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THE RETIREMENT SYSTEMS OF ALABAMA

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Macon County
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MCN

May 23, 2014

Act 2014-429 of the Regular Session of the Alabama Legislature provides your agency with the opportunity to grant a one-time lump sum payment to retired members and beneficiaries of deceased retirees who retired prior to October 1, 2013 and are entitled to receive a monthly retirement benefit from the Employees' Retirement System (ERS) on September 30, 2014.

The Act provides for the retiree to receive a one-time lump sum payment of \$2.00 per month for each year of service credited to the retiree's account or \$300.00, whichever is greater. The Act provides for a beneficiary of a deceased retiree to receive \$300.00. Payment will be made in October 2014 separate from the monthly retirement payment.

If your agency elects to grant the 2014 one-time lump sum payment, your estimated cost is \$ 24,736.00 which will require 0.74 % to be added to your agency's employer contribution rate effective for the one year period from **October 1, 2015 – September 30, 2016**.

To grant the provisions of Act 2014-429 for retirees and beneficiaries of your agency, the governing authority of your agency must adopt and submit a Resolution. A fillable form Resolution can be found on the RSA website at http://www.rsa-al.gov/uploads/files/2014_Lump_Sum_Resolution_Retiree.pdf. **The Resolution to adopt the provisions of Act 2014-429 must be received by ERS no later than August 31, 2014.** Please note that there is no provision that will allow the one-time lump sum payment to be granted retroactively.

Any retiree or beneficiary whose eligibility for Medicaid benefits is impaired by this payment shall not be entitled to receive the payment and should notify this office to request that the increase not be granted.

If you have any questions regarding the implementation of the provisions of Act 2014-429, please contact my office at (334) 517-7000 or 1-877-517-0020.

Sincerely,

William E. Paul
Retirement Executive