## LEGISLATIVE # 110370

1	ORDINANCE NO. <u>110370</u>
2 3 4 5 6 7 8 9 10 11 12 13 14	An ordinance of the City of Gainesville, Florida, amending Chapter 2, Article VII of the Code of Ordinances of the City of Gainesville, relating to the City of Gainesville General Employees Pension Plan and the City of Gainesville Employees' Disability Plan; amending Sections 2-533 and 2-549 of each plan to expressly provide that the corpus and income of the plan are to be used for the exclusive benefit of the plan participants and their beneficiaries; providing directions to the codifier; providing a severability clause; providing a repealing clause; and providing a retroactive effective date.
15	WHEREAS, the Internal Revenue Service issued Revenue Ruling 2011-1, which
16	requires government pension plans to include certain exclusive benefit rule language in order for
17	the pension plans to continue to invest in group trusts and not affect the tax status of the group
18	trust invested in by the pension plans; and
19	WHEREAS, at least 10 days notice has been given of the public hearing once by
20	publication in a newspaper of general circulation notifying the public of this proposed ordinance
21	and of a public hearing in the City Commission meeting room, first floor, City Hall in the City of
22	Gainesville; and
23	WHEREAS, the public hearings were held pursuant to the published notice described at
24	which hearings the parties in interest and all others had an opportunity to be and were, in fact,
25	heard.
26	NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE
27	CITY OF GAINESVILLE, FLORIDA:
28	Section 1. Subsection (a)(1) of Section 2-533, "Amendment; termination of plan", of the
29	Code of Ordinances of the City of Gainesville, is amended to read as follows:
30	Sec. 2-533. – Amendment; termination of plan.
31	(a) Power to amend:

(1) The city commission shall have the right, at any time, to amend any or all of the	
provisions of the employees pension plan; provided, however, that no such amendment	
shall authorize or permit any part of the trust fund to be diverted for purposes other than	
for the exclusive benefit of members and their beneficiaries. it is impossible for any part	
of the corpus or income of the trust fund to be used for, or diverted to, purposes other	
than the exclusive benefit of the plan participants and their beneficiaries.	

**Section 2.** Subsection (c) of Section 2-549, "Administration", of the Code of Ordinances of the City of Gainesville, is amended to read as follows:

## Sec. 2-549. – Administration.

- (c) Future changes in plan, power to amend. It is contemplated, and all original and new members of the plan shall be deemed to have notice, that the city commission may in the future decide that it is in the best interest of the city and/or the members of the plan to modify any of the benefits or procedures contained in this division, or of the terms and conditions contained in this division-; provided, however, it is impossible for any part of the corpus or income of the trust fund to be used for, or diverted to, purposes other than the exclusive benefit of the plan participants and their beneficiaries.
- **Section 3.** It is the intention of the City Commission that the provisions of Sections 1 and 2 of this ordinance shall become and be made a part of the Code of Ordinances of the City of Gainesville, Florida, and that the sections and paragraphs of this Ordinance may be renumbered or relettered in order to accomplish such intentions.
- **Section 4.** If any word, phrase, clause, paragraph, section or provision of this ordinance or the application hereof to any person or circumstance is held invalid or unconstitutional, such finding shall not affect the other provisions or applications of the ordinance which can be given

1	effect without the invalid or unconstitutional provisions or application, and to this end the
2	provisions of this ordinance are declared severable.
3	Section 5. All ordinances or parts of ordinances, in conflict herewith are to the extent of
4	such conflict hereby repealed.
5	Section 6. This ordinance shall become effective retroactive to January 10, 2011 upon
6	final adoption.
7 8 9	<b>PASSED AND ADOPTED</b> this 17 <sup>th</sup> day of November, 2011.
10 11	CRAIG LOWE
12	MAYOR
13 14 15 16	ATTEST: Approved as to form and legality
17 18	KURT M. LANNON MARION J. RADSON
9	CLERK OF THE COMMISSION CITY ATTORNEY
20	This Ordinance passed on first reading this 3 <sup>rd</sup> day of November, 2011.
21	This Ordinance passed on second reading this 17 <sup>th</sup> day of November, 2011.
23 24	