

**ORDINANCE
ENTITLED**

AN ORDINANCE TO AMEND THE CHARTER OF THE MAYOR AND ALDERMAN OF THE CITY OF SAVANNAH, GEORGIA, TO AMEND THE PENSION PLAN ADOPTED AND APPROVED JUNE 8, 1972, AS AMENDED AND RESTATED, AND CODIFIED AS APPENDIX IV OF DIVISION I OF THE 2003 CITY CODE, AS AMENDED, TO CEASE PARTICIPATION FOR EMPLOYEES HIRED OR REHIRED BY THE SAVANNAH AIRPORT COMMISSION ON OR AFTER JANUARY 1, 2019; TO ALLOW QUALIFIED DISTRIBUTIONS TO RETIRED PUBLIC SAFETY OFFICERS; TO INCORPORATE APPLICABLE LAW; AND TO REPEAL ALL ORDINANCES IN CONFLICT HEREWITH AND FOR OTHER PURPOSES

BE IT ORDAINED by the Mayor and Alderman of the City of Savannah, Georgia, in regular meeting of Council assembled, and pursuant to lawful authority thereof, and after proper notice and advertisement in accordance with O.C.G.A. Section 36-35-3 that the Charter of the City of Savannah be amended by amending the City of Savannah Employees' Retirement Plan (the "Plan") as follows:

SECTION 1

- A. Amend Article IV, Eligibility to Participate, is amended by adding the following new Paragraph E, Savannah Airport Commission Employees:

"E. Savannah Airport Commission Employees

Notwithstanding any other provision of this Plan to the contrary, effective January 1, 2019, Savannah Airport Commission, an agency of the City, shall cease its participation in the Plan for any employees hired or rehired by the Savannah Airport Commission on or after January 1, 2019. Further, any Participant who terminates employment with the City or any other agency participating in the Plan, including the Savannah Airport Commission, with or without a vested benefit under the Plan and is later re-employed by the Savannah Airport Commission on or after January 1, 2019, shall not be entitled to resume participation in the Plan and shall not be entitled to accrued additional Credited Service under the Plan."

- B. Amend Article III, Administration of Plan, is amended by adding the following new Paragraph D, Governing Law:

"D. Governing Law

The Plan shall be governed by the laws of Georgia, including the conformity to Federal law provisions in Article 6 of Title 47 of the Official Code of Georgia, O.C.G.A. Section 47-1-80 et seq. (which are hereby incorporated herein by reference), and the Public

Retirement Systems Standards Law, O.C.G.A. Section 47-20-1 et seq. It is the intent of the City that this Plan be maintained as a qualified governmental pension plan under the applicable provisions of the Internal Revenue Code, and any ambiguities in the construction hereof shall be interpreted in order to effectuate such intent.”

C. Amend Article VI, Benefits, Paragraph C, All Employees, by adding the following new Section 13:

“13. *Qualified Distributions for Retired Public Safety Officers.*

- (a) A Participant who is an eligible retired public safety officer may elect, after separation from service, to have qualified health insurance premiums for coverage for such Participant, the Participant’s spouse, and the Participant’s dependents (as defined in Internal Revenue Code Section 152) under a City sponsored medical insurance plan deducted from amounts to be distributed from the Plan that would otherwise be includible in gross income, and to have such amounts paid directly to the insurer or group health plan. The distribution shall be excluded from the Participant’s gross income to the extent that the aggregate amount of the distribution does not exceed the lesser of the amount used to pay the qualified health insurance premiums of the Participant, the Participants spouse, and the Participant’s dependents, or \$3,000, determined by aggregating all distributions with respect to the Participant that are used to pay qualified health insurance premiums from all eligible retirement plans of the City as defined in Internal Revenue Code Section 414(d).

- (b) For purposes of this Section, the term “eligible retired public safety officer” means an individual who separated from service, either by reason of disability or after attainment of Normal Retirement Age, as a public safety officer with the City. For this purpose, a public safety officer generally is an individual serving the City in an official capacity, with or without compensation, as a law enforcement officer, a firefighter, a chaplain, or a member of a rescue squad or ambulance crew. Any elections and distributions made under this Section shall be made in a manner consistent with the requirements and limits contained in Internal Revenue Code Section 402(l) and any applicable guidance issued thereunder.”

SECTION 2

The City of Savannah Employees’ Retirement Plan amends set forth herein shall be effective for all purposes as of January 1, 2019.

SECTION 3

All Charter, Code provisions, Ordinances and Laws not in conflict herewith shall continue in full force and effect, but where in conflict, are hereby repealed.

ADOPTED AND APPROVED: _____, 2018

MAYOR

ATTEST:

ACTING CLERK OF COUNCIL