

Reply to Common Council File No. 130716  
From DOA-Budget and Management Division

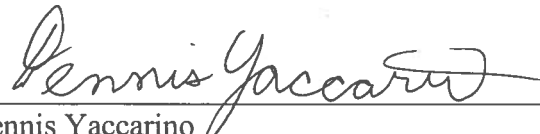
October 29, 2013

Ref: 14BF-2C

Resolution 130716 effectuates a provision of the 2014 adopted city budget relating to the use of \$13,400,000 in the Employer's Reserve Fund to offset a portion of the employer paid contributions by the city to the Employees Retirement System.

Given a required city pension payment of \$61.6 million for 2014 and a withdrawal of \$13.4 million from the reserve fund, the net levy impact for 2014 is \$48.2 million. This is an increase from the net levy of \$40.9 million in 2013. The plan for the reserve fund is to use it in a manner over the next three to four years that will help smooth out expected pension payment increases and the corresponding impact on the property tax levy.

**RECOMMENDATION: ADOPT COMMON COUNCIL FILE RESOLUTION 130716 EFFECTUATING PROVISIONS OF THE 2014 ADOPTED CITY BUDGET RELATING TO THE USE OF \$13,400,000 IN THE EMPLOYER'S RESERVE FUND WITHIN THE EMPLOYES RETIREMENT FUND TO OFFSET EMPLOYER PAID CONTRIBUTIONS BY THE CITY TO THE EMPLOYES RETIREMENT SYSTEM.**



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