

City of Sacramento
Administration, Investment, & Fiscal Management
Board Report
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00920

5/21/2026

Sacramento City Employees Retirement System (SCERS) Pensioners' Cost of Living Increase

File ID: 2026-00920

Location: Citywide

Recommendation: Review and file.

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Department of Finance

Presenter: None

Attachments:

1-Description/Analysis

Description/Analysis

Issue Detail: The Sacramento City Employees' Retirement System (SCERS) is a closed defined benefit pension plan that is actively managed in-house. SCERS has not accepted new members since January 28, 1977, and currently one actively working member remains. There are currently 673 SCERS retirees and beneficiaries receiving pension payments.

In accordance with Charter Section 379 and Article IX, Chapter 2.124 of the Sacramento City Code, it is determined that the 2026 annual average Consumer Price Index for the San Francisco/Oakland area rose to 356.01, which reflects a 2.2% increase from calendar year 2025. The increase is calculated as follows:

2026 Index 356.01
2025 Index (348.42)
7.59 points / 348.42 = 2.2%

Under Article IX, Chapter 2.124 of the Sacramento City Code and section 379 of the City Charter, the increase or decrease shall not exceed 3%, regardless of the percentage of change in cost of living, and any excess shall be accumulated and included in the computation of increases or decreases in succeeding years.

Based on the Cost-of-Living Adjustment (COLA) banks, retirees will receive a COLA based on their year of retirement. If the retiree retired between:

- 07/01/1975 and 06/30/2022, the retiree will receive a 3% COLA.
- 07/01/2022 and 06/30/2023, the retiree will receive a 2.6% COLA.
- 07/01/2023 and 06/30/2025, the retiree will receive a 2.2% COLA
- 07/01/2025 and 06/30/2026, the retiree will receive a 2.2% COLA, pro-rated for each month retired.

Policy Considerations: Sacramento City Code Chapter 2.124.

Economic Impacts: None.

Environmental Considerations: Not applicable. This action constitutes administrative action by the Board.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: In accordance with Sacramento City Code, Article IX, Chapter 2.124, the City is required to increase or decrease the monthly allowance of those SCERS members as outlined in the code.

Financial Considerations: Not applicable.

Local Business Enterprise (LBE): Not applicable.