

**A RESOLUTION BY**

**FINANCE/EXECUTIVE COMMITTEE**

**01-R -2028**

**AUTHORIZING THE MAYOR TO ENTER INTO AN APPROPRIATE CONTRACTUAL AGREEMENT WITH ING AETNA FINANCIAL SERVICES FOR FC-7339-01, DEFINED CONTRIBUTION PLAN, (RFP) ON BEHALF OF THE DEPARTMENT OF FINANCE.**

**WHEREAS**, by ordinance 01-O-0064, adopted by the City Council on the 5<sup>th</sup> day of February, 2001, and approved by the Mayor on the 13<sup>th</sup> day of February, 2001, authorized a new defined contribution retirement plan to be established effective July 1, 2001 and designated the Chief Financial Officer as the Plan Administrator; and

**WHEREAS**, the City of Atlanta desires to engage a qualified firm to provide the administration, trustee, record keeping, reporting and investment management services; and

**WHEREAS**, the Purchasing Agent of the Bureau of Purchasing and Real Estate did advertise on behalf of the Department of Finance for FC-7339-01, Defined Contribution Plan (RFP); and

**WHEREAS**, after review and evaluation of the proponent's qualifications and analysis of the technical proposal, the Chief Financial Officer and the Purchasing Agent of the Bureau of Purchasing and Real Estate have recommended that the contract for FC-7339-01, Defined Contribution Plan, (RFP) be awarded to the top ranked proponent, ING Aetna Financial Services.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA**, that the Mayor be and is hereby authorized to enter into an appropriate contractual agreement with ING Aetna Financial Services for FC-7339-01, Defined Contribution Plan, (RFP), to provide the administration, trustee, record keeping, reporting and investment management services.

**BE IT FURTHER RESOLVED** that the Schedule of Fees is attached as Attachment 1.

**BE IT FURTHER RESOLVED**, that the Purchasing Agent of the Bureau of Purchasing and Real Estate be and is hereby directed to prepare an appropriate contract for execution by the Mayor, to be approved by the City Attorney as to form.

**BE IT FINALLY RESOLVED**, that said contract shall not become binding on the City and the City shall incur no liability upon same until such contract has been executed by the Mayor and delivered to contracting parties.

A true copy,

**ADOPTED by the Council  
APPROVED by the Mayor**

DEC 03, 2001  
DEC 11, 2001

  
Deputy Clerk

A SUBSTITUTE ORDINANCE

BY FINANCE/EXECUTIVE COMMITTEE

AN ORDINANCE TO AMEND THE GENERAL EMPLOYEES' PENSION FUND ADOPTED BY G.A.L.1927, P.265, ET SEQ. SO AS TO ESTABLISH A DEFINED CONTRIBUTION RETIREMENT PLAN EFFECTIVE JULY 1, 2001 FOR THOSE CITY EMPLOYEES WHO ARE OR WOULD OTHERWISE BECOME MEMBERS OF THE GENERAL EMPLOYEES' PENSION FUND; TO ESTABLISH THE PROVISIONS AND PROCEDURES FOR THE PLAN'S OPERATION; TO ESTABLISH THE PROVISIONS FOR THE REQUIRED PARTICIPATION IN THE CITY OF ATLANTA DEFINED CONTRIBUTION RETIREMENT PLAN BY ALL NEW PERMANENT EMPLOYEES WHO WOULD OTHERWISE PARTICIPATE IN THE GENERAL EMPLOYEES' PENSION FUND; TO ESTABLISH PROVISIONS WHEREBY CURRENT EMPLOYEES PARTICIPATING IN THE GENERAL EMPLOYEES' PENSION FUND MAY ELECT TO PARTICIPATE IN THE DEFINED CONTRIBUTION RETIREMENT PLAN AT THEIR OPTION; TO ESTABLISH FUNDING REQUIREMENTS FOR THE PLAN; AND FOR OTHER PURPOSES.

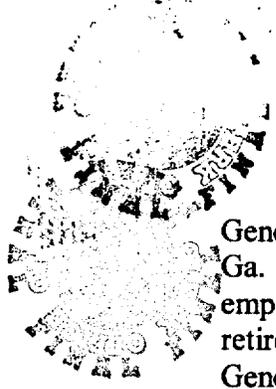
**WHEREAS**, the Chief Financial Officer of the City of Atlanta has recommended that a new defined contribution retirement plan be established effective July 1, 2001; and

**WHEREAS**, participation in the new defined contribution retirement plan is mandatory for all new employees who would otherwise participate in the General Employees' Pension Fund, on and after the effective date of the defined contribution plan; and

**WHEREAS**, all active employees currently participating in the General Employees' Pension Fund will be given the option of remaining in the General Employees' Pension Fund or participating in the defined contribution retirement plan;

THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS as follows:

**Section 1.** A defined contribution retirement plan, which shall be qualified as a governmental plan under the provisions of section 401(a) of the Internal Revenue Code of 1986, as amended, is hereby established for all permanent employees of the City of Atlanta, except (i) those who are or would be covered under the Police Officers Pension Plan or the Firefighters Pension Fund (ii) temporary or casual employees or (iii) Atlanta Board of Education employees who are covered under the State of Georgia Teachers Retirement System.



**Section 2.** New employees who would otherwise become members of the General Employees' Pension Fund for officers and employees, established pursuant to Ga. L. 1927, p. 265, as amended, (the "General Employees' Pension Fund") who enter employment with the City on and after the effective date of the defined contribution retirement plan, shall participate in the defined contribution retirement plan in lieu of the General Employees' Pension Fund

**Section 3.** The targeted effective date of the defined contribution retirement plan is July 1, 2001 for all such new employees.

**Section 4.** The General Employees' Pension Fund is hereby amended to freeze future participation so that no new or rehired employees shall be eligible to participate in the General Employees' Pension Fund effective as of the effective date of the defined contribution retirement plan.

**Section 5.** The defined contribution retirement plan shall contain the following provisions: (i) a pre-tax employee contribution of 6% of compensation which shall always be 100% vested, (ii) an optional after-tax employee contribution which shall be 100% vested, (iii) a City contribution of 6% of compensation which shall vest over a 5 year period at 20% per year, (iv) participants shall direct the investment of all amounts in their accounts from an array of funds selected by the Plan Administrator of the defined contribution retirement plan, and (v) lump sum distributions shall be available to be paid to participants upon termination of employment, death, disability or retirement.

**Section 6.** A long term disability insurance policy will be provided to all participants in the defined contribution retirement plan, the intent of which is to provide disability benefits equivalent to those provided in the General Employees' Pension Fund.

**Section 7.** The designated Plan Administrator shall be the Chief Financial Officer or his designee, who shall oversee the day to day administration of the defined contribution retirement plan. The Plan Administrator shall report to the Management Committee of the defined contribution retirement plan which shall be composed of the Chief Financial Officer, the Chairman of the Finance Committee, and the Mayor or his designee.

**Section 8.** The Plan Administrator shall have complete control of the administration of the defined contribution plan, with all powers necessary to enable it properly to carry out its duties which include the following: (i) engaging the services of third party service provider(s) and trustee, consistent with the City's purchasing procedures and based on the recommendation of an outside consultant, which shall provide recordkeeping services for the plan, provide investment fund options and trustee services, provide and present investment education and other communications materials to employees; and provide disability insurance; (ii) preparing and construing the plan documents and agreements and determining all questions arising thereunder; (iii) deciding all questions relating to eligibility and benefit entitlement under the plan; (iv) maintaining records relating to participants and preparing and furnishing to participants



all information required under state or federal law; (v) preparing and furnishing to the third party service provider and/or trustee necessary employee and financial data and providing direction and oversight of such providers; (vi) preparing and filing with all other appropriate government entities all reports and other information required under law to be so filed or published; (vii) engaging consultants, attorneys, actuaries or other assistants and professional advisers as necessary to aid in plan administration; (viii) arranging for fiduciary bonding, if necessary; (ix) providing procedures for directions for benefit payments; and (x) delegating any or all of its responsibilities.

**Section 9.** The General Employees' Pension Fund is hereby amended to provide that on or about November 1, 2001, all employees currently participating in the General Employees' Pension Fund shall be given the opportunity to elect whether to remain a participant in the General Employees' Pension Fund or to become a participant in the defined contribution retirement plan.

**Section 10.** Employees who elect to participate in the defined contribution plan may be required to transfer the present value of their plan benefit under the General Employees' Pension Fund into the defined contribution plan.

**Section 11.** The assumptions to be used to determine the present value of plan benefits under the General Employees' Pension Fund and other issues related to the election to transfer into the defined contribution plan shall be determined by the Management Committee previously named in Section 7.

**Section 12.** Any assumptions used to determine the present value of plan benefits under the General Employees' Pension Fund shall maximize plan benefits without causing an increase in cost to the General Employees' Pension Fund.

**Section 13.** Any ordinances or parts of ordinances in conflict herewith are hereby repealed.

A true copy,

*Rhonda Waupkin Johnson*  
Municipal Clerk, CMC

ADOPTED by the Council  
APPROVED by the Mayor

FEB 05, 2001  
FEB 13, 2001

*"Attachment A"*  
**Aetna Government Custom Choice - Blend™**  
**Fund Fees and Expenses\* as of 12/31/2000**  
**May 2001 update**

Fund	Class of Shares	Management Fees	12b-1 Fees	Other Expenses	Total Fund Expenses	Waivers and Reductions	Net Fund Expenses	Prospectus Date
<b>Global / International</b>								
Aetna International VP		0.85%	0.00%	0.49%	1.34%	0.19%	1.15%	05/01/2001
Progressive Growth		0.85%	0.00%	0.49%	1.34%	0.19%	1.15%	05/01/2001
Aetna Small Company VP		0.75%	0.00%	0.12%	0.87%	0.00%	0.87%	05/01/2001
VESCO Dynamics		0.46%	0.25%	0.20%	0.91%	0.00%	0.91%	05/01/2001
Growth		0.46%	0.25%	0.20%	0.91%	0.00%	0.91%	05/01/2001
Penheimer Capital Appreciation Fund (Class A)		0.59%	0.23%	0.24%	1.06%	0.00%	1.06%	05/01/2001
Global Growth Fund		1.17% <sup>1</sup>	0.00%	0.01%	1.18%	0.00%	1.18%	03/01/2001
Long Growth Fund (Advisor Shares)		0.75%	0.25%	1.15%	2.15%	0.15%	2.00% <sup>2</sup>	03/01/2001
Growth & Income (Stocks)		0.75%	0.25%	1.15%	2.15%	0.15%	2.00% <sup>2</sup>	03/01/2001
Aetna Index Plus Large Cap VP		0.35%	0.00%	0.09%	0.44%	0.00%	0.44%	05/01/2001
Inner Fund (Class A)		0.67%	0.25%	0.18%	1.10%	0.00%	1.10%	05/01/2001
Growth & Income (Stocks & Bonds)		0.67%	0.25%	0.18%	1.10%	0.00%	1.10%	05/01/2001
Aetna Aspen Series Balanced Portfolio	Institutional Shares	0.65%	0.00%	0.01%	0.66%	0.00%	0.66%	05/01/2001
Asset Allocation		0.65%	0.00%	0.01%	0.66%	0.00%	0.66%	05/01/2001
Aetna Ascent VP		0.60%	0.00%	0.15%	0.75%	0.00%	0.75%	05/01/2001
Aetna Crossroads VP		0.60%	0.00%	0.15%	0.75%	0.05%	0.70%	05/01/2001
Aetna Legacy VP		0.60%	0.00%	0.16%	0.76%	0.11%	0.65%	05/01/2001
Income		0.60%	0.00%	0.16%	0.76%	0.11%	0.65%	05/01/2001
Aetna Bond VP		0.40%	0.00%	0.09%	0.49%	0.00%	0.49%	05/01/2001

\*represent a Unified fee, manager pays most other expenses from this fee.  
 †fund expenses include waivers and/or absorptions. Waivers for this fund can be terminated at anytime.



Fund Name	Morningstar Category	Tot Ret Annual 3		Tot Ret Annual 5		Tot Ret Annual 10		Category Rating	Std Dev 3 Yr	Std Dev 5 Yr	Std Dev 10 Yr	Beta 3 Yr	Beta 5 Yr	Beta 10 Yr	12-1 Current	Net Fund Expense	Net Assets \$MM	Manager Tenure	Sharpe Ratio	Mizr Rating	Fund Incept Date	Manager Name	Firm
		Yr	Yr	Yr	Yr	Yr	Yr																
Oppenheimer Capital Ap A	Large Growth	12.18	18.91	17.22	5	27.84	25.38	1.16	82	0.25	1.06	3306.8	6	0.28	4	1981-01	Fuzman, Jane C.	OPTFX					
Strong Growth Advisor <sup>1</sup>	Large Growth	-36.72	8.58	13.72	-	-	-	-	-	0.25	2.00 <sup>2</sup>	14.4	1	-	-	2000-02	Ogner, Ronald C.	-					
Globet Growth	Large Growth	-23.23	8.61	11.1	2	23.6	22.8	1.15	90	0.00	1.18 <sup>2</sup>	21.4	-	-0.23	3	1995-12	Management Team	GROWX					

<sup>1</sup> These and Five year annualized performance represent statistics of investor share class with longer history and substantially similar investment strategies/objectives.

RCS# 3368  
12/03/01  
10:30 PM

Atlanta City Council

Regular Session

01-R-2028

Contractual Agreement with ING Aetna  
Financial Services, RFP  
ADOPT

YEAS: 13  
NAYS: 1  
ABSTENTIONS: 0  
NOT VOTING: 2  
EXCUSED: 0  
ABSENT 0

Y McCarty	NV Dorsey	N Moore	Y Thomas
Y Starnes	Y Woolard	Y Martin	Y Emmons
Y Bond	Y Morris	Y Maddox	Y Alexander
Y Winslow	Y Muller	Y Boazman	NV Pitts

01-R-2028

01-*R*-2028

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A RESOLUTION BY

FINANCE/EXECUTIVE COMMITTEE

AUTHORIZING THE MAYOR TO ENTER INTO AN APPROPRIATE CONTRACTUAL AGREEMENT WITH ING AETNA FINANCIAL SERVICES FOR FC-7339-01, DEFINED CONTRIBUTION PLAN, (RFP) ON BEHALF OF THE DEPARTMENT OF FINANCE.

ADOPTED BY  
DEC 03 2001  
COUNCIL

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1st ADOPT 2nd READ & REFER
- PERSONAL PAPER REFER

Date Referred \_\_\_\_\_  
 Referred To: \_\_\_\_\_  
 Date Referred \_\_\_\_\_  
 Referred To: \_\_\_\_\_  
 Date Referred \_\_\_\_\_  
 Referred To: \_\_\_\_\_

First Reading

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Referred to \_\_\_\_\_

Committee FIN  
 Date 11-28-01  
 Chair [Signature]  
 Action: [Signature]  
 Fav, Adv, Hold (see rev. side) [Signature]  
 Other: \_\_\_\_\_  
 Members [Signature]  
 Refer To \_\_\_\_\_

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Action: \_\_\_\_\_  
 Fav, Adv, Hold (see rev. side) \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Members \_\_\_\_\_  
 Refer To \_\_\_\_\_

FINAL COUNCIL ACTION  
 2nd  1st & 2nd  3rd  
 Readings  
 Consent  V Vote  RC Vote

CERTIFIED

**C**  
 DEC 3 2001  
 ATLANTA CITY CLERK  
[Signature]

**C**  
 DEC 03 2001

[Signature]  
 DEPUTY MUNICIPAL CLERK

**C**  
 MAYOR'S ACTION  
 DEC 11 2001  
[Signature]