

PROP N-REINSTATEMENT OF INDUSTRIAL DISABILITY RETIREMENT BENEFIT FOR POLICE OFFICERS

It is difficult to confidently predict costs to the City related to the reinstatement of the Police Officers' disability retirement benefit contained in this measure (a disability benefit for a nervous or mental disorder resulting from a violent attack, while in the performance of job duties, that causes great bodily injury).

The City's pension system acquired an actuarial analysis of potential costs related to this benefit, which was based on historical workers compensation claims. The actuarial analysis estimates a City cost that would be in the range of **\$0** to **\$200,000** per year, with the earlier years being on the low end of the range. When this benefit existed for 10 years from fiscal years 2000 to 2010, pension system records indicate that there were no approved claims under this provision.

As stated previously, such costs are not easily predictable. The actuarial analysis excludes pension costs or savings that may occur due to Police Officers' behavioral changes (e.g., higher rates of disability, lower rates of termination, or changes in average retirement age). The analysis also excludes any savings or costs that may occur in other City benefit programs (e.g., retiree healthcare) as a result of implementing this benefit or the behavioral changes it may cause.