

ORDINANCE NO. 1064

AN ORDINANCE AMENDING CHAPTER 1, ARTICLE XII, and reassigning code numbers to former ARTICLES XII AND XIII, of the Lexington Municipal Code, and providing Pensions for the Employees of the City of Lexington, excluding Policemen and Firemen; to provide for the rules, regulation, terms, benefits, administration, funding, eligibility, and providing an effective date for the pension plan; to repeal all Ordinances and Sections of said Code in conflict with this Ordinance.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEXINGTON,  
NEBRASKA:

Section 1. ARTICLE XII of CHAPTER 1, be and it is hereby amended to read as follows:

"ARTICLE XII Employees' Pensions other than Policemen or Firemen

1-1201 DEFINITIONS. As used herein, unless the context otherwise requires, the following words and phrases shall have the following meanings:

(1) Company: The term "Company" means and refers to a company approved by the City of Lexington for the purpose of administering a retirement plan.

(2) Deposit Administration Fund: The term "Deposit Administration Fund" as used herein means the sum, for all members, of the Member's Account, Employer's Account, Past Service Account and Inactive Member's Account.

(3) Earned Income: The term "Earned Income" means the sum of all amounts paid at regular intervals by the employer to the member for services performed in any one calendar year excluding amounts paid the member for reimbursible expenses.

(4) Employee: The term "Employee" means any person excluding police-  
or appointed  
men and firemen, regularly employed/by the City of Lexington, or any of its departments, who customarily work for the City of Lexington at least 30 hours each week in at least 40 weeks in each year.

(5) Employer: The term "Employer" means and refers to the City of Lexington.

(6) Employer's Contribution: The term "Employer's Contribution"

means the amount deposited monthly with the company by the employer on behalf of the member. Beginning February 1, 1966 the employer's contribution for each member shall be equal to three percent of the member's earned income which is subject to Social Security taxation in any one calendar year plus six percent of the members earned income in excess of the amount which is subject to Social Security taxation in any one calendar year.

(7) Past Service Contribution: The term "Past Service Contribution" means the amount deposited by the employer with the company for the purpose of funding past service benefits. A minimum of five-tenths of one percent of the earned income of each member will be deposited by the employer until past service benefits are fully funded.

(8) Member: The term "Member" means an employee of the City of Lexington who has complied with the requirements as to eligibility for the retirement plan, and who is making contributions to the plan.

(9) Member's Contribution: The term "Members Contribution" means the portion of the member's earned income which is withheld by the employer and deposited monthly with the company. Beginning February 1, 1966, the member's contribution shall be equal to three percent of the member's earned income which is subject to Social Security taxation in any one calendar year plus six percent of the member's earned income in excess of the amount which is subject to Social Security taxation in any one calendar year.

(10) The masculine gender shall include the feminine, and the singular shall include the plural.

1-1202 ELIGIBILITY. All full time employees of the City of Lexington or appointed employees of the City of Lexington with the exception of policemen and firemen are to be eligible to participate under the pension program. The plan so created shall be effective on February 1, 1966, and this date may be hereinafter referred to as "effective date". An employee will deem to be a full-time employee if he works at least thirty hours each week in at least forty weeks in each year. An employee to be eligible to participate in the pension plan must have completed at least two years of service for the city, must be at least twenty-five years of age but not have

reached the age of sixty-five, except for persons currently employed on the effective date.

1-1203 NORMAL RETIREMENT DATE. The normal retirement date for any employee who is participating in the plan will be the first day of the month following the attainment of age sixty-five. Employees may continue employment on a year to year basis, with the consent and approval of the City until age seventy, based on a medical examination of the employee at the employees expense. Present employees beyond the age of 70 and otherwise eligible for membership may continue their employment until December 31st, 1966.

1-1204 EARLY RETIREMENT. Any member or inactive member may retire at any time after his fifty-fifth birthday with the written consent of the employer.

1-1205 MONTHLY PENSION BENEFIT.

(1) Current Service Benefit each year will be that which the employer and the employees contribution will purchase on the basis of the employee's attained age and then existing Current Pension Premium Rates. The employer and the employee will each contribute 3 percent of the monthly earnings subject to Social Security Taxes and for the earnings which exceed the amount subject to Social Security Tax the rate of contribution for the employer and the employee will be 6 percent of excess earnings.

(2) The Past Service Benefit will be five-tenths percent of monthly earnings as of the effective date for each year of Credited Past Service. Credited Past Service shall be given to employees over 40 years of age, for employment after the first five years of employment. The maximum Credited Past Service shall not exceed ten years.

1-1206 GUARANTEED PENSION BENEFIT. Pension Benefits commence on the retirement date in accordance with the actuarial equivalent based on the retirement age and will be paid for as long as the employee lives.

1-1207 VESTING. The employee participating under the pension program will be completely vested after reaching age fifty-five provided the employee has completed ten years of service with the City of Lexington.

1-1208 CASH WITHDRAWAL BENEFIT. If an employee terminates employment

he may receive in lieu of all other benefits an amount equal to 100 percent of his contributions with compound interest at the rate of 3 percent.

1-1209 DEATH BENEFIT. If an employee dies before retirement, his beneficiary will receive an amount equal to the employee's Cash Withdrawal Benefit. If an employee dies after retirement, his beneficiary will receive the excess of the employee's Cash Withdrawal Benefit as of his retirement date over the sum of annuity payments actually paid the employee.

1-1210 EMPLOYER WITHDRAWAL CREDITS. If an employee terminates employment in good health and is not vested, the employer will be credited against premiums due an amount equal to 100 percent of all Current Service premiums paid for the employee with compound interest yearly at the rate of 3 percent less the Cash Withdrawal Benefit due the employee.

1-1211 OPTION. The plan includes options providing for (1) Early Retirement; (2) For a number of years certain and life thereafter; (3) Continuation of pension payments to a designated beneficiary after the death of the employee; all as provided by the contract with the company.

1-1212 SERVICE.

(1) Its Continuity and Computation of Length Thereof: "Service" shall include the actual total length of continuous active employment as an employee and also, but not for the computation of the number of years of past service, the period of any leave of absence, lay-off or suspension, provided the employee shall return to active service on the termination of such leave, lay-off or suspension. If, after discharge of an employee who has been or shall have been reinstated or restored to the service of the city under the provisions of the leave of absence, he shall have been deemed to have been granted a leave of absence.

(2) Any employee who, while an employee, entered into and served or shall enter into and serve in the armed forces of the United States, and who, within 90 days after honorable discharge or separation from active duty with the armed forces, again became or becomes an employee of the City of Lexington, shall be deemed to have been on a leave of absence.

(3) A person whose employment has ceased and who may have been or may be thereafter re-employed by the city, shall be deemed to have been employed

by the city only from the date of such re-employment.

(4) Length of service shall be computed by taking into consideration only full calendar months of service and for past service shall be computed only on full years of service.

1-1213 CONTINUANCE AND AMENDMENT OF THE PLAN.

(1) It is the expectation of the city that it will continue this plan and the payments of the contributions hereunder indefinitely, but the same is not assumed as a contractual obligation of the City of Lexington and the right is reserved by the city by action of the Council at any time to discontinue this plan and its contributions hereunder, and the contributions under the plan for employees of each department of the city shall be paid only from funds appropriated for, or otherwise duly available from the payment of such expenses of such department.

(2) Any amendment shall not have the effect of revesting in the City any part of the funds theretofore contributed hereunder, nor shall any amendment reduce the value of pension or other benefits theretofore accrued to any member or beneficiary by reason of contributions theretofore made. Subject to the foregoing limitations the city shall have the power to amend this plan in any manner in which it deems desirable, including, but not by way of limitation, the right to increase or diminish or modify contributions to be made by it or by members hereunder, or to increase or diminish the benefits thereafter occurring to any class of employees or beneficiaries.

1-1214 MISCELLANEOUS. The validity of any section, subsection, sentence, clause or phrase of this ordinance shall <sup>not</sup> effect the validity or enforcement of any other section, subsection, sentence, clause or phrase thereof.

1-1215 EFFECTIVE DATE OF PENSION. The effective date of this pension <sup>Plan</sup> shall be February 1, 1966. "

Section 2. That the former ARTICLES XII AND XIII be reassigned Code Numbers as follows:

"ARTICLE XVII VIOLATIONS

1-1701 VIOLATIONS -- Penalty. Penalties for the violation of any of the provisions of this chapter for which a penalty is not otherwise provided


shall be as provided in the general penalty section in CHAPTER 7."

"ARTICLE XVIII CROSS REFERENCES

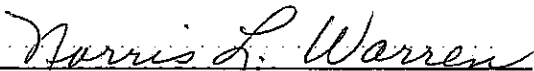
1-1801 For Sections regulating additions and subdivisions see CHAPTER 11, Zoning and Planning."

Section 3. That any existing Code or Ordinance in conflict hereto be and it is hereby repealed.

Passed and approved this 25th day of January, 1966.

  
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President of the Council

ATTEST:

  
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City Clerk

(SEAL)