

Chapter 2

ADMINISTRATION*

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Section 2-115A ARTICLE V. RETIREMENT*

***State law references**--Municipality's power to maintain and modify retirement or pension systems, Ga. Const. art. 9, sec. 2, par. 3(a)(14); power to establish retirement systems for municipal employees, O.C.G.A. § 36-34-2(4); authority to provide insurance, retirement and pension benefits, O.C.G.A. § 36-35-4; joint municipal employees benefit system, O.C.G.A. § 47-5-1 et seq.; public retirement standards law, O.C.G.A. § 47-20-1 et seq.

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Section 2-115D DIVISION 1. GENERAL

Section 2-116 2-116--2-140. Reserved.

Section 2-140D DIVISION 2. DEFERRED COMPENSATION PLAN

Section 2-141 Adopted; appointment of administrator, trustee, and coordinator.

The City hereby adopts a deferred compensation plan and trust agreement, on file and available for inspection in the Human Resources office of the City of Thomasville, and appoints an administrator and coordinator to serve thereunder. The City Manager is authorized to administer and execute, on behalf of the City, the deferred compensation plan. The City Manager shall be the coordinator for the program and shall receive necessary reports, notices and other communications and shall cast, on behalf of the City, any required votes under such program.

(Code 1958, § 17-30; Ord. of 7-8-91, § 17-30)
(TQM Code Update - CH. 2, Amended, 10/11/2004)

Section 2-142 2-142-- 2-185 Reserved

Section 2-185D Division 3 PENSIONS - DEFINED BENEFIT

(TQM Code Update - Ch 2, Renumbered, 10/13/2004, added the phrase 'defined benefit' to division title)

Section 2-186 Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Beneficiary means the person, persons, or legal entities entitled to receive benefits under the Plan and this Trust which become payable in the event of the Member's death.

Break-in-service means an employee incurs a "break-in-service" if, prior to paying assessments into the fund for a period of less than ten (10) years, the employee terminates employment with the City.

City means the City of Thomasville.

Class A: The designation Class A shall be used to indicate those members for whom Social Security coverage is not carried by the City.

Class B: The designation Class B shall be used to indicate those members for whom Social Security coverage is carried by the City and hired prior to January 1, 1997.

Class C: The designation Class C shall be used to indicate those members for whom Social Security coverage is carried by the City and hired after December 31, 1996 and before June 1, 2000.

Code means the Internal Revenue Code of 1986, as amended, and includes any applicable regulations thereunder.

Compensation means the monthly salary paid a member by the City for work performed arising from that employment:

(a) For all purposes under this Article, the member's compensation or gross compensation contributed as employee-elective salary reductions or deferrals to any salary reduction, deferred

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compensation, or tax-sheltered annuity program authorized under the Internal Revenue Code shall be deemed to be the compensation or gross compensation which the member would receive if he or she were not participating in such program and shall be treated as compensation for retirement purposes under this Plan. Any public funds otherwise paid by the City into an employee's salary reduction, deferred compensation, or tax-sheltered annuity program on or after July 1, 1990 (the date as of which all employers were notified in writing by the division to cease making contributions to the System Trust Fund based on such amounts), shall be considered a fringe benefit and shall not be treated as compensation for retirement purposes under this chapter.

(b) For any person who first becomes a Member on or after July 1, 1996, compensation for any plan year shall not include any amounts in excess of the Section 401(a)(17), Internal Revenue Code limitation (as amended by the Omnibus Budget Reconciliation Act of 1993), which limitation of \$150,000 effective July 1, 1996, shall be adjusted as required by federal law for qualified government plans and shall be further adjusted for changes in the cost of living in the manner provided by § 401(a)(17)(B), Internal Revenue Code. For any person who first became a member prior to July 1, 1996, compensation for all plan years beginning on or after July 1, 1990, shall not include any amounts in excess of the compensation limitation (originally \$200,000) established by s. 401(a)(17), Internal Revenue Code prior to the Omnibus Budget Reconciliation Act of 1993, which limitation shall be adjusted for changes in the cost of living since 1989, in the manner provided by § 401(a)(17) of the Internal Revenue Code of 1991. This limitation, which has been part of the Plan since plan years beginning on or after July 1, 1990, shall be adjusted as required by federal law for qualified government plans.

Creditable service of any member means the sum of his past service, prior service, military service, workers' compensation credit, and future service allowed within the provisions of this Plan if all required salary assessments have been paid in full and all other requirements of this Plan have been met. However, in no case shall a member receive credit for more than a year's service during any 12-month period. For purposes of the definition of creditable service, monthly service credit under the Plan shall be awarded for each month of service performed during a calendar month in which the member received compensation and paid all salary assessments into the Pension Plan.

Date of participation means the date on which the employee becomes a member.

Early retirement for Class A and Class B members means a plan participant who has attained the age of fifty-five (55) and has at least twenty (20) *Years of Service* (as defined in Section 2-186) in the Pension Plan at the time of his retirement. *Early retirement for Class C members* means a plan participant who has attained the age of sixty (60) and has at least ten (10) years *Years of Service* (as defined in Section 2-186) in the Pension Plan at the time of his retirement.

Employee means all persons performing regular service in the employ of the City, in each and all departments thereof, except the Mayor and members of the City Council, who are performing services in elective positions, as well as the following part-time employees, to wit: the City attorney and the City auditor.

Employees of public schools: Employees of the public schools of the City of Thomasville are employees of a separate entity, the Thomasville Board of Education, and are not included.

Management means the City manager and/or the Utilities Superintendent.

Member means all employees who have qualified under the terms of this chapter.

Plan means Article V, Division 3, Section 2-186 -2-198 of the Code of the City of Thomasville, as may be amended from time to time.

Plan Year means the period of time beginning January 1 and ending on the following December 31, both dates inclusive, for the Plan.

Prior Service under this plan means service for which the member had credit under the plan and received a refund of his or her contributions upon termination of employment with the City. The service must have been a service that was credited under the plan and the member must have terminated employment with the City and received a refund pursuant to the provisions of this plan.

Salary means the salary received from the standard payroll period, exclusive of overtime

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pay. Salary shall include merit or other bonuses received for the performance of duties.

Vested means the guarantee that a member is eligible to receive a future retirement benefit upon completion of the required years of creditable service for the employee's class of Membership, even though the Member may have terminated covered employment before reaching normal or early retirement date. Being vested does not entitle a member to a disability benefit based on a disability caused by an injury or disease that occurs after termination of employment.

Years of service means any twelve (12) consecutive months of membership in the pension fund. Fractional years of service shall be computed to the nearest full month.

(Ord. of 12-23-96(1), § I; Ord. of 10-12-98 §§ I-III; Ord. of 2-8-99)

(TQM Code Update - Ch2, Amended, 10/11/2004; 2001 (2-186), Amended, 02/26/2001; 1999 (2-186), Amended, 02/08/1999)

Section 2-187 Pension Board of Trustees, Defined Benefit -- established, composition, terms, officers.

(a) There is hereby established, to serve without pay, a Pension Board of Trustees of the City whose duties shall be to manage all funds paid into the Plan, which shall be kept by the City treasurer as a separate fund covered by his bond as such. The Pension Board of Trustees shall consist of the Mayor, one (1) Councilmember appointed by the Mayor, the City Manager, the Superintendent of the Utilities department, the City treasurer, and four (4) other employees of the City to be elected from, among and by the employees who are in the act of service of the City who are contributing to the defined benefit plan. Of the elected members, one (1) shall be elected by and from the member employees of the general government, one (1) by the member employees of the utilities department, and two (2) at-large of which all member employees of the City may vote on. In the event the office of the city manager shall become vacant, the person designated as assistant city manager shall serve on the pension board of trustees in the place of the city manager until a city manager shall be named. In the event the office of the Superintendent of the Utilities department shall become vacant, the person designated as Assistant Superintendent of the Utilities department shall serve on the Pension Board of Trustees in the place of the Superintendent until a Superintendent has been named.

(b) On the first Monday of each June, the employees making contributions to the defined benefit plan at the time of the election shall vote upon a successor to such trustee whose term expires on the following first day of July. The member receiving a majority of votes shall be elected for a term of four (4) years, or until his successor is elected; provided, however, if no member receives a majority of votes on the first ballot, a run-off will be held on the third Monday of each June between the two (2) members receiving the greatest number of votes in the first ballot, and the member who receives the majority of votes in the run-off shall be the elected member. The Mayor, the City Council member, City Manager, City treasurer and the Superintendent of the Utilities department shall be permanent members of the board and the term of each individual shall coincide with his term of office with the City. In the event of a vacancy among the elected trustees caused by the death, resignation or discontinuance of employment by the City or otherwise, the remaining trustees are authorized to elect a successor to serve the unexpired term of the trustee whose office has thus been vacated.

(c) The officers of the Pension Board of Trustees shall be a Chairman, vice-Chairman (who will serve when the chairman is absent), and a Secretary. The officers shall be elected by the Pension Board of Trustees at the first regularly scheduled meeting of the Board following the election of the Trustees as described in paragraph (b) of section 2-187. All officers shall hold office until the meeting of the Pension Board of Trustees following the next election of the Board of Trustees as described in paragraph (b) of section 2-187 and until their successors shall have been elected. Should any officer elected hereunder resign or fail to serve as such officer for any reason, then and in that event, the Pension Board of Trustees shall hold a special meeting in which to elect to fill the vacancy of such officer.

(d) A majority of the board shall control on all questions. The board shall make its own rules as to times and places of meeting, and shall prescribe its rules and regulations for the administration of funds not inconsistent with provisions of this division and the Charter.

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(Ord. of 12-23-96(1), § I; Ord. of 10-12-98 § IV)
(TQM Code Update - Ch2, Amended, 10/11/2004; 2001 (2-187), Amended, 11/12/2001; 2001 (2-187), Amended, 02/26/2001; 1999 (2-187),
Amended, 09/13/1999)

Section 2-188 Regulation of fund; signing of vouchers

The Pension Board of Trustees shall make all rules and regulations for the operation of the Pension Fund and for the payment of such funds to those entitled to receive such funds under this division. The Mayor, City Manager, or City treasurer shall sign all vouchers for the disbursement of funds, and such written vouchers shall fully protect the City treasurer in the payment of such vouchers. None of the funds herein mentioned shall be subject to attachment, garnishment or judgment; nor shall they be assignable.

(Code 1958, § 17-3; Ord. of 8-22-94, § I)
(Ord. 2000 (2-188), Amended, 11/13/2000; 1999 (2-188b), Amended, 09/13/1999)

Section 2-189 Membership requirements; retirement and disability prerequisites.

(a) Any employee as defined in section 2-186 who entered the service of the City:

(1) Prior to December 1, 1964, the employee shall automatically become a member of the Pension Fund.

(2) After November 30, 1964 and prior to January 1, 1997, the employee shall become a member of the Pension Fund upon the earlier of (a) completion of six (6) months of continuous employment for the City, or (b) January 1, 1997.

(3) After December 31, 1996, and prior to June 1, 2000, the employee shall become a member of the Pension Fund upon the first day of service to the City.

(b) Any Class A member of the Pension Fund as defined in section 2-186 and limited as coming under the operation of this fund may, as a matter of right under the provisions of this division, retire from active service when he shall have reached the age of sixty (60) years and shall have served at least twenty (20) years in the active service of the City at the time of his retirement or has a vested interest in the plan. Notwithstanding the above, any Class A member of the pension plan may also retire from active service under subsection (c), provided that such Class A member shall also elect to receive benefits under section 2-191(b).

(c) Any Class B member of the Pension Fund as defined in section 2-186 and limited as coming under the operation of this fund may, as a matter of right under the provisions of this chapter, retire from active service upon the occurrence of the earlier of:

(1) When he has attained the age of sixty (60) years and shall have at least ten (10) years of service in the Pension Fund (as defined in section 2-186); or

(2) When he has served thirty (30) years in active service of the City.

(3) When he has attained the age of fifty (50) years and shall have at least twenty (20) years of service in the fund and is serving as Management (as defined in section 2-186) at the time of retirement.

(d) Any Class C member of the Pension Fund as defined in section 2-186 and limited as coming under the operation of this fund may, as a matter of right under the provisions of this chapter, retire from active service when he has attained the age of sixty-five (65) years and shall have at least ten (10) years of service (as defined in section 2-186).

(e) Any member of the Pension Fund who is not eligible for retirement under the provisions of subsection (b), (c), or (d) of this section may take early retirement at reduced benefits.

(f) Should any member of the Pension Fund become totally disabled and be incapacitated of self-support after five (5) years of service in the pension plan immediately prior thereto, he shall be eligible for disability benefits which shall be paid to him for the duration of total disability. Proof of disability shall be the statement in writing by one (1) local physician that the employee is totally disabled plus the acceptance for disability payments by the Social Security Administration or, if the employee is not

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covered by Social Security, the opinion of a board of three (3) physicians. The pension board may review each disability retirement at the end of two (2) years and at such other periods as the board desires. The pension board may determine the type and extent of data required on all reviews. Should the board determine that a person has regained the ability to be self-supporting, then it may order that payments of disability benefits from the Pension Fund be stopped. Any refusal of the recipient to furnish data or submit to physical examination will be grounds for discontinuing payment until the matter is resolved.

(g) Participation in the Plan shall not give any member the right to be retained in the employ of the City or, upon dismissal, to have any right or interest in the Plan other than herein provided.

(h) A Member who is convicted by a court of competent jurisdiction of causing a shortage in a public account, when such shortage is certified by the Auditor General or a certified public accountant, may not retire or receive any benefits under this chapter so long as such shortage exists.

Ord. of 6-9-08; (TQM Code Update - Ch2, Amended, 10/11/2004; 2001 (2-189-g-i), Amended, 02/26/2001; 2001 (2-189-3-a), Amended, 02/26/2001; 1999 a(2-189), Amended, 06/30/1999; 1999 (2-189), Amended, 02/08/1999) (Ord. of 12-23-96(1), § I; Ord. of 8-24-98, § I; Ord. of 10-12-98, § V)

Section 2-190 Military leave of absence

Any employee who leaves the service of the City to serve in the armed forces of the United States of America may, if he so desires, leave his contributions in the Pension Plan and remain a member thereof provided he or she returns to service with the City within ninety (90) days of his discharge under the terms set forth under the Uniformed Services Employment and Reemployment Rights Act, a copy of which is on file in the offices of the Human Resources department. The Plan will provide contributions, benefits and service credit to qualified military service in accordance with Section 414(u) of the Code. (TQM Code update - Ch12, Amended, 10/11/2004; 1999 (2-190-h), Amended, 05/10/1999; 1999 (2-190), Amended, 02/08/1999)

Section 2-191 Calculation of benefits.

When a member shall retire as a matter of right, he shall be paid each month thereafter for the rest of his life an amount which is calculated as follows:

(a) For Class A members. Unless they elect to receive benefits available to Class B members as provided in section 2-189(b), the normal retirement benefit for Class A members shall be one and one-half percent (1.5%) of average monthly salary received by the member during the best three (3) consecutive years out of the ten (10) years immediately preceding retirement, multiplied by his number of years of employment.

(b) For Class B and Class C members. For members who retire under section 2-189 (c) the normal retirement benefit shall be calculated by adding the figures obtained from the calculations in subsections (1), (2) and (3) below and multiplying the total sum by the number of years of employment:

(1) One percent (1.0%) of average monthly salary received by the member during the best three (3) consecutive years out of the ten (10) years immediately preceding retirement;

(2) Six-tenths of one percent (0.6%) of such average monthly salary in excess of one thousand seven hundred twenty-eight dollars and seventy-eight cents (\$1,728.78);

(3) Six-tenths of one percent (0.6%) of such average monthly salary in excess of three thousand nine hundred eighty-nine dollars and fifty-nine cents (\$3989.59).

The salary break points used in these calculations shall be increased or decreased on January 1, 2004, and on every January 1st and July 1st thereafter based upon the percentage increase or decrease of the average Consumer Price Index (CPI-U) for all items (1984 = 100), or successor to that Index, as published by the United States Department of Labor for the respective periods of the preceding November 1st through April 30th and May 1st through October 31st. Break point calculations shall be brought to the Pension Board by the Chief Financial Officer of the City for approval at the next regularly scheduled

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meeting of the Board.

(c) When a member shall retire under the disability provision of section 2-189, he shall be entitled to be paid each month, for the duration of disability, a sum computed in the same manner as normal retirement under this section, except that year of service shall be deemed to be the greatest of the following:

- (1) The member's years of service at the time of disability;
- (2) The years of service that would have accrued to the member had he worked until age sixty-five (65), but not to exceed twenty (20) years; or
- (3) The years of service that would have accrued to the member had he worked until age sixty (60).

If the number of years of service determined in subsections (c)(2) and (3) above exceed the number of the member's years of service at the time of the disability, during such period the member shall be deemed to have received the salary at the time of disability for purposes of computing monthly average salary. If the years of service determined in the immediately preceding paragraph exceed the member's years of service at the time of disability, during such period the member shall be deemed to have received his last completed year's salary for the time granted due to his disablement for purposes of computing his average monthly salary.

(d) It shall be the obligation of the member to supply the pension board with all data on Social Security necessary under any previous ordinance for the coordination of benefits in accordance with the benefit formula of such previous ordinance. Failure to supply the necessary Social Security data shall be grounds for withholding payment until the data is supplied.

(e) When a member retires under the early retirement provisions of paragraph (e) of section 2-189, his payments shall be calculated in the same manner as the normal retirement benefit except that years of employment and average monthly salary shall be determined as of the early retirement date. Such benefits shall then be reduced one-half percent (0.5%) for each month the date of early retirement precedes the date of normal retirement. Such reduced benefits, once determined, shall remain constant at the reduced figure for the life of the member.

(f) Members of the Pension Plan who were retired and were receiving benefits on December 28, 1976, and those Class A and Class B members who retire after that date shall be entitled to post-1984 retirement adjustments in their benefits based on the fluctuation in the Consumer Price Index (CPI-U) as published by the United States Department of Labor.

Benefits shall be adjusted by the average Consumer Price Index (CPI-U) for all items (1984 = 100), or the successor to that Index. The benefits shall be adjusted by the cost-of-living adjustment on January 1, 2004, and July 1, 2004, and each six (6) months thereafter based on the respective periods of November 1st through April 30th and May 1st through October 31st. In no event shall the increase or decrease exceed one and one-half percent (1.5%) for each six (6) month period. The beginning price index shall be the average price index of the six-month period during which retirement takes place. No adjustment shall reduce the member's benefit below those earned under the standard benefit formula. Notwithstanding anything contained in this Plan to the contrary, Class C members are not eligible for the post-retirement adjustments described in this section (f). Break point calculations shall be brought to the Pension Board by the Chief Financial Officer of the City for approval at the next regularly scheduled meeting of the Board.

(g) A member who retires as a matter of right under section 2-189 may elect to have his or her benefits made payable in a reduced amount for life and in a lesser amount thereafter to a surviving spouse for life. Written notice of a survivor annuity of fifty percent (50%) or less must be filed upon a form prescribed by the Pension Board at any time prior to retirement. Written notice of a survivor annuity of more than fifty percent (50%) must be filed on a form prescribed by the Pension Board no earlier than sixty (60) days and no later than fifteen (15) days prior to retirement. In the event of such election, the amount of benefits otherwise payable under this plan to the retired member and the amount

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payable to the surviving spouse shall be determined by the actuarial table in effect at the time of retirement. Such table shall be the latest approved by the city's actuarial consultant and the pension board. A member who has elected this option and has been approved by the board may revoke his election by written notice to the board up to the day of his retirement. In the event of the death of a spouse prior to the retirement of a member, such an election shall be deemed to be revoked automatically. Upon the date of retirement the election shall become irrevocable and the retired member's pension shall be in the reduced amount, henceforth, regardless of whether his spouse survives him.

(h) Members retiring as a matter of right under section 2-189(c) or (e) may elect to have his benefits made payable on a levelized basis considering a combination of city pension and Social Security which is determined to be of equivalent value to his accrued benefit using the actuarial assumptions described in this section at the time of retirement. The purpose of this provision is to enable the member to receive, from this pension plan and under Social Security, an aggregate income in approximately level amount for life.

(i) For the purposes of this section, a member's average monthly salary shall be determined exclusive of overtime. Salary shall include merit or other bonuses received for the performance of duties, but salary shall not include special award or incentive payments such as the wellness incentive program, the employee suggestion awards program, and the like.

(j) The actuarial assumptions shall be defined as follows:

(1) Mortality assumption for a member who is not retiring under the disability provision of section 2-189 shall be the most current annuity mortality table as approved by the City's actuary and as described in the Internal Revenue Service's Revenue Ruling 95-25.

(2) Mortality assumption for a member who is retiring under the disability provision of section 2-189 shall be the most current annuity mortality table as approved by the City's actuary and as described in the Internal Revenue Service's Revenue Ruling 96-7.

(3) Mortality assumption for the spouse of a member shall be the most current annuity mortality table as approved by the City's actuary and as described in the Internal Revenue Service's Revenue Ruling 95-25.

(4) The net investment yield, compounded annually, shall be determined based on actuarial assumptions as calculated annually. The semi-annual cost of living adjustments for Class A and B members shall be calculated and compounded semi-annually by the City Treasurer.

(Ord. of 12-23-96(1), § I; Ord. of 12-22-97, § I)

(TQM Code update - Ch.2, Amended, 10/11/2004; 1999 (2-191), Amended, 02/08/1999)

Section 2-192 Death before receiving benefits.

(a) Should any member of the Pension Plan, who has ten (10) or more years of membership in the Pension Fund, die while still in the active employment of the City, the surviving spouse of the member will be entitled to a pension. The amount of pension shall be the equivalent of the benefit calculated at a 100% survivor's option. The accrued benefits will be calculated as for normal retirement but will reflect the years of service and average salary at time of death. The benefits, so calculated, shall be payable for the survivor's lifetime or until he remarries. The survivor who is entitled to benefits under this section may elect to receive a refund of contributions, as covered under paragraph (b), in lieu of a pension if he so desires.

(b) Should any member die without actually receiving any cash benefits hereunder and have less than ten (10) years of service in the Pension Fund or have no surviving spouse entitled to receive benefits under subsection (a), the amount he has contributed to the Pension Fund, plus interest, shall be paid in a lump sum to his heirs at law, or to any person designated by such member in writing before his death.

(c) Should a retired member die without having received in pension benefits a sum equal to the amount he has paid into the Pension Fund plus interest to the date of retirement, and not have a surviving spouse designated to receive a pension, then the difference between the amount paid plus interest and the

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amount received by the member shall be paid to his heirs at law or to the person designated as beneficiary by the member in writing before his death.

(d) Interest will be calculated as follows:

- (1) Two and one-half percent (2.5%) for the period of time prior to 1971;
- (2) Four percent (4.0%) from January 1, 1971 through December 31, 1976;
- (3) Five percent (5.0%) from January 1, 1977, through June 30, 2004.
- (4) Three percent (3%) from July 1, 2004, through December 31, 2004.
- (5) Effective January 1, 2005, interest will be calculated using the applicable Federal long-term interest rate as found in Section 1274(d) of the Code.

All interest will be compounded annually

(Ord of 6-9-08; TQM Code Update - Ch.2, Amended, 10/11/2004; 2-192(d), Amended, 06/14/2004; 1999 (2-192d4), Amended, 05/10/2000; 1999 (2-192), Amended, 02/08/1999(Ord. of 12-23-96(1), § I)

Section 2-193 Refund of contributions and vested benefits.

(a) (1) Any employee leaving the employ of the City before he becomes eligible for retirement under the provision of this division and who has paid assessments to the Pension Fund for a period of less than ten (10) years of service will be refunded the total amount he has paid into the Pension Fund plus interest from the beginning of his membership in the plan as calculated using the applicable Federal long-term interest rate in effect on the date of his termination of employment. If an employee desires to retire under the disability provisions of section 2-189(f), such employee's refund shall not be made until such time as the Social Security Administration has denied his claim for disability benefits. Such refunds shall be with interest from the beginning of his membership in the plan. Interest will be calculated as provided in section 2-192(d). Upon such refund being made or tendered to such person, there shall be no further liability of any kind upon the City or the pension board of trustees.

(2) Notwithstanding anything contained in subparagraph (a)(1) above to the contrary, a City Manager incurring a break-in-service and who has been refunded the total amount he has paid into the Pension Fund, plus interest, may upon re-employment with the City, remit to the City an actuarially determined amount from the break-in-service until re-entry into the plan. For purposes of this section 2-193(a)(2) the term "actuarially determined amount" shall mean that amount as determined by the actuary employed by the City as that amount to be remitted to the City by the City Manager to provide a calculated benefit pursuant to section 2-191, as if the City Manager had not incurred a break-in-service. The City Manager who is re-employed with the City after incurring a break-in-service shall re-enter the plan upon payment of all actuarially determined amounts as if the City Manager had not incurred a break-in-service. A City Manager who satisfies the plan's eligibility requirement pursuant to section 2-189, but who does not remit to the City the actuarially determined amount after a break-in-service may re-enter the plan on the effective date of membership pursuant to section 2-190.

(b) If a terminating employee has completed ten (10) or more years of service, he shall have the option of:

- (1) Refund of the total amount he has paid into the Pension Fund plus interest from the beginning of his membership in the plan as calculated in section 2-192(d); or
- (2) Retaining a vested interest in the plan unless he has been discharged for dishonesty related to his employment.

(c) If any employee with ten (10) or more years of service does not withdraw his contributions from the Pension Fund, he will be entitled to a vested pension payable at age sixty (60) calculated at one hundred percent (100%) of his accrued benefits. The accrued benefits at time of separation will be calculated as for normal retirement but will reflect the years of service and average salary up to date of termination and will reflect break points in effect at time of termination of employment with the City. An employee resigning or discontinuing membership in the Plan will have his benefits frozen at the time of termination.

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(d) If any employee with ten (10) or more years of service, who at termination chooses to leave his contributions in the Pension Fund, should at a later date decide to withdraw his contributions he may do so but interest on these funds as calculated under section 2-192(d), will be only to date of termination of employment.

(e) If any member of the Plan is terminated and is subsequently re-employed by the City, he will be treated as a new employee and his prior service to the City will not be recognized in determining his years of service in the Plan. Notwithstanding anything contained herein to the contrary, if the City Manager's employment with the City is terminated and he is subsequently re-employed by the City, he will not be treated as a new employee and his prior service to the City will be recognized in determining his years of service, but only if the City Manager remits to the City the actuarially determined amount pursuant to section 2-193(a)(2). If the City Manager fails to remit to the City the actuarially determined amount pursuant to section 2-193(a)(2), then and in that event he will be treated as a new employee and his prior years of service to the City will not be recognized.

(Ord. of 12-23-96(1), § I; Ord. of 2-8-99)

(TQM Code update - Ch. 2, Amended, 10/11/2004; 1999 (2-193), Amended, 02/08/1999)

Section 2-194 Salary assessment.

The salary of each member of the Pension Plan shall be assessed and taxed in accordance with the following funding table which shall continue in effect until changed by City Council action:

Period Beginning:	Employee Assessment
Prior to January 1, 1997:	3% of salary
January 1, 1997:	3.5% of salary.
January 1, 1999:	3% of salary.
January 24, 2000:	3.75% of salary.
January 8, 2001:	4% of salary.
January 7, 2002:	5% of salary.
September 1, 2003:	6.5% of salary.
January 1, 2005:	7.5% of salary

(Ord. of 12-23-96(1), § I; Ord. of 10-12-98, § VII; Ord of 2-8-99)

(2004 (2-194), Amended, 12/13/2004; TQM Code Update - Ch. 2, Amended, 10/11/2004; 2003(2-194), Amended, 07/14/2003; 2001 (2-194), Amended, 12/10/2001; 2000 (2-194), Amended, 12/27/2000; 2000 (2-194), Amended, 01/25/2000)

Section 2-195 City matching appropriation.

The City, through its City Council, does hereby appropriate from the funds of the city not specifically directed by law to be applied to other purposes, to pay into the Pension Fund hereby created, the sum of money set forth in the following funding table which shall continue in effect until changed by City Council action:

Period beginning:	City appropriation
January 1, 1995:	3.75 percent of salary
January 1, 1997:	4.50 percent of salary
January 1, 1999:	3.0 percent of salary
January 24, 2000:	4.25 percent of salary
January 8, 2001:	4.50 percent of salary
January 7, 2002:	6.0 percent of salary
September 1, 2003:	7.5 percent of salary
January 1, 2005:	10.5 percent of salary
February 1, 2006:	11.25 percent of salary

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(Ord. of 12-23-96(1), § I; Ord. of 10-12-98, § VIII; Ord. of 2-8-99)
(2006 [2-195], Amended, 01/30/2006; 2004 (2-195), Amended, 12/13/2004; TQM Code Update - Ch.2, Amended, 10/11/2004;
2003(2-195), Amended, 07/14/2003; 2001 (2-195), Amended, 12/10/2001; 2000 (2-195), Amended, 12/27/2000; 2000 (2-195),
Amended, 01/25/2000)

Section 2-196 Funds to be kept separate.

The City treasurer shall keep separate and apart from other moneys in his possession the funds raised under this division, either from employees or from appropriation by the City, for the sole uses mentioned in this division, and subject to the order of the Pension Board of Trustees.
(Code 1958, § 17-12)

Section 2-197 Accounts; required; open to inspection; to be audited.

(a) The Trustees shall keep a strict account of the receipts and disbursements of all funds, which shall be open at all times to public inspection and shall be audited by the auditor of the City as are funds of other departments of the City.

(b) In addition to the audits required in subsection (a), an actuarial study of the pension plan shall be prepared by a firm of recognized actuarial consultants at regular intervals as determined by the Pension Board, but in no event at more than three (3) year intervals. The expenses incurred in connection with the preparation of such a study shall be paid from the Pension Fund.
(Code 1958, § 17-13)

Section 2-198 Investment of excess funds.

In case there should accumulate more funds than should be needed for immediate use, the Pension Board of Trustees is empowered to invest and reinvest such funds held by it in any investments which are legal investments of domestic insurance companies under the laws of this state. Such investments are to be made always in keeping with the goal of obtaining the maximum return on such investments as can be realized while maintaining the safety and integrity of the Pension Fund through an established prudent and sound investment philosophy, and the Pension Board of Trustees is authorized and empowered to employ such investment counselors and advisers as the Board in its discretion shall deem advisable in order to meet the goal described above.
(Code 1958, § 17-14)

Section 2-199 Reserved

(TQM Code Update - Ch.2, deleted, 10/11/2004, inserted into Section 2-188)

Section 2-200 2-200--2-210 Reserved

(TQM Code update - Ch.2, deleted and renumbered, 10/11/2004)

Section 2-210D DIVISION 4. PENSIONS - DEFINED CONTRIBUTION

(TQM Code Update - Ch.2, added, 10/11/2004)

Section 2-211 Adopted; appointment of administrator, trustee, and coordinator

The City hereby adopts a defined contribution plan and trust agreement, on file and available for inspection in the Human Resources office of the City of Thomasville, and appoints an administrator and coordinator to serve thereunder. The City Manager is authorized to administer and execute, on behalf of

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the City, the defined contribution plan. The City Manager shall be the coordinator for the program and shall receive necessary reports, notices and other communications and shall cast, on behalf of the City, any required votes under such program.
(TQM Code Update - Ch.2, Added, 10/11/2004)

Section 2-212 Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

City means the City of Thomasville.

Employee means all persons performing regular service in the employ of the City, in each and all departments thereof, except the Mayor and members of the City Council, who are performing services in elective positions, as well as the following part-time employees, to wit: the City Attorney and the City auditor.

Fully Vested means the guarantee that a member is eligible to retain the total value contributed by both the employee and the City.

Member means all employees who have qualified under the terms of this article.

Plan means Division 4, Section 2-210 et.seq. of the Code of the City of Thomasville, as may be amended from time to time.

Plan Year means the period of time beginning January 1 and ending on the following December 31, both dates inclusive, for the Plan.

Salary means the salary received from the standard payroll period, exclusive of overtime pay. Salary shall include merit or other bonuses received for the performance of duties only.

Termination of employment occurs when a member ceases all employment relationships with the City. An authorized leave of absence shall constitute a continuation of the employment relationship, except that a leave of absence without pay due to disability may constitute termination.

Years of Service means any twelve (12) consecutive months of membership in the plan. Fractional years of service shall be computed to the nearest full month.
(TQM Code Update - Ch.12, Added, 10/11/2004)

Section 2-213 Advisory board - Defined Contribution - established, composition, officers

There is hereby established, to serve without pay, an advisory board of the City whose duties shall be to oversee the structure of the plan and to make recommendations as to plan providers to the Plan Administrator. The board shall consist of six members, three of which shall be members of the defined contribution plan, with all members to be appointed by and to serve at the discretion of the Plan Administrator. A majority of the board shall elect a chairman and such other officers as needed, and shall control on all questions. The board shall make its own rules as to times and places of meeting, and shall prescribe its rules and regulations not inconsistent with provisions of this Division and the Charter.
(TQM Code Update - Ch. 2, Added, 10/11/2004)

Section 2-214 Membership; retirement

(a) Any employee as defined in section 2-212 who entered the service of the City after June 1, 2000, or who has previously elected to join the defined contribution plan, shall become a member.

(b) Any member may, as a matter of right under the provisions of this chapter, retire from active service when he has attained the age of sixty-five (65) years and shall have at least ten (10) years of service as defined in Section 2-212.

(TQM Code Update - Ch.2, Added, 10/11/2004)

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Section 2-215 Military leave of absence

Any employee who leaves the service of the City to serve in the armed forces of the United States of America may, if he so desires, leave his contributions in the defined contribution plan and remain a member thereof provided he or she returns to service with the City within ninety (90) days of his discharge under the terms set forth under the Uniformed Services Employment and Re-employment Rights Act, a copy of which is on file in the offices of the Human Resources department. The defined contribution plan will provide contributions, benefits and service credit to qualified military service in accordance with Section 414(u) of the Code.

(TQM Code Update - Ch.2, Added, 10/11/2004)

Section 2-216 Refund of contributions and vested benefits; enrollment and withdrawal

(a) Any employee leaving the employ of the City before he becomes eligible for retirement under the provisions of this division and who has paid assessments to the plan for a period of less than five years of service will retain only the total value of his account based on the employees contributions into the plan. Any employee leaving the employ of the City after a five year period shall be considered to be fully vested and shall retain the total value contributed by both the employee and the City.

(b) There is hereby established a limited open enrollment period, at the time of the member employee's annual review as approved by the Human Resources department, with the following exceptions:

- (1) status changes, including births, deaths, divorces, or marriages
- (2) lump sum contributions, which can be made at any time from compensation from the City received by a member employee.

(c) Withdrawals from the plan shall be penalized as outlined in the plan document.

(TQM Code Update - Ch.2, Added, 10/11/2004)

Section 2-217 Contributions: Employee and City of Thomasville

The City, through its City Council, does hereby appropriate from the funds of the City not specifically directed by law to be applied to other purposes, to pay into the Defined Contribution Plan hereby created the sum of money set forth in the following funding table which shall continue in effect until changed by Council action:

<u>Employee Contribution(457 Plan) Plan)</u>	<u>Employer Contribution(401a</u>
0%	1.75%
1 %	2.25%
2%	2.75%
3%	3.25%
4%	3.75%
5%	5.25% *
6%	5.75% *

*If the employee contributes at least 5% into their 457 Plan, the City will offer an additional incentive of 1% to be added to their 401a Plan. All employer contributions will go into a 401a Plan. Any contributions made by employees will go into a 457 Plan.
(TQM Code Update, Added, 10/11/2004)