

Reply to Common Council File No. 001665

From DOA-Budget and Management Division

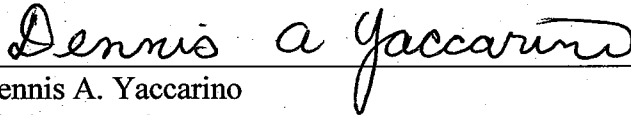
March 30, 2001

Ref: 01037

This file contains a substitute ordinance relating to the minimum retirement allowance. According to the existing ordinance, effective March 21, 1972, employee retirement provisions were amended to provide a minimum allowance of \$25 per month. If the retirement allowance would be less than \$25 per month, the member would be paid a lump sum, which would be the actuarial equivalent of the allowance. This amendment authorizes the annuity and pension board to increase the minimum allowance amount to reflect inflation as measured by the consumer price index.

The purpose of this legislation is to reduce administrative costs in the employee retirement system. There will be no impact on the benefits received by retirees.

**RECOMMENDATION: ADOPT SUBSTITUTE ORDINANCE RELATING TO THE MINIMUM RETIREMENT ALLOWANCE.**

  
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Dennis A. Yaccarino  
City Economist

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