RESOLUTION NO. 2019-1

ADMINISTRATIVE PROCEDURES REGARDING PROCESSING DEATH BENEFITS

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

February 12, 2019

WHEREAS, the Board of the Trustees (the "Board") of the Employees' Retirement Fund of the City of Dallas (the "Fund") wishes to document its interpretation of certain provisions of Chapter 40A of the Dallas City Code ("Chapter 40A");

WHEREAS, the Board desires consistency in treatment and payment of death benefits for each member of the Fund; and

WHEREAS, Section 40A-4(18) grants the Board the power to, "interpret this chapter as necessary to resolve any problems created by any ambiguities, inconsistencies, or omissions that might be found in this chapter."

NOW, THEREFORE, BE IT RESOLVED, that the following interpretations of Chapter 40A shall be followed:

1. If a retiree dies after selecting a survivor option and the documented designated beneficiary dies before 120 payments have been made, the remaining retirement benefits shall be paid according to the designee form or estate of the retiree;

2. Notwithstanding Section 40A-23(c) a retiree who marries after retirement may designate his/her new spouse as a designee. In this event, the new spouse is eligible to receive a commuted value lump sum payment;

3. For purposes of Chapter 40A, the term "designated beneficiary" means a beneficiary (as defined in Section 40A-1(7)) that is a qualified recipient and is designated by the member, inactive member, or retiree in writing in accordance with Section 40A-22(b) on a form approved by the Fund. In accordance with Section 40A-16, a beneficiary designation may not be revised after a member or inactive member has retired and has selected a retirement option;

4. As defined in Section 40A-1(38) and used throughout Chapter 40A, the term "qualified recipient" includes: (i) a minor or disabled child of the deceased member, inactive member, or retiree, provided the child was alive, conceived, or adopted at the time of the death of the member, inactive member, or retiree and (ii) a parent who was a dependent of the member, inactive member, or retiree within the meaning of Section 152(d) of the Internal Revenue Code of 1986, as amended, at the time of death of the member, inactive member, or retiree;

5. As used in Section 40A-22(d) the "personal representative" of the estate of the member or inactive member will be identified by reference to original Letters Testamentary or Letters of Administration. If such personal representative either fails or declines to select a death

benefit option, the commuted lump sum value shall be paid to one or more designees, or, if there are no designees, to the estate of the member or inactive member;

6. The term "death benefit option," as used in Section 40A-22, refers solely to the form of payment from the options available under Section 40A-21(c), not to the designation of a beneficiary or designee;

7. For the avoidance of doubt, the identity of the proper payee of a post-retirement death benefit shall be determined in accordance with Section 40A-16 and the retirement option selected by the member;

8. If a beneficiary or designee irrevocably waives all past, present, and future payments from the Fund, payment of the active's or inactive member's, or retiree's remaining benefits will be paid as if that beneficiary or designee did not exist; and

9. The provisions of Resolutions 2004-1, 2007-1, 2013-1, and 2018-2 are superseded and replaced with the provisions of this Resolution 2019-1.

EMPLOYEES' RETIREMENT FUND
OF THE CITY OF DALLAS

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John D. Jenkins
Board Chair

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Date

ATTEST:

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Cheryl D. Alston
Executive Director

APPROVED AS TO FORM:

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Stefan Smith, Esq.
Locke Lord, LLP