

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2020-629

Introducer/Sponsor(s): Council President at the request of the Office of General Counsel

Date of Introduction: October 13, 2020

Committee(s) of Reference: F

Date of Analysis: October 15, 2020

Type of Action: Approval of legal settlement; authorizing General Counsel to conclude litigation

Bill Summary: The bill approves a legal settlement between John Keane and the Police and Fire Pension Fund Board of Trustees over alleged claims arising from a dispute over the legality of the PFPF's creation of a Senior Staff Voluntary Retirement Plan and authorizes the Office of General Counsel to take such actions and execute such documents as necessary to conclude the litigation.

Background Information: The litigation arose from the creation by the PFPF Board of a Senior Staff Voluntary Retirement Plan, a defined benefit plan for a small number of fund management personnel, in 2000, the legality of which was subsequently challenged by the Office of General Counsel on the grounds that the PFPF did not have the authority to create such a plan. Former PFPF Executive Director John Keane filed suit to challenge a reduction in his pension benefit and claimed that the PFPF Board breached his employment contract and that the City tortiously interfered with that contractual relationship. In May of this year a judge ruled that the PFPF Board did have the authority to create the Senior Staff Plan and that the employment agreement between John Keane and the PFPF Board was valid. The parties subsequently engaged in formal mediation and reached a settlement in which the City and the PFPF will each pay \$125,000 (total of \$250,000) to settle the claims and Mr. Keane will retain his Senior Staff Plan benefits, which shall not be subject to further recalculation.

Policy Impact Area: Legal settlement

Fiscal Impact: The City will pay its \$125,000 share of the settlement from its general liability Self-Insurance Program fund.

Analyst: Clements