

ORDINANCE RECORD

No. 728-REDFIELD & COMPANY INC., OMAHA

ORDINANCE NO. 1239

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA TO AMEND THE CITY OF LA VISTA POLICE OFFICERS RETIREMENT PLAN AND TRUST; TO AUTHORIZE FURTHER ACTIONS; AND TO PROVIDE FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY AND THE EFFECTIVE DATE HEREOF.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, SARPY COUNTY, NEBRASKA:

SECTION 1. Pursuant to Nebraska Statutes, Sections 16-1001 through and including 16-1019, the City of La Vista maintains the City of La Vista Police Officers Retirement Plan and Trust embodied in plan documents including an adoption agreement and basic plan document constituting an integral part thereof ("Plan").

SECTION 2. The Mayor and City Council are authorized and desire to amend the Plan, and specifically to incorporate actuarial and revised reporting provisions of Nebraska LB 759 (2014), which amendment is presented with this Ordinance ("Amendment No. 2").

SECTION 3. The Mayor and City Council do hereby approve and adopt said Amendment No. 2, effective on the date set forth therein.

SECTION 4. The Mayor is authorized to execute Amendment No. 2 on behalf of the City, and the City Administrator is authorized and directed to provide the same to the Trustee (for its written acceptance, if determined necessary or appropriate), and if directed in this Ordinance or otherwise determined necessary or advisable, to cause said Amendment No. 2 to be submitted, together with such supporting data as may be necessary or advisable and applicable application fee, to the Internal Revenue Service for ruling as to whether the same complies with the pertinent provisions of the Internal Revenue Code of the United States and, in particular, Sections 401(a) and 501(a) thereof, with authority to make any changes in or to Amendment No. 2 and other Plan documents and take such further actions as the City Administrator determines necessary or appropriate to obtain a favorable ruling or maintain the qualified status of the Plan.

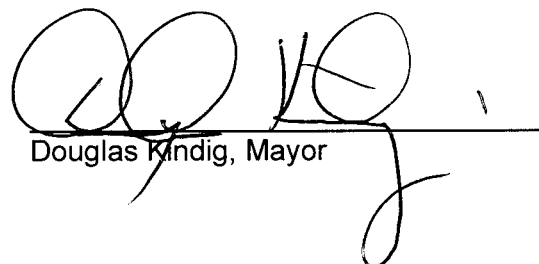
SECTION 5. All ordinances and parts of ordinances as previously enacted to the extent in conflict with this Ordinance or any part hereof are hereby repealed.

SECTION 6. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining portions of this Ordinance. The Mayor and City Council hereby declare that it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

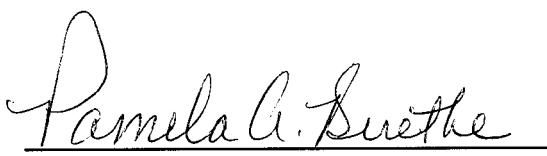
SECTION 7. This Ordinance shall be in force and take effect from and after passage, approval and publication as provided by law.

PASSED AND APPROVED THIS 17TH DAY OF FEBRUARY, 2015.

CITY OF LA VISTA, NEBRASKA


Douglas Kindig, Mayor

ATTEST:


Pamela A. Buethe, CMC
City Clerk

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CITY OF LA VISTA POLICE OFFICERS RETIREMENT PLAN AND TRUST

Amendment No. 2

The City of La Vista Police Officers Retirement Plan and Trust is hereby amended as follows:

- I. Section 1.1 of the Basic Plan Document is hereby amended by adding the following definition:

“Sex-Neutral Basis – Notwithstanding anything in this Plan to the contrary, “sex-neutral basis” for purposes of a Police Plan or a Fire Plan, in accordance with Nebraska L.B. 759 (2014), shall mean the benefit calculation provided to the City by a licensed domestic or foreign insurance or annuity company with a product available for purchase in Nebraska that utilizes a blended, non-gender-specific rate for actuarial assumptions, mortality assumptions, and annuity conversion rates for a particular participant, except that if a blended, non-gender-specific rate is not available for purchase in Nebraska, the benefit calculation shall be performed using the arithmetic mean of the male-specific actuarial assumptions, mortality assumptions, or annuity conversion rates and the female-specific actuarial assumptions, mortality assumptions, or annuity conversion rates, as applicable, for a particular participant, and the arithmetic mean shall be determined by adding the male-specific actuarial assumptions, mortality assumptions, or annuity conversion rates to the female-specific actuarial assumptions, mortality assumptions, or annuity conversion rates applicable to a particular participant and dividing the sum by two.”

- II. Section “A” of APPENDIX B of the Basic Plan Document is hereby amended by adding the following at the end thereof:

“3. **Police and Fire Plans.** ‘Sex-Neutral Basis’ for purposes of a Police Plan or Fire Plan, or any other plan to the extent said term is not expressly defined or determinable under the applicable plan documents, shall have the meaning provided in Section 1.1 of the Basic Plan Document.”

- III. The first sentence of Section 7.3.1 of the Basic Plan Document and subsections “(a)” and “(b)” of said Section 7.3.1 are hereby deleted and replaced in their entirety with the following:

“7.3.1 Minimum Retirement Benefits. Participants of Police and Fire Plans, if employed on January 1, 1984 and continuously employed by the City from such date through the date of their retirement, shall receive a benefit which, when determined on a Straight Life Annuity basis, shall not be less than:

(a) Police Plan.

(i) Effective April 16, 2012, 50% of Regular Pay if retirement occurs after reaching 60 years of age and the Participant has completed 25 years of service with the City. Before April 16, 2012, the following parenthetical was included at the end: “(or 21 Years of Service if hired prior to November 18, 1965)”; or

(ii) 40% of Regular Pay if retirement occurs after reaching 55 years of age, but before reaching 60 years of age, and the Participant has completed 25 Years of Service with the City.

The Minimum Benefit provided in this Section (a) shall be paid in any form of benefit payment otherwise provided for in this Section 7. If the Minimum Benefit is paid in a form other than a straight life annuity, such benefit shall be the Actuarial Equivalent of the Minimum Benefit payable as a Straight Life Annuity.

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If the Participant chooses the single lump-sum payment option, the Participant can request that the Actuarial Equivalent be equal to the average of the cost of three Annuity Contracts based on products available for purchase in Nebraska. The Participant, Retirement Committee and City each shall submit the cost of an appropriate Annuity Contract to determine the Actuarial Equivalent. The Annuity Contracts used for comparison shall all use the same type of Sex-Neutral Basis benefit calculation.

(b) Fire Plan.

(i) 50% of Regular Pay if retirement occurs after reaching 55 years of age and completing 21 years of service with the City; or

(ii) the Actuarial Equivalent of the benefit which otherwise would be provided in (i) above at 55 years of age if retirement occurs after reaching 50 years of age, but before reaching age 55, and Retirement occurs after completing 21 Years of Service with the City; or

(iii) 50% of the Salary received at the time of retirement multiplied by the ratio of Years of Service to 21 if retirement from the City occurs on or after reaching 55 years of age with less than twenty-one Years of Service with the City; or

(iv) For termination of employment after September 9, 1993, 50% of Regular Pay if such termination of employment occurs prior to 55 years of age but after completion of 21 Years of Service with the City.

Unless an optional annuity benefit is selected by the Participant, at the death of the Participant, the same rate of pension as is provided for in this Section (b) shall be paid to the surviving spouse of such deceased Participant during such time as the surviving spouse remains unmarried and, in case there is no surviving spouse, then the minor children, if any, of such deceased Participant shall equally share such Minimum Benefit during their minority. As soon as a child of a deceased Participant ceases to be a minor, such benefit to such child shall cease.

In the event a Participant or his or her surviving beneficiaries die before the aggregate amount of Minimum Benefit payments distributed under this Section (b) equals the total amount in the Participant's Employee Account at the time of the first payment, the difference between the total amount in the Employee Account and the aggregate amount of Minimum Benefit payments distributed shall be paid in a single sum to the Participant's estate.

The Minimum Benefit provided for in this Section (b) shall be paid in any form permitted under Section 7. If the Minimum Benefit is paid in an optional annuity benefit or a single lump-sum payment, such benefit or payment shall be the Actuarial Equivalent of the annuity that would otherwise be paid to the Participant.

If the Participant chooses the single lump-sum payment option, the Participant may request that the Actuarial Equivalent be equal to the average of the cost of two Annuity Contracts based on products available for purchase in Nebraska, if the difference between the cost of the two Annuity Contracts does not exceed 5%. The Participant and the City each shall choose one of the Annuity Contracts used for determining the Actuarial Equivalent. If the difference between the two Annuity Contracts chosen exceeds 5%, the Retirement Committee shall review the costs of the two contracts and make a recommendation to the City Council as to the amount of the lump-sum payment to be made to the Participant. The City Council shall determine the amount of the single lump-sum payment

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after a hearing thereon. The Annuity Contracts used for comparison shall all use the same type of Sex-Neutral Basis benefit calculation.”

- IV. Section 12.13(b)(2) of the Basic Plan Document is hereby deleted and replaced in its entirety with the following:

“(2) Additional Report. In addition to immediately preceding provisions of this Section 12.13, an annual report shall be prepared with respect to the defined benefit component of the Plan, if any, if said component was open to new members on January 1, 2004. Said report, if applicable, shall be filed with the Public Employees Retirement Board and the Nebraska Retirement Systems Committee of the Legislature, with a copy submitted to the Auditor of Public Accounts, in accordance with applicable Nebraska statutes. Such report shall consist of a full actuarial analysis of the Plan. The analysis shall be prepared by an independent private organization or public entity employing actuaries who are members in good standing of the American Academy of Actuaries, and which organization or entity has demonstrated expertise to perform this type of analysis and is unrelated to any organization offering investment advice or which provides investment management services to the Plan.”

- V. All provisions of the Plan shall be deemed revised to be consistent with the revisions made by this Amendment No. 2.
- VI. This Amendment No. 2 supersedes any provisions of the Plan to the extent inconsistent with the provisions of this Amendment.

This amendment is hereby executed this 17th day of February, 2015.

CITY OF LA VISTA, a Nebraska municipality

By: _____