



ADMINISTRATION Memo

May 5, 2026 and May 19, 2026

ORDINANCE AMENDMENT UPDATE TO CHAPTER 2 MUNICIPAL CODE ON PENSION PLANS

The sections were amended to clarify the amount of the death benefit payable to the surviving spouse when a married participant who was receiving payment in the normal form (i.e., a joint and 2/3 survivor annuity in the case of the General Pension Plan or the Police Pension Plan or a joint and 100% survivor annuity in the case of the Part-time Firefighters Pension Plan) or when a married participant dies before commencing benefits under the plan.

The changes do NOT apply to a retired participant who elects to receive payment in the form of nine (9) annual instalment payments. The ordinances for the General Pension Plan and Police Pension Plan already provide that if married participant retires and elects to receive payment in the form of nine annual installment payments and dies before receiving all nine installments, any remaining annual installment payments will be paid to the participant's beneficiary.

Even though the normal form of payment is described as an annuity, the City is making the payments from the Plan's trust fund rather than purchasing an annuity contract from an insurance company. Annuity payments from the Plan's trust fund are described in the plan document / ordinance as monthly payments rather than annuity payments.

Linda Carlson
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City of Dickinson

