended changes in actuarial assumptions

INFORMATION ITEMS

The following information items do not require action by the Board and are solely for informational purposes unless a Board member, staff member or the public requests an item be held for discussion.

1 FPDR Summary of Expenditures

2 Summary of COVID-19 Disability Claims

3 Summary of FPDR Two August Retirements

4 FPDR Updates

5 Future Meeting Agenda Items

Copies of materials supplied to the Board before the meeting, except confidential items and those referred to Executive Session, are available for review by the public on the FPDR website at www.portlandoregon.gov/fpdr or at the FPDR offices located at: 1800 SW First Avenue, Suite 450, Portland, Oregon 97201

***NOTE**: If you have a disability that requires any special materials services or assistance call (503) 823-6823 at least 48 hours before the meeting.*

#denotes items will be in Executive Session pursuant to ORS 192.660(2)(h) and not open to the public

[THE FOLLOWING SUMMARIZED MINUTES WERE CONDUCTED IN PUBLIC SESSION. THERE WERE NO PORTIONS OF THE MINUTES THAT WERE IN EXECUTIVE SESSION.]

A regular meeting of the Board of Trustees of the Fire and Police Disability and Retirement Fund was called to order on the 26th day of May 2020 at 1:03 p.m. As a result of the COVID-19 pandemic and the need to limit in-person contact and promote social distancing, the meeting was held remotely via a Zoom webinar platform.

Board Members Present Included:

Josh Harwood, Chairperson
Jason Lehman, Fire Trustee
Catherine MacLeod, Citizen Trustee
Brian Hunzeker, Police Trustee
Elizabeth Fouts, Citizen Trustee

Also present were:

Sam Hutchison, FPDR Director
Kimberly Mitchell, FPDR Claims Manager
Stacy Jones, FPDR Finance Manager
Franco A. Lucchin, Sr. Deputy City Attorney
Lorne Dauenhauer, FPDR Outside Legal Counsel
Nelson Hall, Attorney, Bennett Hartman Morris & Kaplan

Chair Harwood called the meeting to order and asked for approval of the minutes.

Trustee Lehman made a motion that was seconded by Trustee Fouts and unanimously passed to approve the January 28, 2020 minutes.

Aye	*Trustee Harwood, Trustee Fouts, Trustee Hunzeker, Trustee Lehman, Trustee MacLeod*
Nay	*None*
Abstain	*None*
Absent	*None*

There were no General Public Comments.

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Action Item No. 1 – Annual Adjustment Review

FPDR Finance and Pension Manager, Stacy Jones (Stacy) went over the Board's authority and history on cost of living adjustments (COLA). Stacy added that for FPDR One retirees because their pensions are a percent of active duty police officer/firefighter pay, they will automatically get whatever COLA active duty police officers and firefighters get and there is no decision for the Board to make. Stacy added that there was an update in the COLA information that the Board was provided with earlier in that the City has since ratified a new contract for the Portland Fire Fighters Association (PFFA) which includes a 2.9 percent COLA on July 1, 2020. Therefore, FPDR One Fire retirees will receive a 2.9 percent COLA on July 1, 2020. Stacy also explained that because the Fire contract expired on June 30, 2019, FPDR One Fire retirees did not get a COLA in July of 2019. However, with the new PFFA contract FPDR will be issuing retroactive COLA payments to FPDR One Fire retirees and surviving spouses and also to active duty Fire employees who are on disability. Negotiations for the Portland Police Association (PPA) contract was still ongoing so there was no update on COLA for FPDR One Police retirees.

Stacy then explained that for FPDR Two retirees, the Board can do whatever it would like with the caveat that they could not exceed what PERS pays its public safety retirees which was 2.0 percent. Stacy went over three COLA methods that were either used in the past or played into the discussions in the past: 1) "Old PERS" COLA which was the method that both FPDR and PERS used for a very long time through July 1, 2013 and was whatever inflation was up to a maximum of 2.0 percent. Stacy explained that since inflation was usually more than 2.0 percent, most retirees could carry over the excess to add it to their COLA in low inflation years to bring it up to 2.0 percent; 2) "New PERS" COLA which was the method that was used a result of the Moro decision which gave everyone a different rate depending on service timing and the amount of the pension benefit (on the percent of service before October 2013 it was usually 2.0 percent and then for the percent of benefit that is attributable to service after October 2013, it was 1.25 percent on a benefit amount under $60,000, and 0.15 percent on the benefit amount above $60,000); and 3) "Modified PERS" COLA which was the method developed by the FPDR Board in 2016 and only exists at FPDR and was a twist on the New PERS COLA method in that it did not have the lower COLA percent for benefit amounts over $60,000. Stacy explained that it was used by the Board for three years and explained why the Board eliminated the $60,000 benefit amount and what their concerns were. Last year, Stacy stated that because of high inflation the Board chose to make a one-time decision to give everyone a 2.0 percent COLA.

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Stacy then went over things the Board might want to consider in making their decision. Stacy added that they can never ignore the economic and political context and this year was a little more unique. Inflation has been dropping and they did not know if that will continue. The value of the average FPDR benefit is higher than an average PERS benefit, but FPDR retirees are more reliant on their retirement benefit because they do not have Social Security.

Trustee Lehman asked what metric or study says the FPDR benefit is higher because their cohorts who work for other fire departments consistently make more money. Stacy replied that they can get that data and stated that PERS has all the different blended rates, they have different tiers, their accrual rate is 1.8 percent compared to the 2.8 percent in the FPDR plan. Trustee Lehman stated that he would like to see the data.

Stacy explained that some other things to consider were purchasing power maintenance and stated that the purpose of a COLA is to limit the erosion and the buying power of the FPDR benefit. But on the other side of the coin is that a higher COLA requires increases in taxpayer costs so those are kind of pushing and pulling in opposite directions. Stacy stated that the final consideration for the Board is that the COLA decision is made every year and going forward how the Board conceives of the time horizon for the decision. It is set up as an annual decision and the Charter states that the Board makes that decision every year.

Stacy then went over eight options which were narrowed down from options that the Board has ever considered:

1) Maximum Option – 2.0 percent for all; easiest option to consider.
2) Minimum Option – Nothing for all.
3) Inflation Option – COLA equal to inflation, up to a maximum of 2.0 percent. Have historically looked at inflation for the prior calendar year and would typically end up at 2.0 percent for all by default.
4) Old PERS Option – Essentially the same as inflation option or 2.0 percent.
5) New PERS Option – Range of COLA from 1.68 to 2.0 percent. Method PERS has been using since 2014.
6) Modified PERS Option – Method used by the Board in 2016, 2017 and 2018. Results in the same range of benefit options but there are about 250 within that range that would get a different COLA, about 1.91 percent.
7) Modified PERS Option with 1.75 percent floor – Range of COLA 1.75 to 2.0 percent. With the floor there is no impact this year because there was almost no one dropping down that low so really no different than Modified PERS Option.

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8) Modified PERS Option with 1.5 percent floor – Range of COLA 1.68 to 2.0 percent.

Trustee Fouts asked if a "floor" has ever been applied by the Board to which Stacy replied that a floor has been discussed but not applied. Trustee Fouts also asked Stacy to provide more details on pension maintenance after 30 years. Stacy went over the option comparison slide on purchasing power maintenance and stated that it assumes 2.75 percent inflation every year and with a 2.0 percent COLA, which is the most the Board can give, in the early years you're almost maintaining purchasing power, but it erodes over time and at the end of the 30th year that retiree has about 80 percent maintenance so instead of buying 100 percent of what they could buy when they retired, they can only buy 80 percent.

Trustee Hunzeker seemed to recall that, July 1, 2018, the average COLA was 1.86 percent and it was when the Board decided on using the Modified PERS method and wanted to know what the CPI was that year. Trustee Hunzeker wanted to know what the Board has done traditionally compared to the today's world. Stacy replied that was probably the lowest COLA that anyone got, but it was not the average because no matter which method is used, the majority of retirees will receive 2.0 percent unless the Board chooses no COLA. Trustee Fouts and Trustee MacLeod wanted to know if it is an annual decision, what benefit threshold level are they going to apply the COLA to and whether it is the retiree's current fiscal year benefit that is increased effective July 1, 2020. Trustee Fouts clarified that when they say it is only one year, it is still compounded based on the prior board decision, to which Stacy replied "yes". Stacy explained that when they say it's a one-year decision, the Board has not committed itself to a future COLA amount, but the COLA that the Board chooses to give every July 1, it does compound, i.e., a retiree has a $100 a month pension that is increased by the 2.0 percent COLA the Board approved last year, which made the benefit $102 a month. Now, this year that $102 benefit would be increased by whatever COLA the Board decides. Trustee MacLeod stated that they are just locking in whatever was decided on and it is only going to affect the following 12-month period. Stacy added that a floor does not matter right now, but it would matter in the future. Stacy stated that they do not have members with enough service after 2013 for the two particular floors shown in her slides to matter, but if the Board wanted to look at a higher floor it might have more of an impact. In response to Trustee Hunzeker's earlier question about the CPI for 2018, Chair Harwood stated that it was 3.1 percent.

Stacy also went over the levy increases and plan liability. Trustee MacLeod asked what the average expected difference in the annual levy would be if they use the 2.0 percent COLA. Stacy stated that right now the levy is $180 million so a couple of million dollars is still not very large. Trustee Fouts stated that they need to be mindful of the economic uncertainty that the city and taxpayers

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find themselves in right now. Trustee MacLeod understood what Trustee Fouts was saying and recognized that the increases to the plan looks scary but if you put it in the perspective of what is the overall expected difference under modified versus just a flat 2.0 percent, the difference over the long run is about 2 ½ percent, and it's much less scary. Trustee Lehman stated that he understands that and the metric to look at is how much is it going to raise taxes. However, looking at the charts, Trustee Lehman stated it is not going to be very much and the levy is not reaching the top. Trustee Lehman would be inclined to a 2.0 percent COLA and have a discussion again next year and see where it goes. Trustee Hunzeker agreed with Trustee Lehman. Trustee Harwood was more inclined to agree with Trustee Fouts and in a tight economic environment was worried about the optics and suggested doing less than 2.0 percent.

Trustee MacLeod agreed with the optics because of the current financial situation and that everyone should do their part. Trustee MacLeod encouraged the Modified PERS method with a 1.75 percent floor. Trustee Lehman stated they also need to remember the optics to their members. Trustee Fouts stated that they have to have balance and last year they stepped away from a methodology last year and should consider moving back to some sort of methodology that they can be comfortable with for a long-term basis. Trustee MacLeod discussed the different methodologies with a floor. Trustee Harwood would like to establish something that is less than the maximum, especially since most City employees are not getting any COLA this year. Trustee Lehman stated working employees are different from retired fire and police members are on a fixed income and they do not get Social Security. Trustee Lehman understood everyone's concerns, but for the retirees this is their benefit and raise every year. Trustee MacLeod further discussed the Modified PERS method with a 1.75 percent floor.

Trustee Lehman made a motion that was seconded by Trustee Hunzeker to have 2.0 percent for all service before October 2013 and 1.75 percent for all service after October 2013. Trustee Lehman then amended his motion to October 8, 2013 instead of October 2013. Trustee Hunzeker provided a second to the amendment.

Trustee MacLeod asked if anyone wanted to go with a Modified PERS method with a 1.75 percent floor she would be open to that. Trustee Harwood asked Stacy what the fiscal difference would be between either one. Stacy stated that if they are just talking about cost to the fund, next year's cost is inconsequential. The difference in cost doing this and doing 2.0 percent to all will save less than $20,000 next year. Stacy added "where the rubber meets the road" with COLA choice is in the long run. Trustee Lehman appreciated that some members of the Board wanted to have consistency with the methodology but in two or three years they may feel differently if things change. Stacy

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confirmed that the motion was for the New PERS method, except that they do not care about the $60,000 benefit and will substitute 1.75 instead of 1.25; and for the percent of the member's service before October 8, 2013 it will be 2.0 percent and for the percent of the member's service on or after October 8, 2013, it will be 1.75 percent.

Aye	*Trustee Fouts, Trustee Hunzeker, Trustee Lehman, Trustee MacLeod, Trustee Harwood*
Nay	*None*
Abstain	*None*
Absent	

The motion passed by a unanimous roll call vote.

<u>Action Item No. 2 – Resolution 529 – Tax Anticipation Notes or Line of Credit</u>

Stacy went over the resolution and explained that they were asking the Board for authorization for the issuance of Tax Anticipation Notes (TANs) and a line of credit (LOC). Stacy explained that this is a direct consequence of the current unique situation. Stacy stated that the City's debt manager still thinks TANs was the cheapest option, but Stacy wanted flexibility to borrow from either method to get the lesser cost method. Stacy added that they may not be in a position of positive arbitrage this year and also went over the low interest rate environment.

Trustee MacLeod made a motion that was seconded by Trustee Fouts and unanimously passed to Adopt Resolution 529.

Aye	*Trustee Harwood, Trustee Fouts, Trustee Hunzeker, Trustee Lehman, Trustee MacLeod*
Nay	*None*
Abstain	*None*
Absent	*None*

<u>Action Item No. 3 – Resolution No. 530 – Administrative Rule Amendment to Section 5.7</u>

Director Hutchison went over the rules and explained that the creation of the rules was based, in part, on the state of emergency from both the state and city. Director Hutchison added that they have been operating under those rules when receiving claims for Covid-19 for police and fire members. Trustee Fouts agreed with the presumption for the members. However, Trustee Fouts

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wanted to make sure in reading over subsection (d) that they would not eliminate the presumption for an officer/firefighter who was exposed to Covid-19 who cannot show that the exposure was from someone who was actually diagnosed or just with the limited testing was the FPDR restricting people's ability to avail themselves of the presumption with the language of subsection (d). Director Hutchison stated that they do not necessarily require people to be tested but basically the member is going to have to show what incident they were at when they interacted with a person who possibly had Covid-19, but they do not have to have a positive test. Trustee Fouts stated that a concern is that there are many cases where you may not be able to trace it back. Trustee Lehman had the same concern and stated that they deal with the public all day long and there are many scenarios where they cannot trace it back. Director Hutchison explained that they have to show that it was related to work and that no claims have been denied with this. Director Hutchison added that the rule was more liberal than some other states, in that they do not require a test and if someone was simply exposed and self-quarantined, those claims are being paid.

Trustee Lehman also had concerns about the language in the rules regarding quarantine under the authority of the Multnomah County Health Officer and when the rule expires. Director Hutchison stated that for the quarantine, if a person sees a physician and a physician tells them to stay home and self-quarantine, that is covered. The only person who is not a physician or healthcare provider that can quarantine someone by law is the Multnomah County Health Advisor. Director Hutchison explained that they have talked that over with the Chiefs.

Sr. Deputy City Attorney Franco Lucchin stated that it might be helpful to think of subsection (d) not as a limitation of the presumption but adding some additional scenarios where benefits can be paid. Trustee Fouts asked if the Board could provide some changes. Attorney Lucchin stated that the Board can make amendments to the rule. Disability Manager Kim Mitchell stated that they currently have 25 claims and subsection (d) has given them more room to look at various scenarios. Trustee Hunzeker suggested taking out the "48 hours" restriction from subsection (d). Trustee Fouts suggested replacing "48 hours" with "a reasonable time".

With regards to the expiration of the rule, Attorney Lucchin stated that if the emergency were to expire and the Mayor issues another one in the future, the rules would become effective again. Attorney Lucchin added that when they were drafting the rules in March the assumption was that the rule was temporary because Covid-19 will be temporary too. However, things are changing every day so if the Board wanted to have something else they could, but Attorney Lucchin did not think making it a permanent rule was appropriate.

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Public Comment:
Attorney Nelson Hall provided public comment to the Board and first thanked Attorney Lucchin, Director Hutchison and Kim Mitchell for putting the emergency rule into effect. Attorney Hall believed the rule should be disease driven, not arbitrary and not whether it is tied to an emergency or decided into an emergency. Attorney Hall went on to say, what is the purpose of what they are trying to achieve; what is the purpose of the presumption. Attorney Hall stated that a presumption is there to relieve the party that normally has the burden of proving causation. This is unique in that it is defined in terms of one specific disease, Covid-19. So, the notion of it being medically driven and secondly, it is a presumption to respond to a crisis situation where normal burdens of proof, including the timing of filing claims are really out the window because Covid-19 is so novel. With that in mind, Attorney Hall stated he had no problem with subsection (a). For the remaining subsections, Attorney Hall suggested:

- Subsection (b) - removing "unless the preponderance of the evidence indicates that it is not service connected".
- Subsection (c) - removing the preponderance of the evidence language.
- Subsection (d) - "a reasonable time" instead of "48 hours". Last sentence is a concern, it is not consistent with other rules.
- Subsection (e) – given the unique nature of the disease why are we limiting quarantine to a medical authority; why can't the employer order mandatory quarantine of employee. Concerns with sentence regarding terms of the provision being consistent with Charter and rules.
- Subsection (f) – why is this being discussed in terms of a temporary rule. Don't need an emergency to continue in order for the rule to remain in force.

Attorney Lucchin stated that Risk Management passed a similar rule for all other employees and did not want the board to be misled that it is only for fire and police. Attorney Lucchin added that what the voters of the City of Portland have included in the FPDR Plan is a rebuttable presumption by the preponderance of the evidence. So, the nature of a presumption is for it to be rebuttable. It is a presumption, not a guarantee of coverage. Attorney Hall agree with Attorney Lucchin that rebuttable presumptions are just that, they are rebuttable but, in this case, what is the presumption? Attorney Hall added that to the extent this presumption would be rebuttable, and it should be, it would be that this officer or firefighter does not have Covid-19 or was not exposed to somebody or has symptoms consistent with Covid-19. Attorney Hall stated that this is so unique that the rebuttal should be limited to you do not have Covid-19, you don't have symptoms consistent with Covid-19 or you weren't sent home by a doctor.

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Attorney Lucchin stated that a presumption includes causation of a diagnosed condition, not a presumption that you have something that you don't and a rebuttable presumption is about a cause, not whether you have the condition and for those that do not have the condition but file a claim, subsection (d) of the proposed rules applies to them.

After further discussions, the Board agreed on the following:
Subsection (b) – replace the words "the preponderance of the" with "clear and convincing".
Subsection (c) – replace the words "a preponderance of the" with "clear and convincing".
Subsection (d) – after the words "For COVID-19 Exposed Employees who" and before "1)" add "have not been diagnosed with COVID-19 but". Also remove "48 hour" and replace with "a reasonable time"
Subsection (f) – replace "30" with "180". Also revise "the Mayor's declaration of State of Emergency expires" to "the Mayor's current and any future COVID-related declared emergency".

Director Hutchison stated that staff will wordsmith the rules with Attorney Lucchin, so it is grammatically correct.

Trustee Hunzeker made a motion that was seconded by Trustee Fouts and unanimously passed to accept the proposed Administrative Rules 5.7.04 Claim Approval or Denial, Subsection (5) COVID-19 Claims as discussed and with the modifications presented by Director Hutchison.

Aye	*Trustee Harwood, Trustee Fouts, Trustee Hunzeker, Trustee Lehman, Trustee MacLeod*
Nay	*None*
Abstain	*None*
Absent	*None*

Information Item No. 1 – Status of FPDR During State of Emergency

Director Hutchison had some points to share on what is happening with FPDR but will instead send the Board an outline/notes.

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Information Item No. 2 – FPDR Summary of Expenditures

Stacy went over the Summary of Expenditures. Stacy stated that there was there was a slow-down in medical expenditures. Although that is a small expense overall, it is probably due to a lot of non-essential medical procedures being postponed for the last few months.

Information Item No. 3 – FPDR Updates

Stacy wanted the Board to be aware of some changes that were made to the budget that the Board approved in January. The interest on borrowing was up to 2.5 percent. Stacy also stated that they changed their personnel services budget by quite a bit because all non-represented staff in the City will no longer receive a cost-of-living adjustment or other increases next year. In addition, staff will be taking ten furlough days that was not folded into next year's budget. Stacy also stated that they were able to reduce their interim service costs from other bureaus like Technology Services and Printing and Distribution because they will have the same personnel savings.

Information Item No. 4 – Future Meeting Agenda Items

Director Hutchison stated that there were no agenda items for July. Also given the staff furlough days, they will target November for the State of FPDR instead of September. Director Hutchison will also be talking with Chair Harwood regarding the work session the Board was planning to do and try to get it back on track.

There being no further business, the meeting was adjourned at 3:59 p.m.

Samuel Hutchison
Director

/kk

Milliman

Actuarial Experience Study

City of Portland Fire & Police Disability & Retirement Fund (FPDR)

Presented by:

Matt Larrabee, FSA, EA
Scott Preppernau, FSA, EA

September 22, 2020

Agenda

- Introduction
- Economic assumptions
- Demographic assumptions
- Future COLA assumption

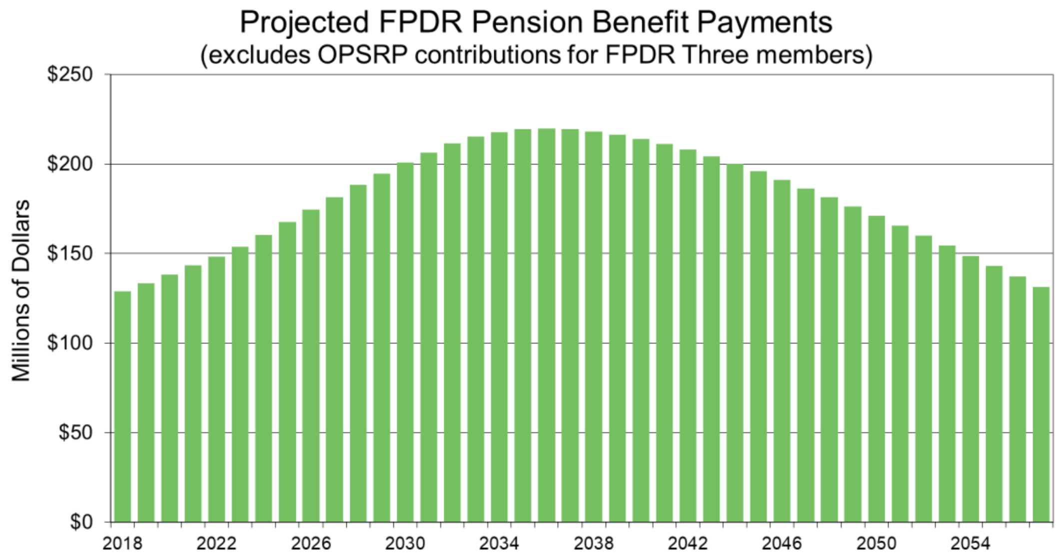
Introduction

Actuarial Valuation and Assumptions

- Biennial actuarial valuations provide financial statement reporting information for both FPDR and the City of Portland
- An actuarial valuation is a <u>very</u> long-term calculation
- Given the long-term nature of the modeling, assumptions play a key role in the calculation

Assumptions used both to:

- Project future benefit payments
- Convert those payments to a present value



Introduction
Actuarial Valuation and Assumptions

- Assumptions in our last FPDR valuation (2018) based on:
  - Study of FPDR experience conducted prior to the 2014 valuation
    - Determined most demographic assumptions, including rates of retirement, disability, and salary growth
  - Oregon PERS Police & Fire assumptions for mortality
    - Due to a much larger number of members, Oregon PERS public safety experience is more credible than FPDR-only experience
- Best practice to refresh experience studies every five to ten years to reflect current trends
  - Accordingly, we have prepared a new study to recommend assumptions for the June 30, 2020 valuation

Introduction
Experience Study

- The new study analyzed experience from recent periods
  - Most demographic assumptions use data from July 2014 to June 2019
  - Salary increases reflect July 2015 to June 2019 data
- Assumptions can be broadly divided into two categories:
  - Economic assumptions
  - Demographic assumptions
- Full detail of methodology and recommended assumptions in Appendix

Economic Assumptions

Assumptions to Be Reviewed

	6/30/2018 Valuation "Current" Assumptions
Inflation	2.75%
Real Wage Growth	1.00%
Payroll Growth (sum of above)	3.75%
Discount Rate	Current municipal bond index, per GASB: 6/30/2018: 3.87% 6/30/2019: 3.50%

Economic Assumptions
Inflation

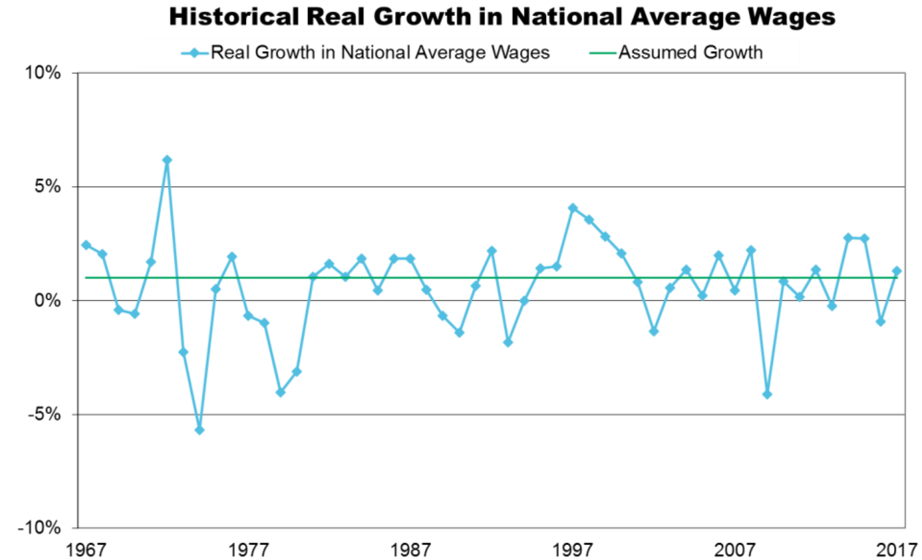
- The inflation assumption affects other assumptions
- Inflation can vary significantly over time
- One estimate of future inflation can be derived from yields of Treasury securities and Treasury Inflation Protected Securities (TIPS)
- Social Security's current "intermediate cost" 30-year average inflation assumption is **2.40%**
- In our opinion, the current assumption of **2.75%** should be reduced to **2.25%**

Period Ending 12/31/2019	Average Inflation
10 years	1.76%
20 years	2.14%
30 years	2.41%
40 years	3.09%

	As of 12/31/19		As of 6/30/20	
	10 Year	30 Year	10 Year	30 Year
Treasury Yield	1.92%	2.39%	0.66%	1.41%
TIPS Yield	0.15%	0.58%	(0.68%)	(0.15%)
"Breakeven" Inflation	**1.77%**	**1.81%**	**1.34%**	**1.46%**

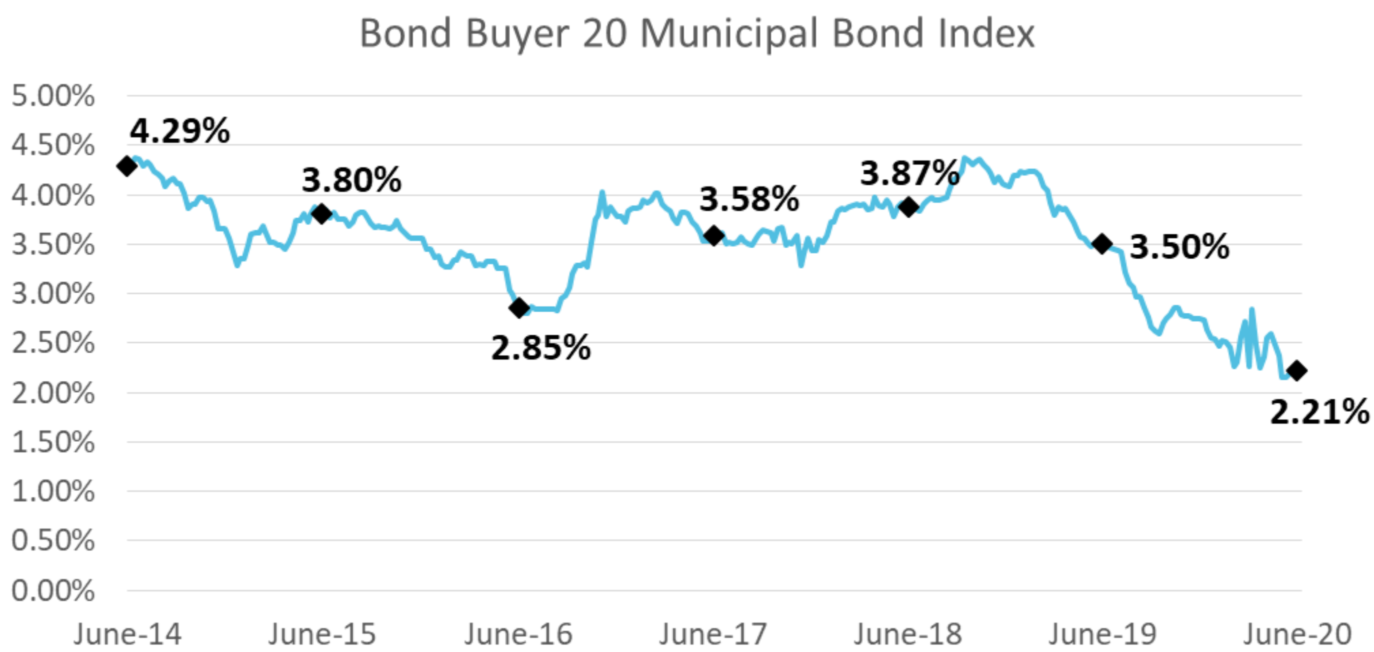
Economic Assumptions
Real Wage Growth

- An individual member's assumed annual salary increase is composed of:
  - Inflation
  - Real wage growth
  - Individual merit/longevity component
- Real wage growth represents the increase in wages in excess of inflation for the entire group due to improvements in productivity and competitive market pressures
- Social Security's long-term "intermediate cost" real wage growth assumption is 1.1%
- In our opinion, the current assumption of **1.0%** is reasonable



Period ending 12/31/2018	Average Real Wage Growth
10 Years	0.59%
20 Years	0.92%
30 Years	0.82%
40 Years	0.65%

Economic Assumptions
Discount Rate



- Discount rate
  - Based on Bond Buyer Index shown above
  - 6/30/2020 rate of 2.21% is significantly lower than the previous valuation date of 6/30/2018

Assumptions to Be Reviewed

	6/30/2018 Valuation “Current” Assumptions	6/30/2020 Valuation Recommended Assumptions
Inflation	2.75%	2.25%
Real Wage Growth	1.00%	1.00%
Payroll Growth (sum of above)	3.75%	3.25%
Discount Rate	Current municipal bond index, per GASB: 6/30/2018: 3.87% 6/30/2019: 3.50%	Current municipal bond index, per GASB: 6/30/2020: 2.21%

Demographic Assumptions

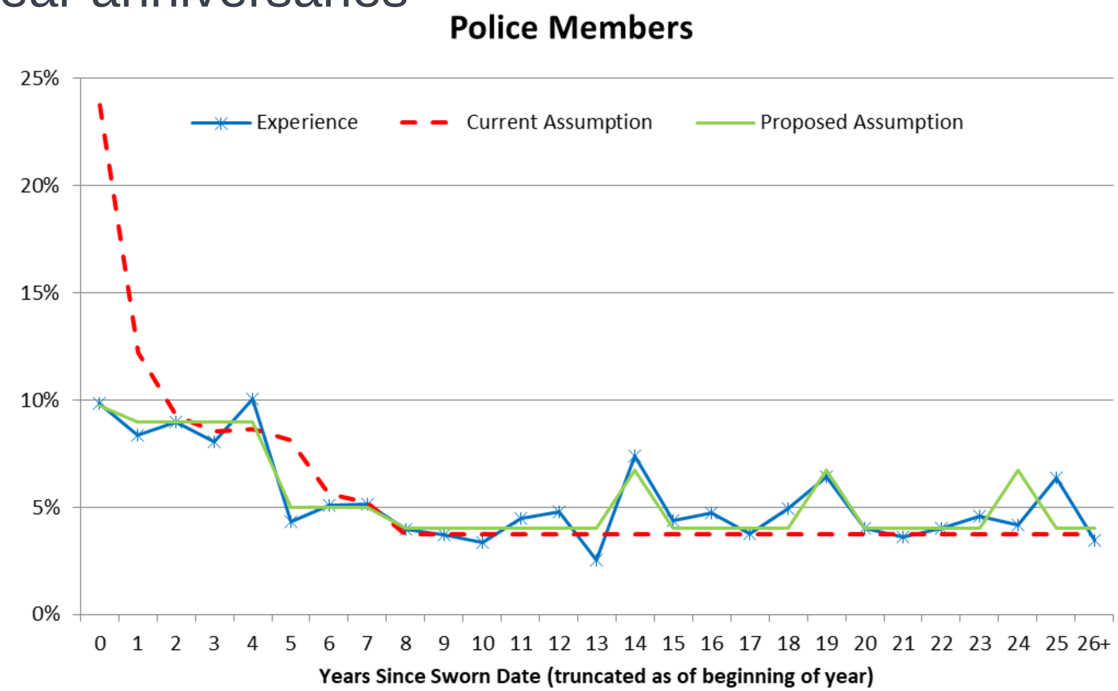
Demographic Assumptions

Individual member salary increase assumption

- Reflects combined effects of general wage growth and inflation assumptions, plus an additional component for increase due to merit or longevity
  - Individuals earn promotions and step/grade increases
- Our analysis reviewed 2015-2019 member experience
  - Included partial adjustment for the 3% increases to top-step pay under the PPA contract in 2017 through 2019
    - Fully reflecting such significant increases centered in the study period would likely overstate the expected forward-looking annual increase
- Resulting assumption varies by service, reflecting career patterns

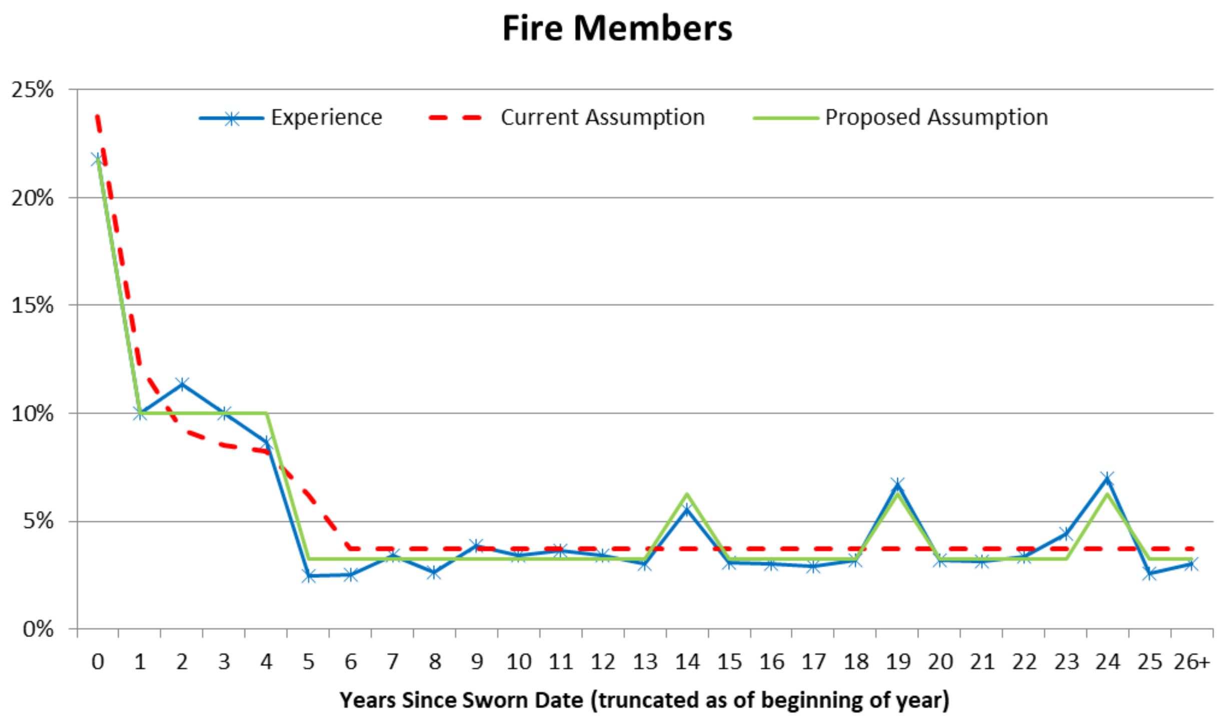
Demographic Assumptions
Individual member salary increase assumption

- Recent Police experience (with partial recognition of recent top-step PPA increases) was lower than assumed in early years, due to elimination of "entry rate" pay level
- Proposed assumption explicitly reflects longevity-related increases at 15/20/25 year anniversaries



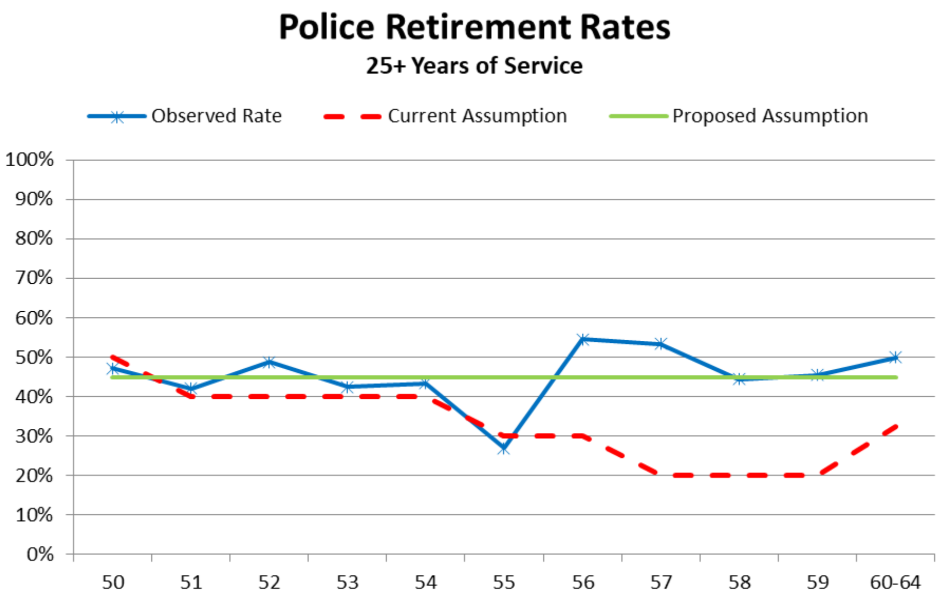
Demographic Assumptions
Individual member salary increase assumption

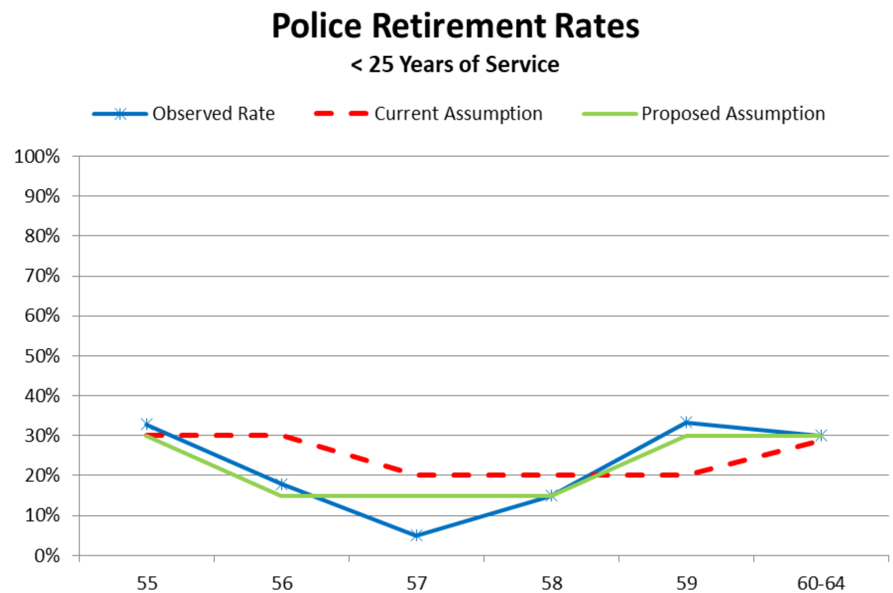
- Fire experience generally mirrored assumption, but proposed updates will more closely reflect recent observed experience
- Proposed assumption explicitly reflects longevity-related increases at 15/20/25 year anniversaries



Demographic Assumptions
Retirement Rates

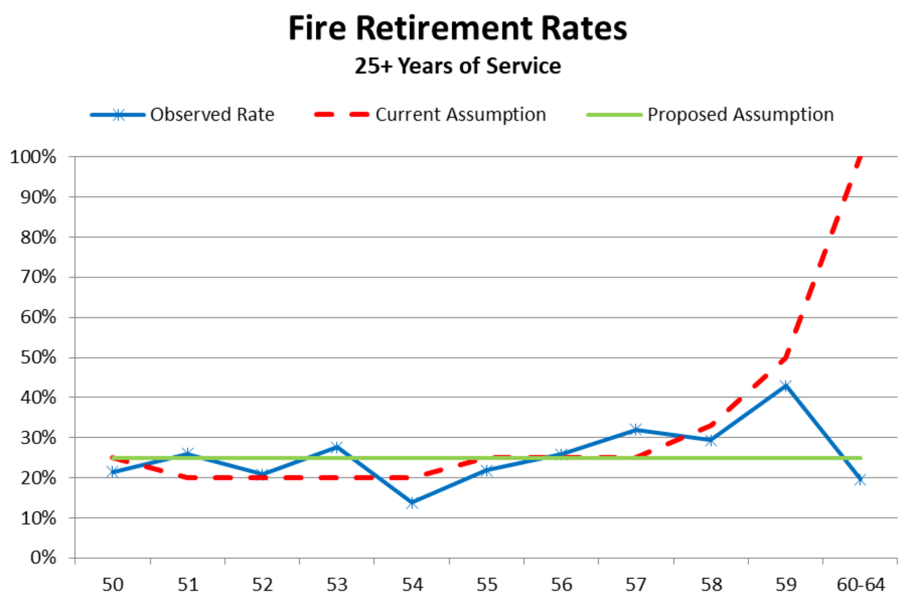
- Current assumed rates are separated by Bureau and based on age only
- We recommend adjusting the assumption format to use age-based rates prior to 25 years of service and a higher flat rate for 25+ years

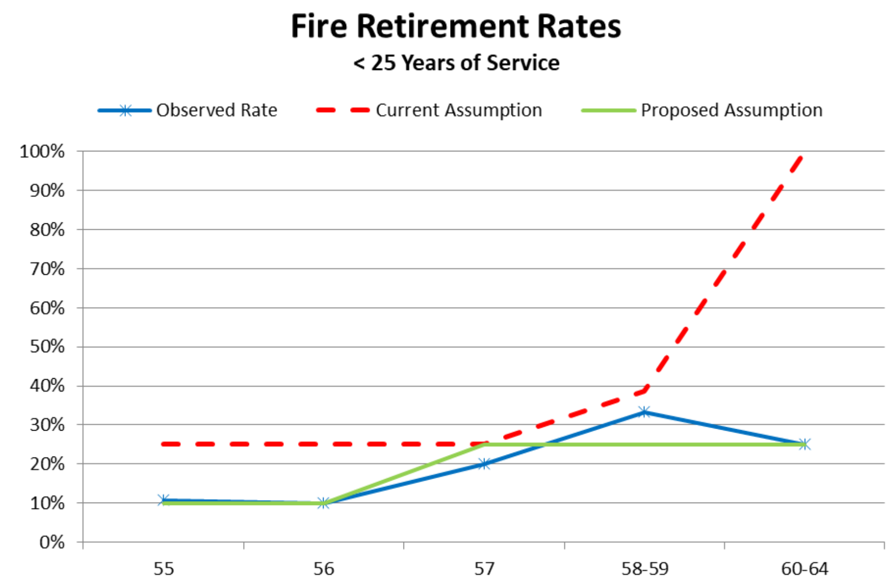




Demographic Assumptions
Retirement Rates

- We also recommend extending retirement rates for Fire to age 65 (matching those for Police)





Demographic Assumptions
Retirement Elections

Assumption	Current Assumption	Observed Experience	Proposed Assumption
Benefit form elected (% of final pay)	2.8% of pay: 80% 2.6% of pay: 20%	2.8% of pay: 80% Below 2.8%: 20%	No change
Percent married	80%	69%	70%
Spousal age difference	+/- 3 years	+/- 2.5 years	+/- 3 years
Out-of-state retirees	20%	29%	30%
27 Pay Period Adjustment	65% retire with 27 pay periods (2.5% load to system average)	65% retired with 27 pay periods	No change

Demographic Assumptions
Withdrawal

- Rates of pre-retirement withdrawal are very low after a member's initial two years of service
  - Experience during study period suggests separating the Police & Fire assumptions, as shown

Service	Current Assumption	Police		Fire	
		Observed Experience	Proposed Assumption	Observed Experience	Proposed Assumption
0 years	15%	14%	15%	7%	10%
1 year	5%	10%	7.5%	0%	1%
2+ years	0.50%	1.27%	1.25%	0.30%	0.25%

Demographic Assumptions
Annual Incidence of Long-term Disability

- Second study for disability since 2006 reforms
  - Previous study showed significantly fewer members initiating long-term disability than expected under pre-reform assumption
  - Current study continued this trend
- We recommend lowering the assumed rate of disabilities by using 70% of the currently-adopted standard table
  - Sample rates shown below

Age	Current Assumption	Proposed Assumption
30	0.06%	0.04%
40	0.16%	0.11%
50	0.45%	0.31%
Expected over study period	11.6	8.1

6 FPDR members initiated long-term disability over study period

Demographic Assumptions

Mortality

- Mortality differs by:
  - Gender
  - Member vs. spouse
  - Healthy vs. disabled
  - Active vs. retired

Future life expectancy: Male Retiree (age in 2020)		
Retiree Age	**Prior Assumption**	**New Assumption**
55	31.6	30.7
65	22.4	21.1
75	14.1	12.8

- In recent years, we have linked FPDR mortality assumption to current Oregon PERS assumption
  - Because death rates at most ages are low, large amounts of data required for statistically credible experience
  - PERS study has significantly more mortality experience than FPDR
- Most recent PERS study reduced life expectancy for Police & Fire

Demographic Assumptions
Mortality

- Current PERS assumption reflects new “PUB-2010” tables published by Society of Actuaries in January 2019
  - First modern standard mortality tables based exclusively upon public employee data, including tables specifically for public safety
  - Previous assumption was based on a blend of “white collar” and “blue collar” experience from private plan experience
- Recommend continuing to link FPDR mortality assumption to the most recent PERS Police & Fire mortality assumption
  - Reflects PUB-2010 sex-distinct public safety mortality tables for members
  - Details in the appendix

Demographic Assumptions Reviewed

Assumption	Current	Recommended
Total salary increase	7-year select and ultimate; separate Police & Fire assumptions	Revise rates; modify Police entry structure; explicitly reflect long-service increases
Retirement rates	Age-based, with separate rates for Police versus Fire	Separate rates for <25 years of service vs. 25+
Retirement elections	Detailed in prior slides	Changes to % married and assumption for % out-of-state
Withdrawal	2-year “select and ultimate” structure	Separate rates for Police vs. Fire
Disability	Age-based rates from standard disability table	Adjust to use 70% of rates from standard disability table
Mortality	Police & Fire assumptions from 2016 PERS study	Police & Fire assumptions from 2018 PERS study

Effect on 2018 Actuarial Valuation Results

3.87% discount rate	6/30/2018 Valuation - Current Assumptions	6/30/2018 Valuation - Proposed Assumptions
PV of Projected Benefits	$3.90 billion	$3.84 billion
Accrued Liability		
Active	$1.15 billion	$1.15 billion
Inactive	$2.17 billion	$2.12 billion
Total	$3.32 billion	$3.27 billion
PV of Future Normal Cost	$580 million	$570 million
Normal Cost	$64 million	$64 million

- Does not illustrate effects of:
  - Update to new GASB discount rate
  - Any potential change to FPDR Two COLA assumption

Future COLA Assumption

Future COLA Assumption

- Our June 30, 2018 valuation and related levy-adequacy modeling assumed FPDR Two retiree COLA increases followed a "Modified PERS" approach
  - CPI-U changes up to 2.00% for service prior to October 8, 2013, and 1.25% for service after October 8, 2013
- This reflected Board direction after discussion, including illustration of how results would change if a full 2% COLA was assumed each year
- **Note: The assumption used for the valuation <u>does not</u> determine the actual COLA adopted by the Board**
  - The Board retains full discretion to adopt each year's assumption, within the Charter parameters

Future COLA Assumption

- The actual FPDR Two COLA amounts for the last two years have not followed the “Modified PERS” approach which was assumed in the prior valuation
  - 2019 COLA: full 2%
  - 2020 COLA: blend of 2% and 1.75%, based on service before and after October 8, 2013
- To illustrate the sensitivity of the COLA assumption, the table below compares June 30, 2018 results under two alternatives

($ in millions)	6/30/2018 Valuation	6/30/2018 Valuation
COLA Method	Modified PERS	Full 2% per year
Present Value of Benefits	$3,900	$4,000

- The 2019 and 2020 COLA decisions would have added approximately $1 million to the “Modified PERS” results above, if they had been reflected at June 30, 2018

Future COLA Assumption

- The June 30, 2020 valuation and levy adequacy modeling will require an assumption for future COLA amounts
- We will continue to reflect the “Modified PERS” approach unless the Board provides us an alternative direction

Appendix

Certification

This presentation discusses actuarial methods and assumptions for use in the valuation of the Fire & Police Disability & Retirement Fund (“FPDR” or “the Fund”) sponsored by the City of Portland. For the most recent complete actuarial valuation results, including cautions regarding the limitations of use of valuation calculations, please refer to our formal Actuarial Valuation Report as of June 30, 2018 (“the Valuation Report”) published on January 15, 2019. The Valuation Report, including all supporting information regarding data, assumptions, methods, and provisions, is incorporated by reference into this presentation. The statements of reliance and limitations on the use of this material is reflected in the actuarial report and still apply to this presentation..

In preparing this presentation, we relied, without audit, on information (some oral and some in writing) supplied by the Fund and City of Portland staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different and our calculations may need to be revised.

Milliman’s work product was prepared exclusively for FPDR and the City of Portland for a specific and limited purpose. It is a complex, technical analysis that assumes a high level of knowledge concerning FPDR’s operations, and uses FPDR’s data, which Milliman has not audited. It is not for the use or benefit of any third party for any purpose. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman’s work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Any third party recipient of Milliman’s work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

The consultants who worked on this assignment are pension actuaries. Milliman’s advice is not intended to be a substitute for qualified legal or accounting counsel. The signing actuaries are independent of the plan sponsors. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

Appendix
Total Salary Increase

Years of Service	Current Assumption	
	Police*	Fire
0	23.75%	23.75%
1	12.25%	12.25%
2	9.25%	9.25%
3	8.55%	8.55%
4	8.65%	8.25%
5	8.15%	6.25%
6	5.65%	3.75%
7	5.25%	3.75%
8 +	3.75%	3.75%

*Blend of assumptions for non-PPA, PPA Officers, and PPA Sergeants, Criminalists, and Detectives

Years of Service*	Proposed Assumption	
	Police	Fire
0	9.75%	21.75%
1	9.00%	10.00%
2	9.00%	10.00%
3	9.00%	10.00%
4	9.00%	10.00%
5	5.00%	3.25%
6	5.00%	3.25%
7	5.00%	3.25%
8 +	4.00%	3.25%
Additional increase at 14, 19, 24	2.75%	3.00%

*Truncated as of beginning of year

Appendix
Retirement Rates - Current

	Fire	Police
Age	Current Assumption	Current Assumption
50	25%	50%
51	20%	40%
52	20%	40%
53	20%	40%
54	20%	40%
55	25%	30%
56	25%	30%
57	25%	20%
58	33%	20%
59	50%	20%
60	100%	20%
61	100%	20%
62	100%	45%
63	100%	45%
64	100%	45%
65+	100%	100%

Appendix
Retirement Rates - Proposed

	Fire		Police	
Age	< 25 years of service	25+ years of service	< 25 years of service	25+ years of service
50		25%		45%
51		25%		45%
52		25%		45%
53		25%		45%
54		25%		45%
55	10%	25%	30%	45%
56	10%	25%	15%	45%
57	25%	25%	15%	45%
58	25%	25%	15%	45%
59	25%	25%	30%	45%
60	25%	25%	30%	45%
61	25%	25%	30%	45%
62	25%	25%	30%	45%
63	25%	25%	30%	45%
64	25%	25%	30%	45%
65+	100%	100%	100%	100%

Appendix
Disability Rates

- Current disability incidence assumption is 1985 Disability Study Class 1 Rates
- Propose using 70% of the 1985 Disability Study Class 1 Rates

Age	1985 Disability Study Class 1 – Sample Rates
30	0.06%
35	0.10%
40	0.16%
45	0.26%
50	0.45%
55	0.85%

Age	70% of 1985 Disability Study Class 1 – Sample Rates
30	0.04%
35	0.07%
40	0.11%
45	0.18%
50	0.31%
55	0.59%

Demographic Assumptions
Disability-related assumptions

- Ancillary assumption used in our valuation of disability benefits are shown below:

	Current Assumption	Proposed Assumption
Service-related disability	90% of disabilities assumed service-related	No change
Post-disability employment	One third of members on long term disability are assumed capable of substantial gainful activity	No change
Earnings for post-disability gainful employment	Assumed to be 9% of pre-disability pay	Assumed to be 20% of pre-disability pay

Appendix
Mortality

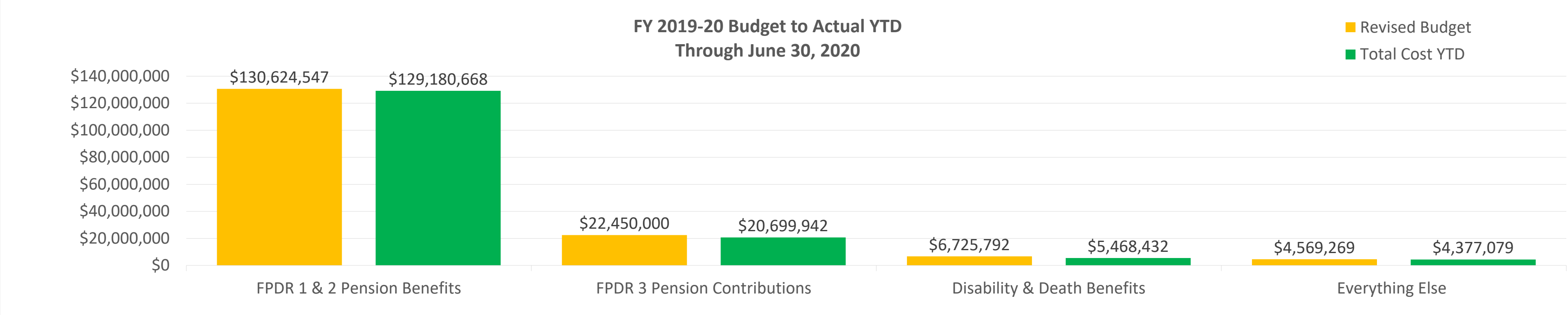
- Current mortality tables shown below:

Age	Current Assumption
Male Retiree	RP-2014 Healthy Annuitant Male, Generational projection with unisex Social Security data scale, Blended 50% Blue Collar, 50% White Collar, set back 12 months
Female Retiree	RP-2014 Healthy Annuitant Female, Generational projection with unisex Social Security data scale, Blended 50% Blue Collar, 50% White Collar, no set back
Male Beneficiary	RP-2014 Healthy Annuitant Male, Generational projection with unisex Social Security data scale, Blended 50% Blue Collar, 50% White Collar, set back 12 months
Female Beneficiary	RP-2014 Healthy Annuitant Female, Generational projection with unisex Social Security data scale, Blended 50% Blue Collar, 50% White Collar, no set back
Male Active	RP-2014 Healthy Employee Male, Generational projection with unisex Social Security data scale, Blended 50% Blue Collar, 50% White Collar, set back 12 months
Female Active	RP-2014 Healthy Employee Female, Generational projection with unisex Social Security data scale, Blended 50% Blue Collar, 50% White Collar, no set back
Disabled Males	RP-2014 Disabled Annuitant Male, Generational projection with unisex Social Security data scale, no collar adjustment, no set back
Disabled Females	RP-2014 Disabled Annuitant Female, Generational projection with unisex Social Security data scale, no collar adjustment, no set back

Appendix
Mortality

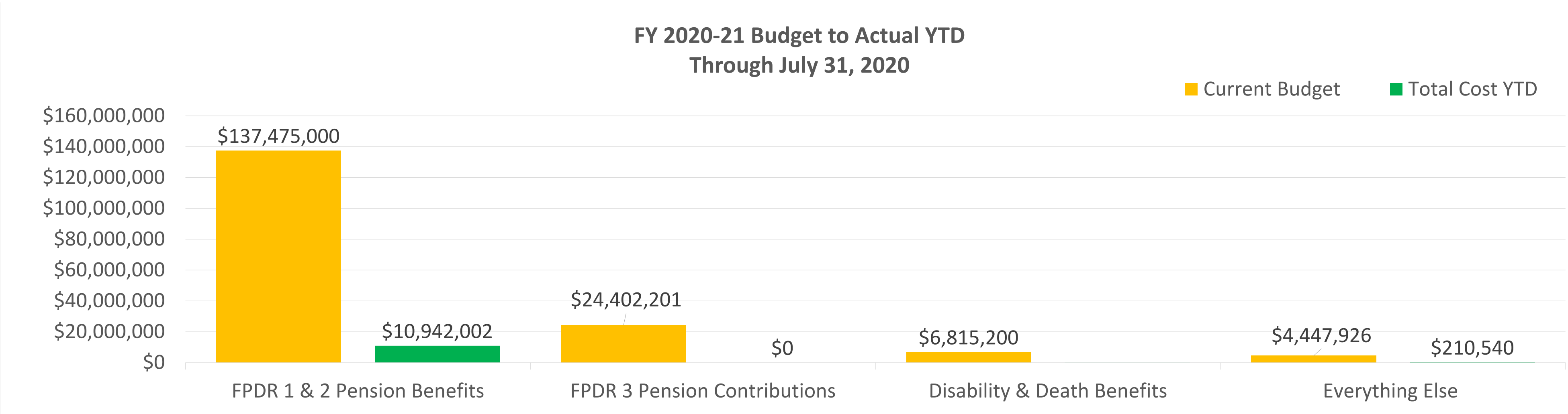
- Proposed mortality tables shown below:

Age	Proposed Assumption
Male Retiree	Pub-2010 Healthy Public Safety Retiree Male, Generational projection with unisex Social Security data scale, no set back
Female Retiree	Pub-2010 Healthy Public Safety Retiree Female, Generational projection with unisex Social Security data scale, set back 12 months
Male Beneficiary	Pub-2010 Healthy General Employees Retiree Male, Generational projection with unisex Social Security data scale, set back 12 months
Female Beneficiary	Pub-2010 Healthy General Employees Retiree Female, Generational projection with unisex Social Security data scale, no set back
Male Active	Pub-2010 Healthy Public Safety Employee Male, Generational projection with unisex Social Security data scale, no set back
Female Active	Pub-2010 Healthy Public Safety Employee Female, Generational projection with unisex Social Security data scale, set back 12 months
Disabled Males	Pub-2010 Disabled Retiree Male, Generational projection with unisex Social Security data scale, Blended 50% Public Safety / 50% Non-Safety, no set back
Disabled Females	Pub-2010 Disabled Retiree Female, Generational projection with unisex Social Security data scale, Blended 50% Public Safety / 50% Non-Safety, no set back



FY 2019-20 Budget to Actual YTD by Month

Mid Level Classification	Detail Classification	Revised Budget	July	August	September	October	November	December	January	February	March	April	May	June	YTD Total
Revenues	Beginning fund balance	$17,491,801	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Taxes	$156,343,417	-$1,107,325	$464,569	$310,102	$225,327	$49,874,143	$92,653,891	$1,712,102	$957,178	$5,349,416	$531,186	$406,082	$3,542,503	$154,919,174
	Bond and note proceeds	$52,900,000	$0	$26,725,625	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$26,725,625
	Miscellaneous Sources	$1,958,200	$59,886	$75,152	$52,322	$34,771	$32,120	$215,010	$208,155	$223,871	$177,240	$139,360	$106,489	$176,860	$1,501,236
	Interfund Cash Transfer Revenues	$750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Interagency Revenues	$1,594,954	$595	$1,213	$0	$301,888	$1,213	$0	$1,213	$606	$0	$327,999	$606	$711,297	$1,346,629
Revenues Total		**$231,038,372**	**-$1,046,845**	**$27,266,559**	**$362,423**	**$561,986**	**$49,907,476**	**$92,868,901**	**$1,921,470**	**$1,181,655**	**$5,526,656**	**$998,545**	**$513,177**	**$4,430,660**	**$184,492,665**
Personnel	Personnel	$2,494,800	$215,044	$183,649	$205,347	$220,269	$221,523	$211,168	$200,946	$197,205	$206,603	$209,225	$185,298	$166,374	$2,422,650
Personnel Total		**$2,494,800**	**$215,044**	**$183,649**	**$205,347**	**$220,269**	**$221,523**	**$211,168**	**$200,946**	**$197,205**	**$206,603**	**$209,225**	**$185,298**	**$166,374**	**$2,422,650**
Ext. Mat. & Svcs.	Other External Materials & Services	$813,915	$15,982	$50,340	$47,225	$118,412	$55,001	$65,416	$54,834	$58,191	$59,354	$38,003	$44,835	$60,885	$668,476
	FPDR 1 & 2 Pension Benefits	$130,624,547	$17,692	$21,530,833	$28,915	$10,758,665	$21,460,464	$44,796	$21,425,167	$10,712,467	$5,883,159	$4,875,633	$10,970,311	$21,472,568	$129,180,668
	Disability & Death Benefits	$6,725,792	-$431,280	$599,017	$548,662	$580,580	$480,371	$530,376	$518,019	$422,794	$329,688	$422,414	$377,915	$1,089,878	$5,468,432
Ext. Mat. & Svcs. Total		**$138,164,254**	**-$397,606**	**$22,180,189**	**$624,801**	**$11,457,656**	**$21,995,836**	**$640,588**	**$21,998,019**	**$11,193,452**	**$6,272,201**	**$5,336,050**	**$11,393,060**	**$22,623,330**	**$135,317,577**
Int. Mat. & Svcs.	Other Internal Materials & Services	$691,954	$40,741	$43,445	$49,292	$48,434	$58,090	$44,917	$45,613	$69,568	$62,752	$34,639	$56,442	$140,674	$694,606
	FPDR 3 Pension Contributions	$22,450,000	$0	$0	$0	$0	$2,030,152	$0	$0	$2,283,466	-$5,860,354	$11,720,708	$1,974,984	$8,550,987	$20,699,942
	Return to Work/Light Duty	$458,600	$0	$0	$0	$0	$44,726	$0	$0	$22,105	$0	$0	$59,245	$396,371	$522,447
Int. Mat. & Svcs. Total		**$23,600,554**	**$40,741**	**$43,445**	**$49,292**	**$48,434**	**$2,132,968**	**$44,917**	**$45,613**	**$2,375,139**	**-$5,797,602**	**$11,755,346**	**$2,090,670**	**$9,088,031**	**$21,916,995**
Capital Outlay	Capital Outlay	$110,000	-$4,095	$0	$12,610	$0	$16,120	$14,430	$13,130	$13,520	$2,665	$520	$0	$0	$68,900
Capital Outlay Total		**$110,000**	**-$4,095**	**$0**	**$12,610**	**$0**	**$16,120**	**$14,430**	**$13,130**	**$13,520**	**$2,665**	**$520**	**$0**	**$0**	**$68,900**
Fund Expenses	Contingency	$11,560,932	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Debt Retirement	$54,206,581	$0	$12,331	$16,500	$23,446	$6,682	$0	$0	$0	$0	$0	$55,226	$26,984,494	$27,098,678
	Interfund Cash Transfer Expenses	$901,251	$11,750	$11,750	$11,750	$11,750	$16,874	$11,750	$11,750	$11,750	$11,750	$11,750	$16,882	$11,745	$151,251
Fund Expenses Total		**$66,668,764**	**$11,750**	**$24,081**	**$28,250**	**$35,196**	**$23,556**	**$11,750**	**$11,750**	**$11,750**	**$11,750**	**$11,750**	**$72,108**	**$26,996,239**	**$27,249,929**
Expenses Total		**$231,038,372**	**-$134,166**	**$22,431,364**	**$920,299**	**$11,761,555**	**$24,390,003**	**$922,853**	**$22,269,458**	**$13,791,065**	**$695,617**	**$17,312,891**	**$13,741,136**	**$58,873,975**	**$186,976,050**



FY 2020-21 Budget to Actual YTD by Month

Mid Level Classification	Detail Classification	Original Budget	July	YTD Total
Revenues	Beginning fund balance	$16,935,965	$0	$0
	Taxes	$166,062,018	$573,181	$573,181
	Bond and note proceeds	$42,000,000	$0	$0
	Miscellaneous Sources	$1,382,800	$54,972	$54,972
	Interfund Cash Transfer Revenues	$750,000	$0	$0
	Interagency Revenues	$1,571,818	-$1,225	-$1,225
Revenues Total		**$228,702,601**	**$626,928**	**$626,928**
Personnel	Personnel	$2,464,800	$164,292	$164,292
Personnel Total		**$2,464,800**	**$164,292**	**$164,292**
Ext. Mat. & Svcs.	Other External Materials & Services	$834,000	$2,676	$2,676
	FPDR 1 & 2 Pension Benefits	$137,475,000	$10,942,002	$10,942,002
	Disability & Death Benefits	$6,815,200	-$46,682	-$46,682
Ext. Mat. & Svcs. Total		**$145,124,200**	**$10,897,996**	**$10,897,996**
Int. Mat. & Svcs.	Other Internal Materials & Services	$689,226	$43,572	$43,572
	FPDR 3 Pension Contributions	$24,402,201	$0	$0
	Return to Work/Light Duty	$409,900	$0	$0
Int. Mat. & Svcs. Total		**$25,501,327**	**$43,572**	**$43,572**
Capital Outlay	Capital Outlay	$50,000	$0	$0
Capital Outlay Total		**$50,000**	**$0**	**$0**
Fund Expenses	Contingency	$11,518,151	$0	$0
	Debt Retirement	$43,152,972	$0	$0
	Interfund Cash Transfer Expenses	$891,151	$11,035	$11,035
Fund Expenses Total		**$55,562,274**	**$11,035**	**$11,035**
Expenses Total		**$228,702,601**	**$11,116,896**	**$11,116,896**

FPDR COVID CLAIMS SUBMITTED AS OF AUGUST 31, 2020			
	FIRE	POLICE	TOTAL
Approved/Closed[1]	7	11	18
Approved[2]	2	4	6
Withdrawn[3]	9	3	12
Pending [4]	0	4	4
Denied	0	0	0
Total	18	22	**40**
[1] Claims approved and paid through date of negative COVID-19 test or end self-isolation period			
[2] Claim approved; member tested positive for COVID-19			
[3] Claims withdrawn; members negative for COVID-19. No time loss or medical costs incurred			
[4] Claims under review			

City of Portland, Oregon

BUREAU OF FIRE AND POLICE DISABILITY AND RETIREMENT

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Catherine MacLeod, FPDR Trustee

CC: Sam Hutchison, FPDR Director
Karly Edwards, Chief of Staff, Comm. Hardesty
Kristin Johnson, FPDR Liaison, Comm. Hardesty

FROM: Stacy Jones, FPDR Deputy Director/Finance and Pension Manager
Stacy Jones

RE: August 2020 Retirements

DATE: September 2, 2020

As expected, August was a record-breaking retirement month for the City's sworn workforce. It was the first "27 pay date month" since March 2019, and the first such month after a labor arbitrator awarded a portion of the 27th pay date to nonrepresented sworn staff.

A total of 62 sworn employees retired from active service in August. (Three additional employees – one Fire Deputy Chief, one Police Commander and one Police Officer – resigned in August, but are not yet eligible to commence pension benefits.) A breakdown by job classification is below:

Service Retirements in August 2020				
Fire & Rescue			**Police**	
Deputy Fire Chief	1		Assistant Police Chief	1
Battalion Chief	2		Commander	1
Captain	1		Captain	2
Harbor Pilot	1		Lieutenant	2
Investigator	1		Criminalist	2
Inspector	2		Detective	9
Lieutenant	5		Sergeant	6
Fire Fighter	1		Police Officer	25
Fire Bureau Total	**14**		**Police Bureau Total**	**48**
Grand Total 62				

To put that in perspective, the largest number of retirements in any one month was previously 39.

Top Five Service Retirement Months Since 1990			
Month	**Fire & Rescue**	**Police**	**Total**
July 1990	24	10	34
July 2011	17	22	39
April 2016	19	20	39
March 2019	13	25	38
August 2020	14	48	62

The table below shows service retirements each fiscal year since FY 2005-06. There were more FPDR service retirements in August than there were in most entire years:

Service Retirements by Fiscal Year			
Fiscal Year	**Fire & Rescue**	**Police**	**Total**
FY 2005-06	28	30	58
FY 2006-07	39	55	94
FY 2007-08	13	36	49
FY 2008-09	48	25	73
FY 2009-10	10	9	19
FY 2010-11	13	9	22
FY 2011-12	34	40	74
FY 2012-13	23	22	45
FY 2013-14	11	15	26
FY 2014-15	14	26	40
FY 2015-16	26	31	57
FY 2016-17	18	39	57
FY 2017-18	12	40	52
FY 2018-19	17	47	64
FY 2019-20	0	9	9
FY 2020-21 To Date	14	48	62

Please contact me with any questions at 503-865-6488 or Stacy.Jones@portlandoregon.gov.