

AN ORDINANCE
BY: COUNCILMEMBER KWANZA HALL

07-O-0977

AS SUBSTITUTED AND AMENDED
BY: FINANCE /EXECUTIVE COMMITTEE

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES IN ORDER TO PROVIDE THE ELIGIBILITY REQUIREMENTS FOR PURCHASE OF PRIOR SERVICE CREDIT BY CITY OF ATLANTA GENERAL EMPLOYEES WITH SOURCES OF FUNDS; TO INCLUDE CONTRIBUTIONS INTO ANY DEFINED CONTRIBUTION RETIREMENT ACCOUNT.

WHEREAS, city employees exercised their rights to remain in their original un-amended pension plans; and

WHEREAS, resultant of certain organizational and structural changes to employee classifications, certain classes of employees were separated from the City of Atlanta General Pension Fund; and

WHEREAS, to the degree subsequent changes in the city's re-organization of departments and structural classifications of said employees, effectuating the restoration of their ability to participate in the general pension fund; and

WHEREAS, employees desire to purchase prior service credit, such credit shall be available to purchase at no realized cost to the city; and

WHEREAS, the valuation of the prior service credit is determined by the plan's enrolled actuary, and

WHEREAS, the cost of the actuarial valuation is an expense of the applicant; and no funds from the corpus of the City of Atlanta General Employees Pension Fund will be used to facilitate this transfer; and

WHEREAS, purchase of the credit will be either through pre-tax dollars from roll over of the full actuarial value of an employees account in any defined contribution retirement account future payroll deductions, or independent individual employee funds; and

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF
THE CITY OF ATLANTA, GEORGIA;**

Section 1: That section 6-37(p) of the Code of Ordinances, City of Atlanta Georgia, Related Laws Section (the 1978 Pension Act) which reads:

Should an officer or employee in the employment of such cities transfer from a position of employment covered by another pension fund to a position of employment covered by this pension fund, the accumulated employee and employer contributions of such officer or employee paid to such other pension fund shall be transferred to this pension fund and such officer or employee shall be credited with all creditable service certified in such other pension fund as though such service had been rendered under this pension fund, and provided, however, that should such officer or employee retire as a matter of right within three (3) years subsequent to the date of such transfer. The service retirement benefits payable to such officer or employee shall be the lesser of the service retirement payable under the provisions of this Act, as amended, or the provisions of the pension fund from which such officer or employee transferred.

Is hereby amended to read as follows:

Should an officer or employee in the employment of such cities transfer from a position of employment covered by another pension fund to a position of employment covered by this pension fund, the accumulated employee and employer contributions of such officer or employee paid to such other pension fund shall be transferred to this pension fund and such officer or employee shall be credited with all creditable service certified in such other pension fund as though such service had been rendered under this pension fund, and should an officer or employee in the employment of such cities subsequently become eligible for participation in the fund, the accumulated value of a defined contribution 401(a) plan may be applied towards the purchase of the full actuarial value of any prior years service credit that is eligible to such employee and such officer or employee shall be credited the full value of service as rendered under this fund in the amount of creditable service purchased based on the full actuarial value of such credit as determined by the fund's actuary, provided, however, that should such officer or employee retire as a matter of right within three (3) years subsequent to the date of such transfer. The service retirement benefits payable to such officer or employee shall be the lesser of the service retirement payable under the provisions of this Act, as amended, or the provisions of the pension fund from which such officer or employee transferred.

In addition, should an officer or employee in the employment of such cities subsequently eligible for participation in the Fund, such officer or employee shall be entitled to purchase (at the actuarial value) any prior years service credit for employment with such city. Such employee and such officer or employee shall be credited the full value of service as rendered under this fund in the amount of creditable service purchased based on the full actuarial value of such credit as determined by the

fund's actuary. Such purchase may be made through pre-tax dollars from rollover of the full actuarial value of an employee's account in any defined contribution retirement account under a qualified 401(a), 401(k), or (457) plan, through future payroll deductions, or independent individual (post-tax) employee funds.

Section 2:

All ordinances and parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.