

LRB-FISCAL REVIEW SECTION ANALYSIS

SEPTEMBER 20, 2001 AGENDA

ITEM 16, FILE 001567

FINANCE & PERSONNEL COMMITTEE JAMES CARROLL

File #001567 is a substitute Charter Ordinance establishing a supplementary payment fund within the Policeman's Annuity and Benefit Fund.

Background

1. The Policemen's Annuity and Benefit Fund filed suit against the City regarding a dispute as to contributions to the PABF funded by the City. Originally, the City won this case, but it was appealed by the PABF. The court of appeals remanded the case to circuit court to determine the City's liability. The City has petitioned the Wisconsin Supreme Court to review the court of appeal's decision. The petition on review is pending.
2. On August 15, 2001, the City and the PABF reached a tentative settlement.
3. Because PABF members were not eligible to participate in the City's global pension settlement, the City decided to include \$1,395,349 in the 2001 Budget for a one-time lump-sum distribution to the PABF.
4. The disbursement of the one-time lump-sum supplement contribution has been held in the Finance and Personnel Committee pending the settlement of the PABF case against the City.
5. The resolution (File #010650) providing for the disbursement to the PABF of the \$1,395,349 lump-sum payment is Item 15 on the Finance and Personnel Committee agenda.

Discussion

1. The charter ordinance establishes a supplementary payment fund within the PABF to receive the one-time \$1,395,349 lump-sum distribution contained in the 2001 Budget.
2. The charter ordinance authorizes the PABF Board to determine the method of the disbursement of the fund.

Fiscal Impact

The charter ordinance has no fiscal impact.

cc: Marianne Walsh
W. Martin Morics
Tom Hayes
Laura Engan
Bonnie Stahl

Prepared by: James Carroll, X8679
LRB-Fiscal Review
September 17, 2001