

Reply to Common Council File No. 001459

From DOA-Budget and Management Division

March 7, 2001

Ref: 01037

Common Council File 001459 contains a substitute resolution related to Disbursement of the one-time 2001 Lump-sum Supplement Contribution to the Policemen's Annuity and Benefit Fund.

The 2001 City Budget included \$1,395,349 in an account entitled "Lump-sum Supplement Contribution" for the purpose of providing a one-time supplementary Pension benefit to members of the Policemen's Annuity and Benefit Fund. However, the Budget stipulated that expenditure of these funds were contingent upon the attainment of a Global Pension Settlement and the determination of a method of distribution of the funding by the membership of the Policemen's Annuity and Benefit Fund.

With the attainment of Global Settlement, the membership of the Policemen's Annuity and Benefit Fund have determined how these funds should be distributed. The membership has voted to establish a Supplementary Payment Fund within the Policemen's Annuity and Benefit Fund that will be invested and administered by the Retirement Board, and will make equal distributions to the membership of the fund.

Common Council File #001567 amends Chapter 35 to create the Supplementary Payment Fund. Adoption of this file will transfer the Lump-sum Supplement Contribution into the Policemen's Annuity and Benefit Fund- Supplementary Payment Fund to be distributed to the members as determined by the Board.

**RECOMMENDATION: APPROVE SUBSTITUTE RESOLUTION
RELATED TO THE ONE-TIME 2001 LUMP-SUM SUPPLEMENT
CONTRIBUTION TO THE POLICEMEN'S ANNUITY AND BENEFIT
FUND.**

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