

IMPACT STATEMENT

Legislation title: *Pay arbitration award in In the Matter of Arbitration between PFFA and City of Portland (Alternate Payee grievance) arbitration dated October 26, 2015.

Contact name: Jay Guo
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Presenter name: Fire Chief Erin Janssens

Purpose of proposed legislation and background information:

In 1994, the Fire and Police Disability and Retirement (FPDR) Board of Trustees adopted Resolution 271, which authorized Fund members to receive a reversionary interest if their ex-spouses/alternate payees predeceased them. In 2009, the FPDR Board of Trustees revoked Resolution 271. In August 2014, PFFA filed a grievance on behalf of three PFFA members whose ex-spouses had predeceased them.

The grievance was heard on July 21, 2015 and the Arbitrator sustained the grievance. The arbitration awards directs the City to make whole for the three impacted members for any financial losses suffered as a result of the revocation of Resolution No. 271.

Financial and budgetary impacts:

The Arbitrator's decision awards both retroactive and prospective relief. The one-time retro payment totals \$138,039.65. The prospective relief is in the form of on-going monthly payments to the three members for the remainder of their lives. Currently, the on-going monthly payment is \$6,108.07 for April, May and June 2016. The ongoing monthly payment is subject to annual cost of living increases.

Community impacts and community involvement:

Not Applicable.

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.
☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount