

**A RESOLUTION
BY FINANCE/EXECUTIVE COMMITTEE**

04- R -1025

A RESOLUTION AUTHORIZING THE CHIEF FINANCIAL OFFICER TO EXECUTE A CLOSING AGREEMENT ON FINAL DETERMINATION WITH THE INTERNAL REVENUE SERVICE REGARDING THE CITY'S DEFINED BENEFIT PENSION PLANS; TO AUTHORIZE PAYMENT OF PENALTIES IN THE AMOUNT OF \$81,000 TO BE CHARGED TO AND PAID FROM FAC 1A01 561001 T31001 (PAYMENTS TO OTHER GOVERNMENTS NON DEPARTMENTAL); AND FOR OTHER PURPOSES.

WHEREAS, the City maintains the General Employees Pension Plan, (Plan #001), a defined benefit plan intended to be a qualified plan under section 401(a) of the Code; and

WHEREAS, Plan #001 has been in existence since 1927, and has a plan year ending December 31; and

WHEREAS, Plan #001 received a favorable determination letter dated May 19, 1998 from the Internal Revenue Service (hereafter "Service"); and

WHEREAS, the City maintains the Police Officers Pension Plan, (Plan #002), a defined benefit plan intended to be a qualified plan under section 401(a) of the Code; and

WHEREAS, Plan #002 has been in existence since 1933, and has a plan year ending December 31; and

WHEREAS, the Plan #002 received a favorable determination letter dated May 19, 1998 from the Service; and

WHEREAS, the City maintains the Firefighters Pension Plan (Plan #003), a defined benefit plan intended to be a qualified plan under section 401(a) of the Code; and

WHEREAS, Plan #003 has been in existence since 1924, and has a plan year ending December 31; and

WHEREAS, Plan #003 received a favorable determination letter dated May 19, 1998 from the Service; and

WHEREAS, the Tax Exempt and Government Entities Division of the Service has conducted an examination of each of the Plans for the plan year ended December 31, 2001, and a determination has been made by the Service that the City failed to amend the Plans within the remedial amendment period ending December 31, 2002, to comply with various aspects of current law, as required under The Uruguay Round Agreements Act,



Public Law 103-465 ("GATT"); The Uniformed Services Employment and Reemployment Rights Act of 1994, Public Law 103-353 ("USERRA"); The Small Business Job Protection Act of 1996, Public Law 104-188 ("SBJPA"); The Taxpayer Relief Act of 1997, Public Law 105-34 ("TRA '97"); and The Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206 ("RRA '98"), collectively known as "GUST;" and

WHEREAS, as a result of the examination, the Service has determined that the City failed to adopt amendments to the Plans to satisfy the requirements of the Community Renewal Relief Act of 2000 ('CRA') with respect to the definitions of compensation in section 414(s)(2) and 415(c)(3) of the Code; and

WHEREAS, as a result of the examination, the Service has determined that the City failed to adopt amendments to the Plans, to preserve the remedial amendment period, for the requirements of the Economic Growth and Tax Relief Reconciliation Act of 2001(EGTRRA); and

WHEREAS, as a result of the examination, the Service proposed revoking the qualified status of the Plans retroactively to the Plan year beginning January 1, 1999 and thereafter; and,

WHEREAS, the City has submitted a proposed document to amend and restate the Plans so as to comply with the requirements of GUST and EGTRRA; and

WHEREAS, on March 31, 2004 the City applied to the Service for a determination letter with respect to GUST, CRA and EGTRRA; and

WHEREAS, the City has determined that the proposed "Closing Agreement On Final Determination Covering Specific Matters" for Plans #001, #002, #003, attached hereto as Exhibits A, B and C respectively, is in its best interest and the best interest of the Plans; and

WHEREAS, the Service through its authorized representative, has determined that said agreements are also in its best interest.

THE COUNCIL OF THE CITY OF ATLANTA, HEREBY RESOLVES that the Chief Financial Officer of the City of Atlanta be authorized to execute the proposed "Closing Agreement On Final Determination Covering Specific Matters", attached hereto in substantial final form, for the General Employees, Police Officers, and Firefighters Defined Benefit Pension Plans.

BE IT FURTHER RESOLVED that the Chief Financial Officer is hereby authorized to pay the required penalties assessed by the Internal Revenue Service, the sum of which is \$81,000 from FAC 1A01 561001 T31001 (Payments To Other Governments Non Departmental).

A true copy,
Florida Daughin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

JUN 07, 2004
JUN 14, 2004

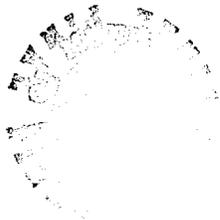


Exhibit A
CLOSING AGREEMENT
ON FINAL DETERMINATION
COVERING SPECIFIC MATTERS

Pursuant to section 7121 of the Internal Revenue Code (the "Code"), the City of Atlanta, (the "City"), 68 Mitchell Street, Atlanta, Georgia, 30302, EIN: 58-6000511, and the Commissioner of the Internal Revenue Service (the "Service") enter into this Closing Agreement On Final Determination Covering Specific Matters (the "Closing Agreement"):

WHEREAS, the City maintains the City of Atlanta General Employees' Pension Plan (#001) (the "Plan"), a defined benefit plan that is intended to be a qualified plan under section 401(a) of the Code; and

WHEREAS, the Plan has been in existence since 1927 and has a plan year ending December 31; and

WHEREAS, the Plan received a favorable determination letter dated May 19, 1998 from the Service; and

WHEREAS, the Tax Exempt and Government Entities Division of the Service has conducted an examination of the Plan for the plan year ended December 31, 2001, and a determination has been made by the Service that the City failed to amend the Plan within the remedial amendment period ending December 31, 2002 to comply with various aspects of current law, as required under the Uruguay Round Agreements Act, Public Law 103-465 ("GATT"); the Uniformed Services Employment and Reemployment Rights Act of 1994, Public Law 103-353 ("USERRA"); the Small Business Job Protection Act of 1996, Public Law 104-188 ("SBJPA"); the Taxpayer Relief Act of 1997, Public Law 105-34 ("TRA '97"); and the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206 ("RRA '98") (referred to herein collectively as "GUST"); and

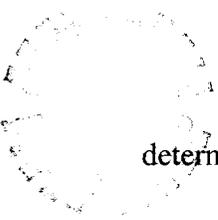
WHEREAS, the Service has determined that the City failed to adopt amendments to the Plan to satisfy the requirements of the Community Renewal Tax Relief Act of 2000 ("CRA") with respect to the definitions of compensation in section 414(s)(2) and 415(c)(3) of the Code; and

WHEREAS, the Service has determined that the City failed to adopt good faith amendments to the Plan, to preserve the remedial amendment period, for the requirements of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"); and

WHEREAS, the Service, as a result of the examination, proposed revoking the qualified status of the Plan retroactively to the Plan year beginning January 1, 1999 and thereafter; and,

WHEREAS, the City has proposed to amend the Plan to comply with the requirements of GUST, CRA and EGTRRA; and

Closing Agreement with the City of Atlanta
City of Atlanta General Employees' Pension Plan (#001)



WHEREAS, on March 31, 2004, the City applied to the Service for a favorable determination letter for the Plan with respect to GUST, CRA and EGTRRA; and

WHEREAS, the City has determined that the Closing Agreement, as set forth herein, is in its best interests; and

WHEREAS, the Service, through its authorized representative, has determined that the Closing Agreement is also in its best interests.

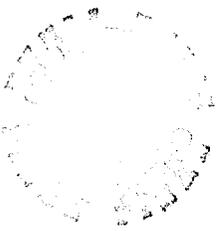
NOW IT IS HEREBY DETERMINED AND AGREED that for Federal income tax purposes, that the above representations are material to this Closing Agreement, and that:

1. The Service will not treat the Plan as being disqualified for Plan years ended December 31, 1999 through December 31, 2003.
2. Contemporaneously with the execution of this Closing Agreement, the City will pay Thirty Thousand Dollars (\$30,000) to the United States Treasury.
3. The City will not amortize, deduct or recover, nor will it attempt to amortize, deduct or recover any portion of the payment described in paragraph 2 from the Service, nor will the City receive or attempt to receive any Federal tax benefit on account of such payment.
4. No portion of the payment described in paragraph 2 shall be considered as:
 - (a) compensation to, or the discharge of any obligation or liability of, any employee or former employee of the City; or
 - (b) taxable income to any employee or former employee of the City.
5. This Closing Agreement constitutes a resolution under the Code of the specific matters discussed herein. No inference shall be made with respect to whether this resolution satisfies other Federal law including Title I of the Employee Retirement Income Security Act of 1974.

NOW, IT IS HEREBY FURTHER AGREED, that each matter determined in this Closing Agreement **SHALL BE FINAL AND CONCLUSIVE, EXCEPT** as follows:

1. A matter may be reopened in the event of fraud, malfeasance or misrepresentation of material fact.
2. Each matter is subject to the Code sections that expressly provide that effect be given to their provisions notwithstanding any other law or rule of law, except

**Closing Agreement with the City of Atlanta
City of Atlanta General Employees' Pension Plan (#001)**



Code section 7122.

- 3. If a matter relates to a taxable period ending after the date of this Closing Agreement, it is subject to any law enacted after the date of the Closing Agreement that applies to that taxable period.

IN WITNESS WHEREOF, the above parties to this Closing Agreement have executed four copies of this Closing Agreement on the dates indicated below.

By signing this Closing Agreement, the parties certify that they have read and agree to the terms of this document.

CITY OF ATLANTA

By: _____ **Date Signed:** _____

Name/Title: Richard Anderson / Chief Financial Officer

CITY OF ATLANTA GENERAL EMPLOYEES' PENSION PLAN

By: _____ **Date Signed:** _____

Name/Title: Richard Anderson / Authorized Trustee

COMMISSIONER OF INTERNAL REVENUE

By: _____ **Date Signed:** _____

Name/Title: Robert E. Henn / EP Area Manager, Northeast

**Closing Agreement with the City of Atlanta
City of Atlanta General Employees' Pension Plan (#001)**



Exhibit B
CLOSING AGREEMENT
ON FINAL DETERMINATION
COVERING SPECIFIC MATTERS

Pursuant to section 7121 of the Internal Revenue Code (the "Code"), the City of Atlanta, (the "City"), 68 Mitchell Street, Atlanta, Georgia, 30302, EIN: 58-6000511, and the Commissioner of the Internal Revenue Service (the "Service") enter into this Closing Agreement On Final Determination Covering Specific Matters (the "Closing Agreement"):

WHEREAS, the City maintains the City of Atlanta Police Officers Pension Plan (#002) (the "Plan"), a defined benefit plan that is intended to be a qualified plan under section 401(a) of the Code; and

WHEREAS, the Plan has been in existence since 1933 and has a plan year ending December 31; and

WHEREAS, the Plan received a favorable determination letter dated May 19, 1998 from the Service; and

WHEREAS, the Tax Exempt and Government Entities Division of the Service has conducted an examination of the Plan for the plan year ended December 31, 2001, and a determination has been made by the Service that the City failed to amend the Plan within the remedial amendment period ending December 31, 2002 to comply with various aspects of current law, as required under the Uruguay Round Agreements Act, Public Law 103-465 ("GATT"); the Uniformed Services Employment and Reemployment Rights Act of 1994, Public Law 103-353 ("USERRA"); the Small Business Job Protection Act of 1996, Public Law 104-188 ("SBJPA"); the Taxpayer Relief Act of 1997, Public Law 105-34 ("TRA '97"); and the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206 ("RRA '98") (referred to herein collectively as "GUST"); and

WHEREAS, the Service has determined that the City failed to adopt amendments to the Plan to satisfy the requirements of the Community Renewal Tax Relief Act of 2000 ("CRA") with respect to the definitions of compensation in section 414(s)(2) and 415(c)(3) of the Code; and

WHEREAS, the Service has determined that the City failed to adopt good faith amendments to the Plan, to preserve the remedial amendment period, for the requirements of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"); and

WHEREAS, the Service, as a result of the examination, proposed revoking the qualified status of the Plan retroactively to the Plan year beginning January 1, 1999 and thereafter; and

WHEREAS, the City has proposed to amend the Plan to comply with the requirements of GUST, CRA and EGTRRA; and



WHEREAS, on March 31, 2004, the City applied to the Service for a favorable determination letter for the Plan with respect to GUST, CRA and EGTRRA; and

WHEREAS, the City has determined that the Closing Agreement, as set forth herein, is in its best interests; and

WHEREAS, the Service, through its authorized representative, has determined that the Closing Agreement is also in its best interests.

NOW IT IS HEREBY DETERMINED AND AGREED that for Federal income tax purposes, that the above representations are material to this Closing Agreement, and that:

1. The Service will not treat the Plan as being disqualified for Plan years ended December 31, 1999 through December 31, 2003.
2. Contemporaneously with the execution of this Closing Agreement, the City will pay Thirty Thousand Dollars (\$30,000) to the United States Treasury.
3. The City will not amortize, deduct or recover, nor will it attempt to amortize, deduct or recover, any portion of the payment described in paragraph 2 from the Service, nor will the City receive or attempt to receive any Federal tax benefit on account of such payment.
4. No portion of the payment described in paragraph 2 shall be considered as:
 - (a) compensation to, or the discharge of any obligation or liability of, any employee or former employee of the City; or
 - (b) taxable income to any employee or former employee of the City.
5. This Closing Agreement constitutes a resolution under the Code of the specific matters discussed herein. No inference shall be made with respect to whether this resolution satisfies other Federal law including Title I of the Employee Retirement Income Security Act of 1974.

NOW, IT IS HEREBY FURTHER AGREED, that each matter determined in this Closing Agreement **SHALL BE FINAL AND CONCLUSIVE, EXCEPT** as follows:

1. A matter may be reopened in the event of fraud, malfeasance or misrepresentation of material fact.
2. Each matter is subject to the Code sections that expressly provide that effect be given to their provisions notwithstanding any other law or rule of law, except Code section 7122.



3. If a matter relates to a taxable period ending after the date of this Closing Agreement, it is subject to any law enacted after the date of the Closing Agreement that applies to that taxable period.

IN WITNESS WHEREOF, the above parties to this Closing Agreement have executed four copies of this Closing Agreement on the dates indicated below.

By signing this Closing Agreement, the parties certify that they have read and agree to the terms of this document.

CITY OF ATLANTA

By: _____ Date Signed: _____

Name/Title: **Richard Anderson / Chief Financial Officer**

CITY OF ATLANTA POLICE OFFICERS PENSION PLAN

By: _____ Date Signed: _____

Name/Title: **Richard Anderson / Authorized Trustee**

COMMISSIONER OF INTERNAL REVENUE

By: _____ Date Signed: _____

Name/Title: **Robert E. Henn / EP Area Manager, Northeast**



Exhibit C
CLOSING AGREEMENT
ON FINAL DETERMINATION
COVERING SPECIFIC MATTERS

Pursuant to section 7121 of the Internal Revenue Code (the "Code") the City of Atlanta, (the "City"), 68 Mitchell Street, Atlanta, Georgia, 30302, EIN: 58-6000511, and the Commissioner of the Internal Revenue Service (the "Service") enter into this Closing Agreement On Final Determination Covering Specific Matters (the "Closing Agreement"):

WHEREAS, the City maintains the City of Atlanta Firefighters Pension Plan (#003)(the "Plan"), a defined benefit plan that is intended to be a qualified plan under section 401(a) of the Code; and

WHEREAS, the Plan has been in existence since 1924 and has a plan year ending December 31; and

WHEREAS, the Plan received a favorable determination letter dated May 19, 1998 from the Service; and

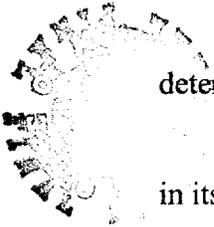
WHEREAS, the Tax Exempt and Government Entities Division of the Service has conducted an examination of the Plan for the plan year ended December 31, 2001, and a determination has been made by the Service that the City failed to amend the Plan within the remedial amendment period ending December 31, 2002 to comply with various aspects of current law, as required under the Uruguay Round Agreements Act, Public Law 103-465 ("GATT"); the Uniformed Services Employment and Reemployment Rights Act of 1994, Public Law 103-353 ("USERRA"); the Small Business Job Protection Act of 1996, Public Law 104-188 ("SBJPA"); the Taxpayer Relief Act of 1997, Public Law 105-34 ("TRA '97"); and the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206 ("RRA '98") (referred to herein collectively as "GUST"); and

WHEREAS, the Service has determined that the City failed to adopt amendments to the Plan to satisfy the requirements of the Community Renewal Tax Relief Act of 2000 ("CRA") with respect to the definitions of compensation in section 414(s)(2) and 415(c)(3) of the Code; and

WHEREAS, the Service has determined that the City failed to adopt good faith amendments to the Plan, to preserve the remedial amendment period, for the requirements of the Economic Growth and Tax Relief Reconciliation Act of 2001("EGTRRA"); and

WHEREAS, the Service, as a result of the examination, proposed revoking the qualified status of the Plan retroactively to the Plan year beginning January 1, 1999 and thereafter; and,

WHEREAS, the City has proposed to amend the Plan to comply with the requirements of GUST, CRA and EGTRRA; and



WHEREAS, on March 31, 2004, the City applied to the Service for a favorable determination letter for the Plan with respect to GUST, CRA and EGTRRA; and

WHEREAS, the City has determined that the Closing Agreement, as set forth herein, is in its best interests; and

WHEREAS, the Service, through its authorized representative, has determined that the Closing Agreement is also in its best interests.

NOW IT IS HEREBY DETERMINED AND AGREED that for Federal income tax purposes, that the above representations are material to this Closing Agreement, and that:

1. The Service will not treat the Plan as being disqualified for Plan years ended December 31, 1999 through December 31, 2003.
2. Contemporaneously with the execution of this Closing Agreement, the City will pay Twenty-One Thousand Dollars (\$21,000) to the United States Treasury.
3. The City will not amortize, deduct or recover, nor will it attempt to amortize, deduct or recover any portion of the payment described in paragraph 2 from the Service, nor will the City receive or attempt to receive any Federal tax benefit on account of such payment.
4. No portion of the payment described in paragraph 2 shall be considered as:
 - (a) compensation to, or the discharge of any obligation or liability of, any employee or former employee of the City; or
 - (b) taxable income to any employee or former employee of the City.
5. This Closing Agreement constitutes a resolution under the Code of the specific matters discussed herein. No inference shall be made with respect to whether this resolution satisfies other Federal law including Title I of the Employee Retirement Income Security Act of 1974.

NOW, IT IS HEREBY FURTHER AGREED, that each matter determined in this Closing Agreement **SHALL BE FINAL AND CONCLUSIVE, EXCEPT** as follows:

1. A matter may be reopened in the event of fraud, malfeasance or misrepresentation of material fact.
2. Each matter is subject to the Code sections that expressly provide that effect be given to their provisions notwithstanding any other law or rule of law, except Code section 7122.



- 3. If a matter relates to a taxable period ending after the date of this Closing Agreement, it is subject to any law enacted after the date of the Closing Agreement that applies to that taxable period.

IN WITNESS WHEREOF, the above parties to this Closing Agreement have executed four copies of this Closing Agreement on the dates indicated below.

By signing this Closing Agreement, the parties certify that they have read and agree to the terms of this document.

CITY OF ATLANTA

By: _____ Date Signed: _____

Name/Title: **Richard Anderson / Chief Financial Officer**

CITY OF ATLANTA FIREFIGHTERS PENSION PLAN

By: _____ Date Signed: _____

Name/Title: **Richard Anderson / Authorized Trustee**

COMMISSIONER OF INTERNAL REVENUE

By: _____ Date Signed: _____

Name/Title: **Robert E. Henn / EP Area Manager, Northeast**

		6-07-04 Council Meeting
ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT	ITEMS ADVERSED ON CONSENT
1. 04-O-0802	43. 04-R-1023	83. 04-R-0975
2. 04-O-0803	44. 04-R-1024	84. 04-R-0976
3. 04-O-0804	45. 04-R-1025	85. 04-R-0977
4. 04-O-0877	46. 04-R-0979	86. 04-R-0978
5. 04-O-0930	47. 04-R-0980	
6. 04-O-0924	48. 04-R-0981	
7. 04-O-0929	49. 04-R-0982	
8. 04-O-0787	50. 04-R-0983	
9. 04-O-0654	51. 04-R-0984	
10. 04-O-0655	52. 04-R-0985	
11. 04-O-0817	ITEMS ADVERSED	
12. 04-O-0818	ON CONSENT	
13. 04-O-0819	53. 04-R-0944	
14. 04-O-0820	54. 04-R-0945	
15. 04-O-0939	55. 04-R-0946	
16. 04-R-1002	56. 04-R-0947	
17. 04-R-1003	57. 04-R-0948	
18. 04-R-1004	58. 04-R-0949	
19. 04-R-1005	59. 04-R-0950	
20. 04-R-1010	60. 04-R-0951	
21. 04-R-1011	61. 04-R-0952	
22. 04-R-1012	62. 04-R-0953	
23. 04-R-1015	63. 04-R-0954	
24. 04-R-0935	64. 04-R-0955	
25. 04-R-1008	65. 04-R-0956	
26. 04-R-1000	66. 04-R-0957	
27. 04-R-1001	67. 04-R-0958	
28. 04-R-0942	68. 04-R-0959	
29. 04-R-0927	69. 04-R-0960	
30. 04-R-0943	70. 04-R-0962	
31. 04-R-1019	71. 04-R-0963	
32. 04-R-0635	72. 04-R-0964	
33. 04-R-0989	73. 04-R-0965	
34. 04-R-0991	74. 04-R-0966	
35. 04-R-0993	75. 04-R-0967	
36. 04-R-0814	76. 04-R-0968	
37. 04-R-0926	77. 04-R-0969	
38. 04-R-0994	78. 04-R-0970	
39. 04-R-0995	79. 04-R-0971	
40. 04-R-0996	80. 04-R-0972	
41. 04-R-0997	81. 04-R-0973	
42. 04-R-0998	82. 04-R-0974	

04-R-1025
(Do Not Write Above This Line)

A RESOLUTION
BY FINANCE/EXECUTIVE COMMITTEE

A RESOLUTION AUTHORIZING THE CHIEF FINANCIAL OFFICER TO EXECUTE A CLOSING AGREEMENT ON FINAL DETERMINATION WITH THE INTERNAL REVENUE SERVICE REGARDING THE CITY'S DEFINED BENEFIT PENSION PLANS; TO AUTHORIZE PAYMENT OF PENALTIES IN THE AMOUNT OF \$81,000 TO BE CHARGED TO AND PAID FROM FAC 1A01 561001 T31001 (PAYMENTS TO OTHER GOVERNMENTS NON DEPARTMENTAL); AND FOR OTHER PURPOSES.

Rosalind Rubens Newell, Deputy City Attorney
APPROVED BY
JUN 07 2004

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: _____
Date Referred _____
Referred To: _____

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

F.I.N. Committee
Date *6-2-04*

Chair *Nickolas...*
Action Fav, Adv, Hold (see rev. side)
Other _____

Members *[Signature]*

Hand Signed
Chris Duille

Refer To _____

Committee _____

Date _____

Chair _____

Action Fav, Adv, Hold (see rev. side)
Other _____

Members _____

Refer To _____

FINAL COUNCIL ACTION

- 2nd
- 1st & 2nd
- 3rd
- Consent
- V Vote
- RC Vote

CERTIFIED

CERTIFIED
JUN 07 2004
[Signature]
MUNICIPAL PRESIDENT PROTIER

CERTIFIED
JUN 07 2004
Rosalind Rubens Newell
MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED
[Signature]
JUN 14 2004
MAYOR