

LRB – RESEARCH AND ANALYSIS

MAY 24, 2006 AGENDA

ITEM 8, FILE 060064

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #060064 is a charter ordinance relating to the disposition of final pro-rated payments under the City Employees' Retirement System.

Background & Discussion

1. This charter ordinance codifies the procedure for disposition of final pro-rated payments under the City Employees' Retirement System. Final pro-rated payments are that portion of a benefit that has been earned by a beneficiary prior to the death of a beneficiary but had not been paid to the beneficiary prior to his or her death.
2. This charter ordinance provides that upon the death of a member who has not elected any survivorship option, the member's final pro-rated payment shall be paid to the member's estate, unless the member has named a person or trust to receive the member's final pro-rated payment. Upon the death of a member who has elected any survivorship option, the member's final pro-rated payment shall be paid to the member's survivor. If the survivor predeceases the member, the member may name a person or trust to receive the member's final pro-rated payment. Upon the death of a survivor, the survivor's final pro-rated payment shall be paid to the survivor's estate, unless the survivor has named a person or trust to receive the survivor's final pro-rated payment.

Fiscal Impact

This charter ordinance has no fiscal impact, as the procedure for prorated payments is already accounted for as part of the ERS liabilities in the annual actuarial valuations.

Cc: Marianne Walsh
Michael Dolsen
Mark Nicolini
W. Martin Morics
Mike Daun
Rudy Konrad

Prepared by:
Jim Carroll, X8679
LRB Research & Analysis
May 19, 2006