

ORDINANCE NO.: 5553

AN ORDINANCE TO AMEND CHAPTER 25, CODE OF ORDINANCES, CITY OF MEMPHIS, SO AS TO INCREASE THE CITY CONTRIBUTION ALLOWABLE UNDER SECTION 25-71 AND SECTION 25-171, SO AS TO TRANSFER TRANSFERRED PARTICIPANTS IN THE PENSION SYSTEM TO THE DEFINED CONTRIBUTION PLAN

WHEREAS, the City of Memphis, Tennessee (the "Employer") has adopted a defined benefit retirement plan known as City of Memphis Retirement System for General Employees, as subsequently amended and restated from time to time and consisting of a 1948 plan (that part of the plan benefiting employees participating under the provisions of sections 25-60 through 25-99) and a 1978 plan (that part of the plan benefiting employees participating under the provisions of sections 25-160 through 25-199), currently codified and established under City Ordinance Chapter 25, Articles I through VII (collectively, "the Pension System"); and

WHEREAS, the Employer has amended the Pension System to segregate the accrued benefit of a Transferred Participant in an account in the Pension System for a Transferred Participant; and

WHEREAS, the Employer has adopted The City of Memphis, Tennessee Contributory Employees Retirement Plan (the "Contributory Retirement Plan") effective July 1, 2015; and

WHEREAS, the Employer desires to transfer the Transferred Benefit for Transferred Participants to the Contributory Employees Retirement Plan effective July 1, 2015, whereupon the Contributory Retirement Plan shall assume sole liability for payment of the Transferred Benefit to the Transferred Participant upon the Transferred Participant's termination of employment as provided under the Contributory Retirement Plan; and

WHEREAS, immediately after the transfer of the Transferred Benefit to the Contributory Retirement Plan the accrued benefit of a Transferred Participant in the Contributory Retirement Plan shall be no less than the accrued benefit of the Transferred Participant in the Pension Plan immediately prior to the transfer.

NOW, THEREFORE, the Pension System is hereby amended as follows:

1. The Transferred Benefit of each Transferred Participant under the Pension System shall be transferred to the Contributory Retirement Plan as soon as administratively feasible following July 1, 2015.
2. Immediately after the transfer of the Transferred Benefit to the Contributory Retirement Plan, the accrued benefit of the Transferred Participant in the Contributory Retirement Plan shall be no less than the accrued benefit (the Transferred Benefit) of the Transferred Participant in the Pension Plan immediately prior to the transfer.

3. From and after the date of the transfer, the Transferred Participant shall no longer participate in the Pension System but shall look solely and exclusively to the assets of the Contributory Retirement Plan with respect to rights in the Transferred Benefit.