RESOLUTION OF THE CHARLOTTE CITY COUNCIL CORRECTING PAYOUT CALCULATION FOR FIREFIGHTER RETIREES BETWEEN OCTOBER 25, 2013 AND MARCH 25, 2019

WHEREAS, the lawsuit of *Kurzel*, et al. v. City of Charlotte, 16 CVS 19521 ("Kurzel"), was commenced in the Superior Court of Mecklenburg County, NC on October 25, 2016, and

WHEREAS, the Plaintiffs in *Kurzel* claimed an alleged failure to pay the entire amount required for accrued leave upon his retirement, and

WHEREAS the City of Charlotte denied, defended and disputed all allegations and claims in the lawsuit, and

WHEREAS the City Council of the City of Charlotte, NC, authorized settlement of Kurzel, and

WHEREAS the settlement agreement was finalized on August 29, 2018, and

WHEREAS, City Council wishes to treat all City of Charlotte firefighters who (1) could have joined the *Kurzel* lawsuit; or (2) retired from the City of Charlotte under the Charlotte Firefighters Retirement System since the settlement of *Kurzel* and before March 25, 2019, equitably and in the same manner as the *Kurzel* Plaintiffs;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte that for each City of Charlotte uniformed firefighter who retired in the Charlotte Firefighters Retirement System ("CFRS") between and including the effective retirement dates of October 25, 2013 and March 24, 2019¹, the City of Charlotte shall take the following actions:

- 1. The City shall pay each firefighter or the firefighter's estate an amount equal to 7.692% of the vacation and sick leave payout made by the City upon the firefighter's retirement (the "Additional Payout");
- 2. The City shall withhold 12.65% of the Additional Payout, and will deposit that amount to the CFRS:
- 3. The City shall contribute to the CFRS a matching 12.65% of the Additional Payout;
- 4. The City shall report to the CFRS the corrected final vacation and sick leave payout for each firefighter, which will include the amount of leave payout originally paid to each firefighter plus the Additional Payout; and
- 5. The City shall inform the CFRS that it is the City's position this increase in payout constitutes an error in the original payout and that the Additional Payout should trigger the re-calculation of monthly retirement benefit amounts for each firefighter under Section 54 of the Retirement Act.

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¹ Excluding the Plaintiffs in the *Kurzel* lawsuit.