

Memo

FIREFIGHTERS' RETIREMENT SYSTEM

To: All Retirees, Survivors, Beneficiaries
From: Steven S. Stockstill
Date: December 22, 2005
Subject: Cost-of-Living Adjustments (COLA); Increase of Benefits

All eligible retirees, survivors, and beneficiaries will be receiving a cost of living adjustment in the following amounts:

- All eligible persons will receive an increase of benefits equal to 3% of the current benefit.
- Also, each eligible person who is at least age 65, will receive an additional increase equal to 2% of the original benefit.
- According to law, a member must have retired prior to January 1, 2005, to be eligible for the increase.

This is a permanent increase of benefits. The increase will be included in your January check, unless you are a disability retiree.

Note to disability retirees: Because of the accounting complications related to offsets for workers' compensation and other earnings, there will be a one month delay in receiving the increase for disability retirees. However your February check will include an increase for both January and February. Then, in March, the amount of your check will go back down to the appropriate level.

On behalf of the board of trustees, we here at the retirement system want to thank you for your understanding during the last few years. During that time, the system's assets have increased considerably and its funded status has improved significantly. Prudent management has paid off. We are probably the only state or statewide public retirement system whose retirees, survivors, and beneficiaries are receiving a permanent benefit increase. Thanks again for your perseverance. Warmest regards for the holiday season. Steven Stockstill.