



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 Twenty One

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 October 26, 2021, the Board of Trustees voted to grant a one-time stipend to all current retirees who retired from FY 1977 through FY 2020. A total of 102 current retirees will receive a one-time stipend. Amounts will vary depending on the time of retirement. The amounts to be granted will be \$1,600 to \$400. Below are the amounts to be given and number of recipients by amount category. The total cost is \$75,350.

<u>Number of Retirees</u>	<u>Amounts</u>
2	\$1,600.00 each
10	\$1,100.00 each
43	\$ 850.00 each
29	\$ 600.00 each
18	\$ 400.00 each

LEGISLATIVE YEAR 2021

RESOLUTION: R-21-188

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): Alderman-at-Large Michael B. O'Brien, Sr.

Public Works Commission

COMMITTEE ASSIGNMENT: Budget Review Committee

FISCAL NOTE: The current BPW Retirement System (pension) has approximately 108 retirees and 160 active employees. The pension fund had a balance of \$53,315,130 as of June 30, 2021. The last pension adjustment was granted in 2017. The current funding ratio for the pension fund is approximately 88%, a solid level within the New England Municipal Pension Plan peer group. The BPW Pension Board of Trustees, at their October 26, 2021 meeting, approved granting a one-time payment to all retirees that retired before July 1, 2020. The estimated one-time cost to the pension fund is \$75,350.00, or approximately .14%. This one-time payment will have an immaterial impact on the current funding ratio of 88%.

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 2020, 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: /s/John Griffin

Approved as to form: **Office of Corporation Counsel**
By: *Deputy Clarke*
Date: 3 November 2021