

AN ORDINANCE**AMENDING**

Articles IV and V of Exhibit A of City Code Section 4-12-4-010, known as the 4022 Retirement Plan, whereby the Participant may elect to retire based on certain provisions under Exhibit B of City Code Section 4-12-6-010, known as the Consolidated Retirement Plan for Employees of the City of Marietta, Georgia.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MARIETTA, GEORGIA:

Section 1: That Article IV of Exhibit A of City Code Section 4-12-4-010, known as the 4022 Retirement Plan, be amended by adding a new Section 7 to read as follows:

Section 7. Alternate Retirement Date.

A participant may elect an alternate retirement option, based on the eligibility requirements for an unreduced early retirement under Section 5 of Article V of Exhibit B of City Code Section 4-12-6-010, known as the Consolidated Retirement Plan for the Employees of the City of Marietta, Georgia. A participant may retire from the service of the city at any time after the date that the sum of his age and credited service equals at least eighty (80).

Section 2: That Article V of Exhibit A of City Code Section 4-12-4-010, known as the 4022 Retirement Plan, be amended by adding a new Section 7 to read as follows:

Section 7. Alternate Retirement Benefit.

The alternate retirement benefit shall be calculated in the same manner as the unreduced early retirement benefit in accordance with Section 5 of Article V of Exhibit B of City Code Section 4-12-6-010, known as the Consolidated Retirement Plan for the Employees of the City of Marietta, Georgia. The participant shall be entitled to elect to receive the benefit in any one of the forms of payment described in Article VII of Exhibit B of City Code Section 4-12-6-010, known as the Consolidated Retirement Plan for the Employees of the City of Marietta, Georgia.

If this alternate retirement benefit is voluntarily elected by the participant, then:

1. The participant shall forfeit any and all rights now and in the future to the cost-of-living adjustment set forth in Section 5 of Article V of this plan, Exhibit A of City Code Section 4-12-4-010, known as the 4022 Retirement Plan. However, any cost-of-living adjustment approved under Exhibit B of City Code Section 4-12-6-010, known as the Consolidated Retirement Plan for the Employees of the City of Marietta, Georgia shall be provided to the participant;
2. Survivor benefits shall not be payable upon the death of participant, notwithstanding any other provision to the contrary, unless post-retirement benefits are provided under the optional form of payment elected by the participant at retirement; and
3. The participant's spouse (if married at retirement) must consent to the election of this retirement option.

Section 3: It is hereby declared to be the intention of this Ordinance that its sections, paragraphs, sentences, clauses, phrases and words are severable, and if any section, paragraph, clause, phrase or word of this Ordinance is declared to be unconstitutional or invalid, it shall not affect any of the remaining sections, paragraphs, clauses, phrases or words of this Ordinance.

Section 4: All Ordinances or parts of Ordinances in conflict with this Ordinance are hereby repealed.

Section 5: This Ordinance shall become effective upon the signature or without the signature of the Mayor, subject to Georgia laws 1983, page 4119.

DATE: May 14, 2003

APPROVED: 
 William B. Dunaway, Mayor

ATTEST: 
 Shelia R. Hill, City Clerk

Approved as to Form: 
 Douglas R. Haynie, City Attorney



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April 30, 2003

Board of Trustees
 City of Marietta Pension Board
 P.O. Box 609
 Marietta, GA 30060

Re: Proposed Alternative Benefit for 4022 Plan Participants

Dear Board Members:

Participants in the 4022 Plan have been given the opportunity to switch their participation to the Consolidated Plan in the past only when significant changes were made to the Consolidated Plan. This opportunity was granted for a limited period of time and was irrevocable.

The proposed amendment would allow current 4022 participants to elect to have their benefits paid in a manner consistent with certain portions of the Consolidated Plan's Rules.

As reported at the Board's February meeting, if all 4022 participants were to immediately switch to the Consolidated Plan, the Plan's actuarial accrued liability (AAL) would decrease by about \$1.7 million. However, we do not anticipate that all 4022 participants would do so immediately. The closer to age 55 that the switch occurs, the less the AAL will reduce such that eventually the liabilities for both plans are similar. Therefore, we do not anticipate that the proposed change will materially impact required plan funding. Please note that our analysis only focuses on the remaining employees in the 4022 Plan. We have not considered any impact regarding prior 4022 employees who are now in the Consolidated Plan.

Please let us know if we can be of further assistance.

Sincerely,

Leon F. (Rocky) Joyner, Jr.

/cdb

cc: Nancy Martin

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