

Reply to Common Council File No. 001567

From DOA-Budget and Management Division

September 18, 2001

Ref: 01037(03)

Common Council File 001567 contains a substitute Charter Ordinance to amend Chapter 35 relating to the Policemen's Annuity and Benefit Fund.

This Charter Ordinance establishes a separate fund, the Supplementary Payment Fund, within the Policemen's Annuity and Benefit Fund. The Supplementary Payment Fund will receive two appropriations: The first, a one-time appropriation of \$1,395,349 from the 2001 account entitled "Lump-sum Supplement Contribution" to be paid as soon as practicable, and the second, \$150,000 to be funded in the 2002 budget and paid after January 1, 2002 (per the settlement reached in Policemen's Annuity and Benefit Fund (PABF), et.al. vs. City of Milwaukee).

It also specifies that these funds will be invested and administered by the Retirement Board, and that payments to members of the fund will be made equally. According to the intent of the supplement, the method of disbursement was determined by the membership of the Policemen's Annuity and Benefit Fund.

RECOMMENDATION: APPROVE THE SUBSTITUTE CHARTER ORDINANCE TO AMEND CHAPTER 35 AND ESTABLISH A SEPARATE FUND WITHIN THE POLICEMEN'S ANNUITY AND BENEFIT FUND.



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