

COUNCIL COMMUNICATION

From: The Police and Fire Pension Board of Trustees

Subject: Settlement Agreement for Gwizdala case.

Manager's Recommendation:

I recommended approval of the proposed settlement agreement resolving the pending litigation in Gwizdala v Board of Trustees of the City of Saginaw Police and Fire Retirement System. The proposed settlement was discussed and approved by the Police and Fire Pension Board at its April 1, 2009 meeting. This agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

This matter arises out of the proposed purchase of prior years of service by Ronald J. Gwizdala, pursuant to §16.08(A)(3) of the pension ordinance. The member may purchase up to five years of prior service if he pays the total cost. The dispute arose out of the method of calculating total cost. The proposed resolution would require Mr. Gwizdala to pay the net sum of \$35,000 and begin receiving increased benefits starting May 1, 2009. In addition, he would provide a release and dismissal of the complaint, including other issues previously dismissed by the court.

Council Action:

Council_____ moved the recommendation of the Police and Fire Pension Board of Trustees be approved.