CITY OF LOOKOUT MOUNTAIN, GEORGIA
ORDINANCE NO. 110

An Ordinance to amend an Ordinance approved May 18, 1978, as amended, establishing a retirement plan for the employees of the City of Lookout Mountain, Georgia, and setting forth the joint trust agreement and the contract for the administration of said plan by the City and the Joint Municipal Employees Benefit System as provided by O.C.G.A. Section 47-5-1 et seq., so as to change the definition of Actuarial Equivalent; to add the Actuarial Equivalent Conversion Tables; to provide an effective date; to repeal conflicting ordinances; and for other purposes.

BE IT ORDAINED by the Mayor and Council of the City of Lookout Mountain, Georgia, and it is hereby ordained by the authority thereof:

Preamble. This Ordinance is adopted pursuant to a Directive of the Joint Municipal Employees' Benefit System which has advised that the provisions hereof must be immediately integrated into the City's retirement plan. Accordingly, the Mayor and Council expressly find that an emergency exists and that the public safety and welfare require that this ordinance be read at meetings less than one week apart and that the ordinance take effect immediately upon its adoption.

Section 1. An Ordinance establishing a retirement plan for the employees of the City of Lookout Mountain, Georgia, and setting forth the joint trust agreement and the contract for the administration of said Plan between the City and the Joint Municipal Employees Benefit System as provided by O.C.G.A. Section 47-5-1 et seq., is hereby amended by striking Section 40 from Article II, and substituting in lieu thereof a new Section 40, to read as follows:

"Section 40. Actuarial Equivalent shall mean a benefit of approximately equal value when computed on the basis of the actuarial assumptions contained in Article VIIA."

Section 2. Said Ordinance is further amended by striking Section 2 from Article V, and substituting in lieu thereof a new Section 2, to read as follows:

"Section 2. Early Retirement Benefit. A Participant, upon Retirement on his Early Retirement Date, shall receive a Monthly Retirement Benefit under which payment shall commence on the first day of the month following the Participant's Early Retirement Date and shall be payable on the first day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial tables as contained in Article VIIA, Section 1."

Section 3. Said Ordinance is further amended by striking Section 2 from Article VI, and substituting in lieu thereof a new Section 2, to read as follows:

"Section 2. Description of Options. The amount of any optional retirement benefit set forth below shall be the Actuarial Equivalent of the amount of benefit that would otherwise be payable to the Participant under Article V.

OPTION A: Joint and Survivor Option. A decreased retirement benefit which shall be payable during the lifetime of the Participant and, if his Joint Annuitant should survive him, shall continue after his death during the lifetime of his Joint Annuitant in the

same amount or in such smaller amount as the Participant
may designate. If the Joint Annuitant does not survive
the Participant, all payments shall cease at the death of
the Participant and no further benefits will accrue to
his estate or to other persons except as provided in
Article VII, Section 2. This option shall be known as
Option A. The retirement benefit under Option A shall be
calculated in accordance with Article VIIA, Section 2a
or 2b, whichever is applicable.

OPTION B: Period Certain and Life Option. A
decreased retirement benefit payable monthly to the
Participant during his lifetime and, in the event of his
death within a period of five (5), ten (10), fifteen (15),
or twenty (20) years after his Retirement, the same
monthly amount shall be payable for the balance of such
period to a Beneficiary in Retirement designated by him.
If the Beneficiary in Retirement does not survive the
Participant all payments shall cease at the death of the
Participant and no further benefits will accrue to his
estate or to other persons except as provided in
Article VII, Section 2. This option shall be known as
Option B. The retirement benefit under Option B shall be
calculated in accordance with Article VIIA, Section 3.

OPTION C: Social Security Option. An increased
retirement benefit payable to the Participant during his
lifetime until his retirement benefits commence under
O.A.S.D.I. and a decreased retirement benefit payable
thereafter for life in order to have a more level

retirement income when such decreased retirement benefit

is added to his primary benefits under O.A.S.D.I.,

determined as of his Early Retirement Date. At the death

of the Participant all payments will cease and no further

benefits will accrue to the estate of the Participant or

to other persons except as provided in Article VII,

Section 2. This Option shall be known as Option C. The

Actuarial Equivalent factors to be applied in calculating

benefits under Option C shall be as contained in

Article VIIA, Section 4a or 4b, whichever is applicable."

Section 4. Said Ordinance is further amended by providing a
new article, Article VIIA, to read as follows:

"ARTICLE VIIA. ACTUARIAL EQUIVALENT CONVERSION TABLES

Section 1. Early Retirement Reduction Table.

Number of Years Before Normal Retirement*	Percentage of Normal Retirement Benefit
0	1.000
1	.933
2	.867
3	.800
4	.733
5	.667
6	.633
7	.600
8	.567
9	.533
10	.500

*Interpolate for whole months.

Section 4. Option C Tables.

a. The following table is to be used when the benefits under the Social Security Option are payable for life:

Age	Factor
50	0.29019
51	0.31906
52	0.35122
53	0.38712
54	0.42726
55	0.47225
56	0.52278
57	0.57966
58	0.64387
59	0.71653
60	0.79899
61	0.89284
62	1.00000

b. The following table is to be used when the benefits under the Social Security Option cease at age 62:

Age	Factor
50	1.40883
51	1.46856
52	1.54136
53	1.63163
54	1.74599
55	1.89483
56	2.09545
57	2.37905
58	2.80798
59	3.52774
60	4.97485
61	9.33194
62	N/A

Section 2. Option A Tables.

    a. The following table is to be used for a Participant who is the same age or older than the Joint Annuitant:

Participant Age – Joint Annuitant Age	Contingent Annuity Factor			
	100%	75%	50%	25%
0	.833	.870	.909	.952
1	.826	.864	.905	.950
2	.819	.857	.900	.947
3	.811	.851	.896	.945
4	.804	.845	.891	.943
5	.797	.839	.887	.940
6	.790	.833	.882	.938
7	.783	.828	.878	.935
8	.776	.822	.874	.933
9	.769	.816	.870	.930
10	.763	.811	.866	.928
11	.757	.806	.861	.926
12	.751	.800	.858	.923
13	.745	.795	.854	.921
14	.739	.791	.850	.919
15	.733	.786	.846	.917
16	.728	.781	.843	.915
17	.723	.777	.839	.913
18	.718	.772	.836	.911
19	.713	.768	.833	.909
20	.708	.764	.830	.907
21 or more	*	*	*	*

*Factor for 20 year age difference minus extrapolation factor below times number of years in excess of 20 that Participant's age exceeds Joint Annuitant's age.

Contingent Annuity Percentage	Extrapolation Factor
100%	.005
75%	.004
50%	.003
25%	.002

b. The following table is to be used for a Participant who is younger than the Joint Annuitant:

Joint Annuitant Age - Participant Age	Contingent Annuity Factor			
	100%	75%	50%	25%
1	.841	.876	.914	.955
2	.848	.882	.918	.957
3	.856	.888	.922	.960
4	.863	.894	.926	.962
5	.870	.899	.931	.964
6	.877	.905	.935	.966
7	.885	.911	.939	.968
8	.892	.916	.943	.970
9	.898	.922	.947	.973
10	.905	.927	.950	.974
11	.912	.932	.954	.976
12	.918	.937	.957	.978
13	.924	.942	.960	.980
14	.930	.946	.964	.981
15	.935	.951	.967	.983
16	.941	.955	.969	.984
17	.945	.959	.972	.986
18	.950	.962	.974	.987
19	.955	.966	.977	.988
20	.959	.969	.979	.989
21 or more	.960	.970	.980	.990

Section 3.   Option B Table.

Period	Factor
5 Years	.973
10 Years	.911
15 Years	.842
20 Years	.780

Section 5. Other Annuity Forms. Conversion factors for other annuity forms shall be computed by an enrolled Actuary on an actuarially equivalent basis assuming that the Participant is retiring at age 65 and using the UP-1984 Mortality Table without age setback with interest at 8%, regardless of the actual age and sex of any Participant or Beneficiary. If appropriate, such factors may vary by the difference between the Participant's age and the Beneficiary's age.

Section 6. Other Forms of Payment. Other forms of benefit payment made upon plan termination or, if required for compliance with Section 401(a)(9) of the Internal Revenue Code, shall be computed on the basis of the actual age of the Participant and/or Beneficiary at the time of distribution and under the following actuarial assumptions:

a. Interest: Average interest rates underlying immediate annuities as published by the Pension Benefit Guaranty Corporation for use by plans terminating in October, November, and December of the calendar year preceding payment (rounded to the next higher multiple of 0.5%).

b. Mortality: The mortality basis in use at the time of payment by the Pension Benefit Guaranty Corporation for male retirees regardless of the actual sex of any Participant or Beneficiary.

c. Age at Which Payments Begin: The greater
of Normal Retirement Date or the age at time of
distribution of the Participant and/or Beneficiary."

Section 5. The rights and obligations under the Plan with
respect to persons whose employment with the City was terminated
for any reason whatsoever prior to the effective date of this
amendment are fixed and shall be governed by such Plan as existed
and was in effect at the time of such termination.

Section 6. The effective date of this amendment shall be
__December 1, 1984__ .

Section 7. All ordinances and parts of ordinances in
conflict herewith are hereby expressly repealed.
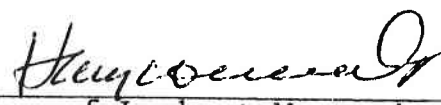
Approved on first reading on December 14, 1984.

_____
Member of City Council

_____
Member of City Council

_____
Member of City Council
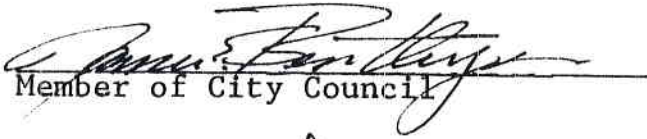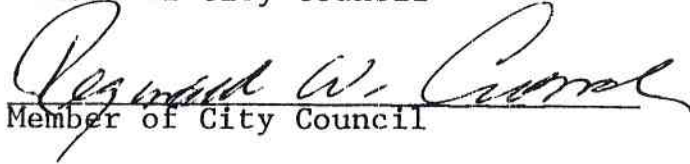
_____
Member of City Council

_____
Member of City Council

_____
Mayor of Lookout Mountain,
Georgia
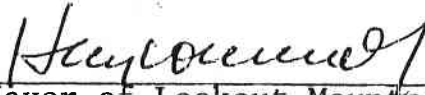
Approved and adopted on second reading on _December 20_ ,
1984.

[signature]
Member of City Council

[signature]
Member of City Council

[signature]
Member of City Council

_____
Member of City Council

_____
Member of City Council

[signature]
Mayor of Lookout Mountain,
Georgia

ATTEST:

Carolyn J. Brooks
City Clerk