

**2018-2019 BUDGET QUESTION**  
***Response to Request for Information***

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**DEPARTMENT:** Financial Services – Budget

**REQUEST NO.:** 16

**REQUESTED BY:** Alter

**DATE REQUESTED:** 4/26/18

**DATE POSTED:** 5/10/18

**REQUEST:** Please explain how the City accounted for potential retirements from slide no. 7 in the FY 2019 Financial Forecast presentation.

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**RESPONSE:** Slide no. 7 shows forecasted wage increases for City employees for the next five years. Retirement projections are incorporated in the financial forecast in the terminal pay line item, which is payments made for terminating employees for accumulated sick and vacation leave. Terminal pay can fluctuate significantly each year depending upon the demographics of the retirees and is estimated annually based on prior-year trends.