CITY OF CORAL GABLES CITY ATTORNEY'S OFFICE M E M O R A N D U M

To: Mayor and Commissioners

C: Diana Gomez, Acting City Manager for purposes of <u>Murrhee v. City of Coral Gables</u>

From: Miriam Soler Ramos, City Attorney

Re: Individuals who opted out of the class in Murrhee v. City of Coral Gables

Date: July 10, 2018

This memorandum is intended as backup material for Item H-3, regarding individuals who opted out of the class in <u>Murrhee v. City of Coral Gables</u>, on the July 10, 2018 City Commission meeting agenda. During the pendency of the class action suit brought against the City regarding cost of living adjustments (COLA), four individuals opted out of the class. As is customary, all class members were mailed a notice with an explanation of the suit and a form to opt out of the class action if he/she wished to do so (attached hereto as Exhibit A). Failure to return the opt out form meant the individual would be **included** in the class.

One of the four individuals who opted out has made the request to be treated in the same fashion as those who were in the class, asserting that she did not understand the notice or form when she signed it.

If the Commission chooses to include the individual who has requested to be included, it is my recommendation that all four individuals be considered for inclusion and that the remaining three be notified and provided a time period within which to notify the City that he/she wishes to be included.

Below are the calculations from the Pension Board actuary explaining the financial implications of including the four individuals:

If these 4 retirees are granted both the COLA retro and COLA increase, the total increase in the Retirement System's liability as of 10/1/2017 would be \$79,451, which would increase the total unfunded liability (UAAL) from \$226,839,817 to \$226,919,268. This would cause the required City contribution payable 10/1/2018 to increase by \$10,826, from \$25,083,655 to \$25,094,481.