

Reply to Common Council File No. 020471
From DOA-Budget and Management Division

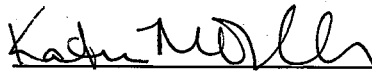
July 9, 2002

Ref: 02037 (09)

Common Council File 020471 is a charter ordinance relating to ordinary disability retirement benefits for firemen and policemen. Section 36-05-2-c-a of the City's Charter provides for firemen and policemen to receive an ordinary disability retirement allowance equal to 25% of final average salary plus an additional 2% of their final average salary for each full year of service in excess of five years of service, to a maximum of 50% of final average salary. The current practice of ERS is to use all service, including portions of a year, when calculating the ordinary disability retirement allowance. There is currently no provision in the charter for proration based on this formula for services for any period less than one year. This ordinance allows for proration. This change will conform with Chapter 36 requirements for all other ERS benefit calculations that involve service credit.

The fiscal impact of Common Council File 020471 is estimated at \$0.

RECOMMENDATION: APPROVE COMMON COUNCIL FILE 020471.



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Finance: 020471sr.doc