



RESOLUTION

AUTHORIZING A ONE-TIME STIPEND TO BOARD OF PUBLIC WORKS RETIREMENT SYSTEM RETIREES AS REQUESTED BY THE BOARD OF PUBLIC WORKS RETIREMENT SYSTEM BOARD OF TRUSTEES

CITY OF NASHUA

In the Year Two Thousand and Seventeen

RESOLVED by the Board of Aldermen of the City of Nashua to authorize the payment of a one-time stipend to Board of Public Works Retirement System retirees as described below:

At the Board of Public Works Retirement System Board of Trustees meeting held on September 26, 2017, the Board of Trustees voted to grant a one-time stipend to all current retirees who retired from FY 1977 through FY 2017. A total of 100 current retirees will receive a one-time stipend. Amounts will vary depending on the time of retirement. The amounts to be granted will be \$1,500 to \$350. Below are the amounts to be given and number of recipients by amount category. The total cost is \$69,250.

<u>Number of Retirees</u>	<u>Amounts</u>
2	\$1,500.00 each
12	\$1,000.00 each
51	\$ 750.00 each
25	\$ 500.00 each
10	\$ 350.00 each

LEGISLATIVE YEAR 2017

RESOLUTION:

R-17-142

PURPOSE:

Authorizing a one-time stipend to Board of Public Works Retirement System retirees as requested by the Board of Public Works Retirement System Board of Trustees

SPONSOR(S):

**Mayor Jim Donchess
Alderman Michael O'Brien**

**COMMITTEE
ASSIGNMENT:**

FISCAL NOTE:

The current BPW Retirement System (pension) has approximately 100 retirees and 160 active employees. The pension fund had a balance of \$40,635,063 as of September 30, 2017. The last pension adjustment was granted twenty years ago to retirees in 1997. The current funding ratio for the pension fund is 83%, a solid level within the New England Municipal Pension Plan peer group. The Board of Trustees, at their September 26, 2017 meeting, approved granting a one-time payment to all retirees that retired before July 1, 2017. The estimated one-time cost to the pension fund is \$69,250.00, or approximately .17%. This one-time payment will have no impact on the current funding ratio of 83%.

ANALYSIS

This legislation gives Board of Aldermen approval for a request from the Board of Public Works Retirement System Board of Trustees to pay a one-time stipend to current retirees who retired from FY 1977 through FY 2017, in varying amounts depending on retirement date. The Board of Public Works Retirement System is outlined in Article IV of Chapter 45 of the Nashua Revised Ordinances. The ordinances specify the system's service retirement benefits, and do not provide the Board of Trustees with discretion to pay any additional benefits, leading to this legislation for Board of Aldermen approval.

**Approved as to account
number and/or structure,
and amount:**

Financial Services Division

By: 

Approved as to form:

Office of Corporation Counsel

By: 

Date: 