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THE RETIREMENT SYSTEMS OF ALABAMA

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May 11, 2022

FOLEY
MAIN OFFICE
PO BOX 1750
FOLEY, AL 36536

Unit Code: EFOL

Act 2022-229 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 March 1, 2022 and are entitled to receive a monthly retirement benefit from the Employees' Retirement System (ERS) on September 30, 2022.

The Act provides for the retiree to receive a one-time lump sum payment of \$2.00 for each month of service credited to the retiree's account or a beneficiary of a deceased retiree. Payment will be made in October 2022 separate from the monthly retirement direct deposit.

If your agency elects to grant the 2022 one-time lump sum payment, your estimated cost is **\$36,334.00** which will require **0.24%** to be added to your agency's employer contribution rate effective for the one year period from October 1, 2023 – September 30, 2024, or you may submit a one-time lump sum payment remitted with the resolution to cover the cost.

To grant the provisions of Act 2022-229 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 https://www.rsa-al.gov/uploads/files/2022_Lump_Sum_Resolution_Retiree_fillable.pdf. **Resolution to adopt the provisions of Act 2022-229 must be received by the ERS no later than August 31, 2022.** 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 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 2022-229, please contact my office at (334) 517-7000 or 1-877-517-0020.

Sincerely,
William F. Kelley, Jr.
Director
Employees' Retirement System