Hapeville georgia

ALAN HALLMAN
MAYOR

MIKE RAST
ALDERMAN AT LARGE

BRETT REICHERT
COUNCILMAN AT LARGE

MARK ADAMS
COUNCILMAN WARD I

CHLOE ALEXANDER
COUNCILMAN WARD II

MAYOR AND COUNCIL REGULAR SESSION

Join in person at 700 Doug Davis Drive, Hapeville, GA 30354 Or, visit the City's Website for live stream at https://hapevillega.civicclerk.com/Web/Player.aspx?id=621&key=-1&mod=-1&mk=-1&nov=0

January 10, 2023 6:00 PM

AGENDA

1. **CALL TO ORDER:**
2. **ROLL CALL:**
   Alan Hallman
   Mike Rast
   Brett Reichert
   Mark Adams
   Chloe Alexander
3. **WELCOME:**
4. **PLEDGE OF ALLEGIANCE:**
5. **INVOCATION:**
6. **PRESENTATIONS:**

   6.I. Public Safety Recognition

   Background:
   2022 Officer of the Year Award- Officer Michael Walsh
   2022 Firefighter of the Year Award- Firefighter Kevin Watts
7. **PUBLIC HEARING:**
8. **QUESTIONS ON AGENDA ITEMS:**
   The public is encouraged to communicate their questions, concerns, and suggestions during Public Comments. The Council does listen to your concerns and will have Staff follow-up on any questions you raise. Any and all comments should be addressed to the Governing Body, not to the general public and delivered in a civil manner in keeping with common courtesy and decorum.
9. **CONSENT AGENDA:**

   9.I. Consideration and Action to approve the December 6th, Council Meeting minutes.

   Supporting Document(s):
   12062022 Drafted Mins.
10. **OLD BUSINESS:**

    10.I. Consideration and Action to repeal Resolution # 2022-11 and approve Resolution # 2023-1, which will amend our current Non-Residential Water Rates.

    Background:
    At the August 2, 2022, council meeting, Resolution 2022-11 was passed, amending the current Non-Residential Water Rates. That resolution specifically had Multi Dwelling Rates increasing from a flat rate of $ 10.98 to a tiered rate of $ 19.31. Since the passing of the resolution, we have received the first two drawdowns from the MOST, and reviewed our

current reduction in payments for the 2019 Series A bonds. This latest review revealed that instead of increasing the current Multi Dwelling flat rate of $ 10.98 to the tiered rate of **$ 19.31**, we can keep the Multi Dwelling flat rate and increase it to a new rate of **$ 14.98** and still cover the pass-thru increase from the City of Atlanta. This reduction in the new proposed rate from $ 19.31 to $ 14.98 will provide some relief for the older apartments in the City that don't have individual meters that can distinguish the water consumption of each individual unit. Attached is a rate chart showing the new proposed increase.

Supporting Document(s):
1. Hapeville Rate Increase Non-Residential
2. Resolution for City Water Rate for Multi Family Dwellings -LCR 12.19.22 (03217969-2xA0B3B)

11. NEW BUSINESS:

11.I. Consideration and Action to approve the Organizational Appointments Ordinance.

Background:
Attached for consideration and action is the 2023 organizational appointment Ordinance.

Supporting Document(s):
1. Ordinance - Annual Appointment of Officers

11.II. Consideration and Action for the Butterfly Parade event Route, hosted by Mainstreet Board.

Background:
The Main Street Board requests that Mayor and Council approve a change to the previously approved Butterfly Parade route. The original route was from Dogwood to King Arnold, to LaVista to North Central, and back to Dogwood. Most of the parade would take place on a state highway and require that Chick-fil-A and the adjoining shopping center be blocked for 30 to 40 minutes, prohibiting their customers from entering or leaving each property.

Main Street now requests Mayor and Council approve the following parade route, which has been discussed with and supported by our Police and Community Services Departments:

The base will be Jess Lucas Park (park and gazebo are reserved for March 25), to Atlanta Ave., to Doug Davis Dr., to Virginia Ave., to South Central, to Perkins, to College St., and back to the park. The parade route is approximately 1 ¼ miles and should take 30 – 40 minutes, depending on the number of participants.

11.III. Consideration of the proposed Marijuana Ordinance.- First Reading

Background:
At the October 18, 2022, Council meeting, Councilmember Reichert proposed that the Governing Body adopt a marijuana ordinance that reduces penalties for possession of small quantities of marijuana. The proposed ordinance states that individuals in Hapeville found possessing one ounce or less of marijuana would be cited, pay a fine, and no longer face arrest, a trial, or a misdemeanor record. Council instructed staff to bring forth a draft ordinance for review.

Supporting Document(s):
1. Drafted Marijuana Ordinance (03221613xA0B3B)

11.IV. Consideration of Ordinance for the modified City Retirement Plan – First Reading.

Background:
At the October 4, 2022, Council meeting City Staff brought forth a plan to develop an additional retirement option for full-time employees. Council approved the Staff recommendation to update City Retirement Plan. The proposed ordinance is the final phase to execute the Rule of 70 retirement agreement.

Supporting Document(s):
1. Hapeville AA Final

2. Hapeville Addendum

11.V. Consideration and Action on Financing Bank and Financing Terms Six (6) New Vehicles for Police Department.

Background:
The Police Department previously requested to purchase six (6) new vehicles (estimated cost of $295,746.00). These vehicles were previously approved in the FY2022 – 2023 budget. After recent communication with the vendor - Brannen Ford Motor Company, three (3) of the six (6) vehicles should be arriving within 30 days. These three (3) vehicles are 2022 Ford Interceptor Utility Vehicles. The remaining three (3) vehicles are 2022 Ford Ecoboost Interceptor Utility vehicles and should be arriving within 60 days.

Finance staff submitted RFPs to three (3) banks (Truist Financial Corporation, Regions Equipment Finance Corporation, and Bank OZK) to finance these vehicles from Brennen Ford Motor Company. After receiving proposals from two (2) of the three (3) banks, staff recommends Truist Financial Corporation to finance the Police department's new vehicle purchase for 60 months at 4.05%.

Supporting Document(s):
1. 1. Bank Financing - Comparison Summary
2. 2. TRUIST December 2022
3. 3. Bank Financing Terms - Regions Equipment Finance Corporation
4. 4. City of Hapeville - 2022 Ford Ecoboost Interceptor Utility Vehicles - (3) - Quote
5. 5. City of Hapeville - 2022 Ford Interceptor Utility Vehicles - (3) - Invoice
6. 6. Estimated Cost Summary - Six (6) Police Vehicles

12. CITY MANAGER REPORTS:

13. PUBLIC COMMENTS:
Members of the public wishing to speak shall sign in with the City Clerk prior to the start of the meeting. Time limitations for Registered Comments are three (3) minutes per person. The total Registered Comment session shall not last more than fifteen (15) minutes unless extended by Council. Each member of the public, who fails to sign up with the City Clerk prior to the start of the meeting, wishing to address Mayor and Council shall have a total of two (2) minutes. The entire general comment session for Unregistered Comments shall not last more than ten (10) minutes unless extended by Council.

14. MAYOR AND COUNCIL COMMENTS:

15. EXECUTIVE SESSION:
When Executive Session is Required one will be called for the following issues: 1) Litigation O.C.G.A. §50-14-2; 2) Real Estate O.C.G.A. §50-14-3(b)(1); or 3) Personnel O.C.G.A. §50-14-3(b)(2).

16. ADJOURN:
Public involvement and citizen engagement is welcome as Hapeville operates a very open, accessible and transparent government. We do however remind our attendees/residents that there are times allocated for public comments on the agenda. In order for council to conduct their necessary business at each meeting, we respectfully ask that side-bar conversations and comments be reserved for the appropriate time during the meeting. This will allow the City Council to conduct the business at hand and afford our meeting attendees ample time for comments at the appropriate time during the meeting.

ALAN HALLMAN
MAYOR

MIKE RAST
ALDERMAN AT LARGE

BRETT REICHERT
COUNCILMAN AT LARGE

MARK ADAMS
COUNCILMAN WARD I

CHLOE ALEXANDER
COUNCILMAN WARD II

MAYOR AND COUNCIL REGULAR SESSION

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December 6, 2022 6:00 PM

MINUTES

1. **CALL TO ORDER:** by Mayor Hallman at 6:03 PM.
2. **ROLL CALL:** All Members of Council were present, which constituted a quorum.
   - ✓ Alan Hallman
   - ✓ Mike Rast
   - ✓ Brett Reichert
   - ✓ Mark Adams
   - ✓ Chloe Alexander
3. **WELCOME:** Mayor Hallman welcomed all to the December 6th Meeting.
4. **PLEDGE OF ALLEGIANCE:** The pledge of allegiance was recited in unison.
5. **INVOCATION:** Given by Deacon Brent Summer
6. **PRESENTATIONS:**

   6.I. Recognition of the Hapeville Hornets 9 year old football team.

   Recreation Director Tod Nichols recognizes the Hapeville Hornets' 9-year-old football team for having a fantastic season and making it the state Champion. He stated that the coaches, players, and parents' hard work and dedication paid off. He congratulated all for a successful season.

   6.II. Pinning Ceremony for employees who have served the City for 30 or more years.

   Mayor Hallman recognized and pined Fire Chief David Bloodworth and Recreation Supervisor Roger Wayne Stephens for their 30-plus years serves to the City.

7. **PUBLIC HEARING:** None
8. **QUESTIONS ON AGENDA ITEMS:**None
9. **CONSENT AGENDA:**

   9.I. Consideration and Action to approve November 15, 2022, Council Meeting minutes.

   MOTION: Councilman Reichert made a motion to approve the consent agenda, Councilman Adams provided a second. **Motion carried 4-0.**

10. **OLD BUSINESS:** None
11. **NEW BUSINESS:**

   11.I. Consideration and Action on an Ordinance to Amend the City of Hapeville's Ward Boundaries- -Second Reading ***Ordinance 2022-11***

MOTION: Councilman Alexander made a motion to approve the Ordinance to Amend the Cit of Hapeville's Ward Boundaries, Councilman Reichert provided a second. **Motion carried 3 Yay** *(Councilman Alexander, Councilman Adams, and Alderman Rast)* **-0 Nay. Abstained** *(Councilman Reichert)*

12. CITY MANAGER REPORTS: City Manager, Tim Young spoke about the Following items:

- The completion of the property tax
- The short-term rental application is now being accepted, and the application is live on the website. All notices have been mailed out to all current short-term owners.
- The annual audit is completed, and the report should be ready before the end of December.
- Staff is reviewing the second half of the F.Y. 22-23 Budget and preparing for F.Y. Budget 23-24.
- Alcohol license renewals are presently being processed.
- January 2023 starts the L.O.S.T. percentages, and the City will receive the first payment distribution in February.
- The Art Trial M.O.U. will come before Council at the beginning of the year.

13. PUBLIC COMMENTS: None

14. MAYOR AND COUNCIL COMMENTS:
Councilman Alexander- reminded the audience of the Tree planting event that will take place on Saturday, December 10th.
Alderman Rast- stated that he is looking forward to the Employee Holiday Luncheon on Friday, December 9th. He noted that he enjoyed the employee appreciation event. Alderman Rast wished all a Happy and Safe Holiday Season.
Councilman Adams- wishes all a Happy and Safe Holiday Season.
Councilman Reichert- echoed the message from the Council. He also thanked Jamie Jones in recreation for another successful event at the park (Annual tree lighting). Councilman Reichert also congratulated Chief Bloodworth for his years of service award.
Mayor Hallman-Echoed that the Tree Lighting event was a significant success and commended City Staff on their hard work. Mayor Hallman thanked everyone for attending the meeting and being a part of your local government and wished the audience a safe and Happy Holiday Season.

15. EXECUTIVE SESSION: An Executive Session was not conducted at this meeting.

16. ADJOURN:
MOTION: Councilman Adams made a motion to adjourn at 6:25PM, Councilman Reichert provided a seconded. **Motion carried 4-0.**

Respectfully submitted,

____
Alan Hallman, Mayor

____
Sharee Steed, City Clerk

Hapeville Rate Increase for Non-Residential
$1.75 Pass-through

PROPOSED WATER INCREASE	Current Price Per Gallon	New Price Per Gallons	$ Increase in Rates
Non-Residential Rate Code			
Minimum Service	$17.56	$21.06	$ 3.50
First 2,000 gallons	$0.00878	$0.01053	$ 1.75
>2,000 gals 9,999 gals	$0.00878	$0.01053	$ 1.75
10,000 gals to 15,999 gals	$0.01098	$0.01273	$ 1.75
16,000 gals and Over	$0.01756	$0.01931	$ 1.75
Multi-Dwelling, Flat Rate	$0.01098	$0.01498	$ 4.00

STATE OF GEORGIA
CITY OF HAPEVILLE

RESOLUTION 2023-01

A RESOLUTION AMENDING THE WATER RATES OF NON-RESIDENTIAL COMMERCIAL USERS AND INCREASING THE FLAT RATE FOR MULTI-DWELLINGS IN THE CITY OF HAPEVILLE, GEORGIA. TO PROVIDE FOR AN EFFECTIVE DATE; TO REPEAL CONFLICTING RESOLUTIONS; TO PROVIDE FOR SEVERABILITY; AND OTHER PURPOSES

WHEREAS, the Mayor and Council of the City of Hapeville shall annually establish by resolution a rate at which water is sold by the City of Hapeville to its users; and,

WHEREAS, pursuant to a contract with the City of Atlanta, the City of Hapeville purchases and receives the water it provides to its users as a wholesale water customer of the City of Atlanta; and,

WHEREAS, the City of Atlanta has provided notice to the City of Hapeville that as of March 1, 2023, the rate at which it will charge the City of Hapeville for water will increase a $ 1.75 per thousand gallons; and,

WHEREAS, the City of Hapeville seeks to offset the increase in operational cost of the water system by increasing the water service rates for Non-Residential Commercial users in the City of Hapeville as set forth in Exhibit A to this Resolution; and,

WHEREAS, the City of Hapeville will be increasing the current Multi-Dwelling flat rate of $ 10.98 to $ 14.98; and,

NOW, THEREFORE, THE MAYOR AND COUNCIL of the City of Hapeville, HEREBY RESOLVES that this Resolution be adopted to amend the rate at which water is sold by the City of Hapeville to its Non-Residential users, and increase the current Multi-Dwelling flat rate of $ 10.98 to $ 14.98; and,

BE IT FURTHER RESOLVED that said amendment to the water rate for Non-Residential Commercial and billing rate for Multi-Dwellings shall become effective as of March 1, 2023.

As of the effective date of this Resolution, all City Resolutions are hereby repealed to the extent that they are inconsistent with this Resolution.

To the extent that any portion of this Resolution is declared to be invalid, unenforceable, or nonbinding, that shall not affect the remaining portions of this Resolution.

The City of Hapeville and Council of the City of Hapeville hereby authorize the City Clerk to attest the signature of any City official appearing on documents necessary to carry out this Resolution, to affix the official seal of the City thereto, as necessary, and to place this Resolution and any related documents in the official records of the City for future reference.

IN WITNESS WHEREOF, this Resolution has been duly adopted by the Mayor and Council of the City of Hapeville, Georgia on January 10, 2023.

By:	Attest:
________________________	________________________
Alan Hallman, Mayor	Sharee Steed, City Clerk

Approved as to form:

____

City Attorney

{Doc: 03217969.DOCX}

STATE OF GEORGIA

CITY OF HAPEVILLE

ORDINANCE NO. 2023-01

AN ORDINANCE FOR THE APPOINTMENT OF OFFICERS OF THE CITY OF HAPEVILLE PURSUANT TO PART I ("CHARTER AND RELATED LAWS"), SUBPART A ("CHARTER"), ARTICLE II ("THE MAYOR AND COUNCIL"), CHAPTER 4 ("ORGANIZATION AND PROCEDURE"), SECTION 2-401 ("ANNUAL ORGANIZATIONAL MEETING") AND ARTICLE IV ("ORGANIZATION AND ADMINISTRATION"), CHAPTER 2 ("CITY OFFICERS") OF THE CITY CHARTER; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE AN EFFECTIVE DATE; AND TO PROVIDE FOR OTHER LAWFUL PURPOSES.

WHEREAS, the Mayor and Council shall have full power and authority to provide for the execution of all powers, functions, rights, privileges, duties and immunities of the city, its officers, agencies, or employees granted by the City of Hapeville's Charter or by state law; and,

WHEREAS, the municipal government of the City of Hapeville (hereinafter "City") and all powers of the City shall be vested in the Mayor and Council. The Mayor and Council shall be the legislative body of the City; and,

WHEREAS, every official act of the Mayor and Council which is to become law shall be by ordinance;

WHEREAS, the Mayor and Council has the right to establish, abolish, merge, or consolidate officers, positions of employment, departments and agencies of the City that are necessary and proper for the administration of the affairs and government of the City; and

WHEREAS, the Mayor and Council nominate and appoint the following persons for the following officers for the 2022 Calendar Year in accordance with the City Charter.

BE IT, AND IT IS HEREBY ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF HAPEVILLE, GEORGIA THAT:

Section One. **Appointments of Office**. The Mayor and City Council make the following appointments for the 2022 Calendar Year:

OFFICE	NAME
City Attorney	Andrew J. Welch, III, Lajuana C. Ransaw, Averiel D. Jackson, and the attorneys at Smith, Welch, Webb & White, LLC
City Clerk	Sharee Steed
City Solicitors	Kim Cornwell
Public Defender	C. Wesley Meadows
City's Legal Organ	Fulton Daily Report, South Fulton Neighbor Newspaper
Official Publication	Fulton Daily Report, South Fulton Neighbor Newspaper

Section Two. Codification and Certify. This Ordinance adopted hereby shall be codified and certified in a manner consistent with the laws of the State of Georgia and the City.

Section Three. Severability.

(a) It is hereby declared to be the intention of the Mayor and Council that all sections, paragraphs, sentences, clauses and phrases of this Ordinance are or were, upon their enactment, believed by the Mayor and Council to be fully valid, enforceable and constitutional.

(b) It is hereby declared to be the intention of the Mayor and Council that, to the greatest extent allowed by law, each and every section, paragraph, sentence, clause or phrase of this Ordinance is severable from every other section, paragraph, sentence, clause or phrase of this Ordinance. It is hereby further declared to be the intention of the Mayor and Council that, to the greatest extent allowed by law, no section, paragraph, sentence, clause or phrase of this Ordinance is mutually dependent upon any other section, paragraph, sentence, clause or phrase of this Ordinance.

(c) In the event that any phrase, clause, sentence, paragraph or section of this Ordinance shall, for any reason whatsoever, be declared invalid, unconstitutional or otherwise unenforceable by the valid judgment or decree of any court of competent jurisdiction, it is the express intent of the Mayor and Council that such invalidity, unconstitutionality or unenforceability shall, to the greatest extent allowed by law, not render invalid, unconstitutional or otherwise unenforceable any of the remaining phrases, clauses, sentences, paragraphs or sections of the Ordinance and that, to the greatest extent allowed by law, all remaining phrases, clauses, sentences, paragraphs and sections of the Ordinance shall remain valid, constitutional, enforceable, and of full force and effect.

Section Four. Repeal of Conflicting Ordinances. All ordinances and parts of ordinances in conflict herewith are hereby expressly repealed.

Section Five. Effective Date. The effective date of this Ordinance shall be the date of adoption unless otherwise stated herein.

ORDAINED this 10th day of January, 2023.

CITY OF HAPEVILLE, GEORGIA

____

Alan Hallman, Mayor

ATTEST:

____

City Clerk

APPROVED BY:

____
City Attorney

STATE OF GEORGIA
CITY OF HAPEVILLE

ORDINANCE NO. ________________

AN ORDINANCE TO AMEND CHAPTER 26 ("OFFENSES AND MISCELLANEOUS PROVISIONS"), ARTICLE 2 ("PERSONAL CONDUCT"), SECTION 26-2-26 ("POSSESSION OF MARIJUANA"), OF THE CODE OF ORDINANCES, CITY OF HAPEVILLE, GEORGIA; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE AN EFFECTIVE DATE; AND TO PROVIDE FOR OTHER LAWFUL PURPOSES.

WHEREAS, the Mayor and Council shall have full power and authority to provide for the execution of all powers, functions, rights, privileges, duties and immunities of the city, its officers, agencies, or employees granted by the City of Hapeville's Charter or by state law; and,

WHEREAS, the municipal government of the City of Hapeville (hereinafter "City") and all powers of the City shall be vested in the Mayor and Council. The Mayor and Council shall be the legislative body of the City; and,

WHEREAS, existing ordinances, resolutions, rules, and regulations of the City and its agencies now lawfully in effect not inconsistent with the provisions of the City's Charter shall remain effective until they have been repealed, modified, or amended; and,

WHEREAS, every official act of the Mayor and Council which is to become law shall be by ordinance; and,

WHEREAS, the procedures required for amending the City's marijuana ordinance has been satisfied pursuant to Section 1-1-6(b) and (c) of the City's Code of Ordinances; and,

WHEREAS, the governing authority of the City finds it desirable to amend the ordinance and regulations regarding possession of marijuana within the corporate limits of the City.

BE IT, AND IT IS HEREBY ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF HAPEVILLE, GEORGIA THAT:

<u>Section One</u>. Chapter 26 ("Offenses and Miscellaneous Provisions"), Article 2 ("Personal Conduct"), Section 26-2-26 ("Possession of Marijuana"), of the City Code of Ordinances is hereby stricken in its entirety and replaced with the following language:

(a) It shall be unlawful for any person to possess one ounce or less of marijuana within the corporate limits of the city.
(b) Any person found in violation of this code section shall be punished by a fine of seventy-five dollars ($75.00), but shall not face arrest nor imprisonment for any period of time.
(c) Any person charged with possession of one ounce or less of marijuana under this code section shall be entitled, upon request, to have their case transferred to the court within the county having general misdemeanor jurisdiction over the alleged offense.

<u>Section Two</u>. <u>Codification and Certify.</u> This Ordinance adopted hereby shall be codified and certified in a manner consistent with the laws of the State of Georgia and the City.

Section Three. **Severability.**

(a) It is hereby declared to be the intention of the Mayor and Council that all sections, paragraphs, sentences, clauses and phrases of this Ordinance are or were, upon their enactment, believed by the Mayor and Council to be fully valid, enforceable and constitutional.

(b) It is hereby declared to be the intention of the Mayor and Council that, to the greatest extent allowed by law, each and every section, paragraph, sentence, clause or phrase of this Ordinance is severable from every other section, paragraph, sentence, clause, or phrase of this Ordinance. It is hereby further declared to be the intention of the Mayor and Council that, to the greatest extent allowed by law, no section, paragraph, sentence, clause, or phrase of this Ordinance is mutually dependent upon any other section, paragraph, sentence, clause, or phrase of this Ordinance.

(c) In the event that any phrase, clause, sentence, paragraph, or section of this Ordinance shall, for any reason whatsoever, be declared invalid, unconstitutional or otherwise unenforceable by the valid judgment or decree of any court of competent jurisdiction, it is the express intent of the Mayor and Council that such invalidity, unconstitutionality, or unenforceability shall, to the greatest extent allowed by law, not render invalid, unconstitutional, or otherwise unenforceable any of the remaining phrases, clauses, sentences, paragraphs, or sections of the Ordinance and that, to the greatest extent allowed by law, all remaining phrases, clauses, sentences, paragraphs, and sections of the Ordinance shall remain valid, constitutional, enforceable, and of full force and effect.

Section Four. **Repeal of Conflicting Ordinances.** All ordinances and parts of ordinances in conflict herewith are hereby expressly repealed.

Section Four **Effective Date.** The effective date of this Ordinance shall be the date of adoption unless otherwise stated herein.

ORDAINED this _______ day of __________________, 2023.

CITY OF HAPEVILLE, GEORGIA

____

Alan Hallman, Mayor

ATTEST:

____

City Clerk

APPROVED BY:

____

{Doc: 03221613.DOCX}

93 City Attorney

GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM

DEFINED BENEFIT RETIREMENT PLAN

AN ORDINANCE
and
ADOPTION AGREEMENT
for

City of Hapeville

Form Volume Submitter Adoption Agreement
Amended and Restated as of January 1, 2013
(With Amendments Taking Effect on or Before January 1, 2017)

TABLE OF CONTENTS

PAGE

I. AN ORDINANCE

An Ordinance to amend and restate the Retirement Plan for the Employees of the City of Hapeville, Georgia in accordance with and subject to the terms and conditions set forth in the attached Adoption Agreement, any Addendum to the Adoption Agreement, the Georgia Municipal Employees Benefit System (GMEBS) Master Plan Document, and the GMEBS Trust Agreement. When accepted by the authorized officers of the City and GMEBS, the foregoing shall constitute a Contract between the City and GMEBS, all as authorized and provided by O.C.G.A. § 47-5-1 et seq.

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

Section 1. The Retirement Plan for the Employees of the City of Hapeville, Georgia is hereby amended and restated as set forth in and subject to the terms and conditions stated in the following Adoption Agreement, any Addendum to the Adoption Agreement, the Georgia Municipal Employees Benefit System (GMEBS) Master Plan Document, and the GMEBS Trust Agreement.

Ordinance continued on page 38

II. GMEBS DEFINED BENEFIT RETIREMENT PLAN ADOPTION AGREEMENT

1. ADMINISTRATOR

Georgia Municipal Employees Benefit System
201 Pryor Street, SW
Atlanta, Georgia 30303
Telephone: 404-688-0472
Facsimile: 404-577-6663

2. ADOPTING EMPLOYER

Name: **City of Hapeville**

3. GOVERNING AUTHORITY

Name: **Mayor and Council of the City of Hapeville**
Address: **3468 N. Fulton Ave., Hapeville, Georgia 30354**
Phone: **404-669-2100**
Facsimile: **404-669-3113**

4. PLAN REPRESENTATIVE

[To represent Governing Authority in all communications with GMEBS and Employees]
(See Section 2.49 of Master Plan)

Name: **City Manager**
Address: **3468 N. Fulton Ave., Hapeville, Georgia 30354**
Phone: **404-669-2100**
Facsimile: **404-669-3113**

5. PENSION COMMITTEE

[Please designate members by position. If not, members of Pension Committee shall be determined in accordance with Article XIV of Master Plan]

Position:
Position:
Position:
Position:
Position:

Pension Committee Secretary: **Human Resource Manager**
Address: **3468 N. Fulton Ave., Hapeville, Georgia 30354**
Phone: **404-669-2100**
Facsimile: **404-669-3113**

6. TYPE OF ADOPTION

This Adoption Agreement is for the following purpose (**check one**):

☐ This is a new defined benefit plan adopted by the Adopting Employer for its Employees. This plan does not replace or restate an existing defined benefit plan.

☐ This is an amendment and restatement of the Adopting Employer's preexisting non-GMEBS defined benefit plan.

☒ This is an amendment and restatement of the Adoption Agreement previously adopted by the Employer, as follows **(check one or more as applicable):**

- ☒ To update the Plan to comply with PPA, HEART, WRERA, and other applicable federal laws and guidance.

- ☒ To make the following amendments to the Adoption Agreement **(must specify below revisions made in this Adoption Agreement; all provisions must be completed in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: <u>**This is an amendment to 1) Establish a Rule of 70 with a minimum age of 55 for all Participants who are in Service with the City on or after February 8, 2023 (see Adoption Agreement, p. 18); 2) Provide that certified public safety employee Participants who are initially employed or reemployed on or after February 8, 2023, may only include a maximum of 30 years of Total Credited Service in the calculation of benefits under the Plan (see Adoption Agreement, p. 21); 3) Establish a 3 percent flat benefit formula for certified public safety employee Participants in Service on or after February 8, 2023, provided that certified public safety employee Participants who were initially employed prior to February 8, 2023, are not in Service on February 8, 2023, and return to Service after February 8, 2023, will have their benefits for**</u>

Service prior to February 8, 2023, calculated using the applicable benefit formula in place as of their last Termination Date prior to February 8, 2023, and their benefits for Service on or after February 8, 2023, calculated using the 3 percent flat formula (see Adoption Agreement, pp. 22-23); and 4) Provide for 10-Year Cliff Vesting for certified public safety employee Participants who are initially employed on or after February 8, 2023 (see Adoption Agreement, p. 30).

7. EFFECTIVE DATE

NOTE: This Adoption Agreement and any Addendum, with the accompanying Master Plan Document, is designed to comply with Internal Revenue Code Section 401(a), as applicable to a governmental qualified defined benefit plan, and is part of the GMEBS Defined Benefit Retirement Plan. Plan provisions designed to comply with certain provisions of the Pension Protection Act of 2006 ("PPA"); the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART"); and the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA"); and Plan provisions designed to comply with certain provisions of additional changes in federal law and guidance from the Internal Revenue Service under Internal Revenue Service Notice 2012-76 (the 2012 Cumulative List) are effective as of the applicable effective dates set forth in the Adoption Agreement and Master Plan Document. By adopting this Adoption Agreement, with its accompanying Master Plan Document, the Adopting Employer is adopting a plan document intended to comply with Internal Revenue Code Section 401(a), as updated by PPA, HEART, WRERA, and the 2012 Cumulative List with the applicable effective dates.

(1) Complete this item (1) only if this is a new defined benefit plan which does not replace or restate an existing defined benefit plan.

The effective date of this Plan is _____.
(insert effective date of this Adoption Agreement not earlier than January 1, 2013).

(2) Complete this item (2) only if this Plan is being adopted to replace a non-GMEBS defined benefit plan.

Except as otherwise specifically provided in the Master Document or in this Adoption Agreement, the effective date of this restatement shall be ______________ **(insert effective date of this Adoption Agreement not earlier than January 1, 2013)**. This Plan is intended to replace and serve as an amendment and restatement of the Employer's preexisting plan, which became effective on _____________ **(insert original effective date of preexisting plan)**.

(3) Complete this item (3) only if this is an amendment and complete restatement of the Adopting Employer's existing GMEBS defined benefit plan.

Except as otherwise specifically provided in the Master Document or in this Adoption Agreement, the effective date of this restatement shall be **February 8, 2023** **(insert effective date of this Adoption Agreement not earlier than January 1, 2013)**.

This Plan is adopted as an amendment and restatement of the Employer's preexisting GMEBS Adoption Agreement, which became effective on **June 2, 2020** **(insert effective date of most recent Adoption Agreement preceding this Adoption Agreement)**.

The Employer's first Adoption Agreement became effective **June 2, 2020** **(insert effective date of Employer's first GMEBS Adoption Agreement)**. The Employer's GMEBS Plan was originally effective **June 2, 2020** **(insert effective date of Employer's original GMEBS Plan)**. (If the Employer's Plan was originally a non-GMEBS Plan, then the Employer's non-GMEBS Plan was originally effective **March 1, 1976** **(if applicable, insert effective date of Employer's original non-GMEBS Plan)**.)

8. PLAN YEAR

Plan Year means **(check one):**

☒ Calendar Year
☐ Employer Fiscal Year commencing ______________________________.
☐ Other **(must specify month and day commencing)**: ______________________.

9. CLASSES OF ELIGIBLE EMPLOYEES

Only Employees of the Adopting Employer who meet the Master Plan's definition of "Employee" may be covered under the Adoption Agreement. Eligible Employees shall not include non-governmental employees, independent contractors, leased employees, nonresident aliens, or any other ineligible individuals, and this Section 9 must not be completed in a manner that violates the "exclusive benefit rule" of Internal Revenue Code Section 401(a)(2).

A. Eligible Regular Employees

Regular Employees include Employees, other than elected or appointed members of the Governing Authority or Municipal Legal Officers, who are regularly employed in the services of the Adopting Employer. Subject to the other conditions of the Master Plan and the Adoption Agreement, the following Regular Employees are eligible to participate in the Plan **(check one)**:

☐ **ALL** - All Regular Employees, provided they satisfy the minimum hour and other requirements specified under "Eligibility Conditions" below.

☒ **ALL REGULAR EMPLOYEES EXCEPT** for the following employees **(must specify; specific positions are permissible; specific individuals may not be named)**: **The City Manager is excluded from participation in the Plan**.

B. Elected or Appointed Members of the Governing Authority

An Adopting Employer may elect to permit participation in the Plan by elected or appointed members of the Governing Authority and/or Municipal Legal Officers, provided they otherwise meet the Master Plan's definition of "Employee" and provided they satisfy any other requirements specified by the Adopting Employer. Municipal Legal Officers to be covered must be specifically identified by position. Subject to the above conditions, the Employer hereby elects the following treatment for elected and appointed officials:

(1) **<u>Elected or Appointed Members of the Governing Authority (check one)</u>**:

☒ **ARE NOT** eligible to participate in the Plan.

☐ **ARE** eligible to participate in the Plan.

Please specify any limitations on eligibility to participate here (e.g., service on or after certain date, or special waiting period provision): ____.

(2) **<u>Municipal Legal Officers (check one)</u>**:

☒ **ARE NOT** eligible to participate in the Plan.

☐ **ARE** eligible to participate in the Plan. The term "Municipal Legal Officer" shall include only the following positions **(must specify - specific positions are permissible; specific individuals may not be named**): **____.**

Please specify any limitations on eligibility to participate here (e.g., service on or after certain date) **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

10. ELIGIBILITY CONDITIONS

A. <u>Hours Per Week (Regular Employees)</u>

The Adopting Employer may specify a minimum number of work hours per week which are required to be scheduled by Regular Employees in order for them to become and remain "Eligible Regular Employees" under the Plan. **It is the responsibility of the Adopting Employer to determine whether these requirements are and continue to be satisfied**. The Employer hereby elects the following minimum hour requirement for Regular Employees:

☐ No minimum
☐ 20 hours/week (regularly scheduled)
☐ 30 hours/week (regularly scheduled)
☒ Other: **<u>40 hours/week (regularly scheduled)</u>** (must not exceed 40 hours/week regularly scheduled)

<u>Exceptions</u>: If a different minimum hour requirement applies to a particular class or classes of Regular Employees, please specify below the classes to whom the different requirement applies and indicate the minimum hour requirement applicable to them.

Class(es) of Regular Employees to whom exception applies **(must specify - specific positions are permissible; specific individuals may not be named):** ______________________________.

Minimum hour requirement applicable to excepted Regular Employees:

☐ No minimum
☐ 20 hours/week (regularly scheduled)

☐ 30 hours/week (regularly scheduled)
☐ Other: _________________ (must not exceed 40 hours/week regularly scheduled)

B. Months Per Year (Regular Employees)

The Adopting Employer may specify a minimum number of work months per year which are required to be scheduled by Regular Employees in order for them to become and remain "Eligible Employees" under the Plan. **It is the responsibility of the Adopting Employer to determine whether these requirements are and continue to be satisfied**. The Employer hereby elects the following minimum requirement for Regular Employees:

☐ No minimum
☒ At least **5** months per year (regularly scheduled)

Exceptions: If different months per year requirements apply to a particular class or classes of Regular Employees, the Employer must specify below the classes to whom the different requirements apply and indicate below the requirements applicable to them.

Regular Employees to whom exception applies **(must specify - specific positions are permissible; specific individuals may not be named)**: _______________________________.

The months to year requirement for excepted class(es) are:

☐ No minimum
☐ At least ____ months per year (regularly scheduled)

11. WAITING PERIOD

Except as otherwise provided in Section 4.02(b) of the Master Plan, Eligible Regular Employees shall not have a waiting period before participating in the Plan. Likewise, elected or appointed members of the Governing Authority and Municipal Legal Officers, if eligible to participate in the Plan, shall not have a waiting period before participating in the Plan.

12. ESTABLISHING PARTICIPATION IN THE PLAN

Participation in the Plan is considered mandatory for all Eligible Employees who satisfy the eligibility conditions specified in the Adoption Agreement, except as provided in Section 4.03(e) of the Master Plan. However, the Employer may specify below that participation is optional for certain classes of Eligible Employees, including Regular Employees, elected or appointed members of the Governing Authority, Municipal Legal Officers, City Managers, and/or Department Heads. If participation is optional for an Eligible Employee, then in order to become a Participant, he must make a written election to participate within 120 days after employment, election or appointment to office, or if later, the date he first becomes eligible to participate in the Plan. The election is irrevocable, and the failure to make the election within the 120 day time limit shall be deemed an irrevocable election not to participate in the Plan.

Classes for whom participation is optional **(check one)**:

☒ None (Participation is mandatory for all Eligible Employees except as provided in Section 4.03(e) of the Master Plan).

☐ Participation is optional for the following Eligible Employees **(must specify - specific positions are permissible; specific individuals may not be named; all positions or classes specified must be Eligible Employees)**: __________________.

13. CREDITED SERVICE

In addition to Current Credited Service the Adopting Employer may include as Credited Service the following types of service:

A. <u>Credited Past Service with Adopting Employer</u>

Credited Past Service means the number of years and complete months of Service with the Adopting Employer prior to the date an Eligible Employee becomes a Participant which are treated as credited service under the Plan.

(1) Eligible Employees Employed on Original Effective Date of GMEBS Plan. With respect to Eligible Employees who are employed by the Adopting Employer on the original Effective Date of the Employer's GMEBS Plan, Service with the Adopting Employer prior to the date the Eligible Employee becomes a Participant (including any Service prior to the Effective Date of the Plan) shall be treated as follows **(check one)**:

☒ All Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service).

☐ All Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service), except for Service rendered prior to ______________________________ **(insert date)**.

☐ All Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service), except as follows **(must specify other limitation in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: _______.

☐ No Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service).

(2) Previously Employed, Returning to Service after Original Effective Date. If an Eligible Employee is not employed on the original Effective Date of the Employer's GMEBS Plan, but he returns to Service with the Adopting Employer sometime after the Effective Date, his Service prior to the date he becomes a Participant (including any Service prior the Effective Date) shall be treated as follows **(check one)**:

☒ All Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service), subject to any limitations imposed above with respect to Eligible Employees employed on the Effective Date.

☐ All Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service), provided that after his return to employment, the Eligible Employee performs Service equal to the period of the break in Service or one (1) year, whichever is less. Any limitations imposed above with respect to Eligible Employees employed on the Effective Date shall also apply.

☐ No Service prior to the date the Eligible Employee becomes a Participant shall be credited (as Credited Past Service).

Other limitation(s) on Recognition of Credited Past Service **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: **Any Class 2 or Class 4 Employee who did not elect to become a Participant as of the date he or she first qualified to do so became a Participant on March 1, 1994, but the Credited Past Service of such Participant shall not include the period of Service from the date he or she first qualified to become a Participant to the date he or she becomes a Participant, or any creditable Past Service due him or her on the date he or she was first qualified to become a Participant under the Plan**.

(3) Eligible Employees Initially Employed After Effective Date. If an Eligible Employee's initial employment date is after the original Effective Date of the Employer's GMEBS Plan, his Credited Past Service shall include only the number of years and complete months of Service from his initial employment date to the date he becomes a Participant in the Plan.

(4) Newly Eligible Classes of Employees. If a previously ineligible class of Employees becomes eligible to participate in the Plan, the Employer must specify in an addendum to this Adoption Agreement whether and to what extent said Employees' prior service with the Employer shall be treated as Credited Past Service under the Plan.

B. Prior Military Service

Note: This Section does not concern military service required to be credited under USERRA – See Section 3.02 of the Master Plan for rules on the crediting of USERRA Military Service.

(1) Credit for Prior Military Service.

The Adopting Employer may elect to treat military service rendered prior to a Participant's initial employment date or reemployment date as Credited Service under the Plan. Unless otherwise specified by the Employer under "Other Conditions" below, the term "Military Service" shall be as defined in the Master Plan. Except as otherwise required by federal or state law or under "Other Conditions" below, Military Service shall not include service which is credited under any other local, state, or federal retirement or pension plan.

Military Service credited under this Section shall not include any service which is otherwise required to be credited under the Plan by federal or state law. Prior Military Service shall be treated as follows **(check one)**:

☐ Prior Military Service is **not** creditable under the Plan **(if checked, skip to Section 13.C. – Prior Governmental Service)**.

☒ Prior Military Service shall be counted as Credited Service for the following purposes (check one or more as applicable):

- ☒ Computing amount of benefits payable.
- ☐ Meeting minimum service requirements for vesting.
- ☐ Meeting minimum service requirements for benefit eligibility.

(2) Maximum Credit for Prior Military Service.

Credit for Prior Military Service shall be limited to a maximum of **5** years **(insert number)**.

(3) Rate of Accrual for Prior Military Service.

Credit for Prior Military Service shall accrue at the following rate **(check one)**:

☐ One month of military service credit for every _______ month(s) **(insert number)** of Credited Service with the Adopting Employer.

☒ One year of military service credit for every **1** year(s**) (insert number)** of Credited Service with the Adopting Employer.

☐ All military service shall be creditable (subject to any caps imposed above) after the Participant has completed _______ years **(insert number)** of Credited Service with the Employer.

☐ Other requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: _______.

(4) Payment for Prior Military Service Credit (check one):

☒ Participants shall **not** be required to pay for military service credit.

☐ Participants shall be required to pay for military service credit as follows:

- ☐ The Participant must pay ____% of the actuarial cost of the service credit (as defined below).
- ☐ The Participant must pay an amount equal to **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ________________________.

Other Conditions for Award of Prior Military Service Credit **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: **To receive Military Service credit hereunder, the Participant must provide the Pension**

<u>Committee with documentation that the Committee deems sufficient to establish the Participant's entitlement to such credit, including but not limited to a copy of the Participant's DD-214</u>.

(5) Limitations on Service Credit Purchases. Unless otherwise specified in an Addendum to the Adoption Agreement, for purposes of this Section and Section 13.C. concerning prior governmental service credit, the term "actuarial cost of service credit" is defined as set forth in the Service Credit Purchase Addendum. In the case of a service credit purchase, the Participant shall be required to comply with any rules and regulations established by the GMEBS Board of Trustees concerning said purchases.

C. <u>Prior Governmental Service</u>

<u>Note</u>: A Participant's prior service with other GMEBS employers shall be credited for purposes of satisfying the minimum service requirements for Vesting and eligibility for Retirement and pre-retirement death benefits as provided under Section 9.05 of the Master Plan, relating to portability service. This Section 13(C) does not need to be completed in order for Participants to receive this portability service credit pursuant to Section 9.05 of the Master Plan.

(1) Credit for Prior Governmental Service.

The Adopting Employer may elect to treat governmental service rendered prior to a Participant's initial employment date or reemployment date as creditable service under the Plan. Subject to any limitations imposed by law, the term "prior governmental service" shall be as defined by the Adopting Employer below. The Employer elects to treat prior governmental service as follows **(check one)**:

☒ Prior governmental service is **not** creditable under the Plan **(if checked, skip to Section 13.D. – Unused Sick/Vacation Leave)**.

☐ Prior governmental service shall be counted as Credited Service for the following purposes under the Plan **(check one or more as applicable)**:

- ☐ Computing amount of benefits payable.
- ☐ Meeting minimum service requirements for vesting.
- ☐ Meeting minimum service requirements for benefit eligibility.

(2) Definition of Prior Governmental Service.

Prior governmental service shall be defined as follows: **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: __________.

Unless otherwise specified above, prior governmental service shall include only full-time service (minimum hour requirement same as that applicable to Eligible Regular Employees).

(3) Maximum Credit for Prior Governmental Service.

Credit for prior governmental service shall be limited to a maximum of ________ years **(insert number)**.

(4) Rate of Accrual for Prior Governmental Service Credit.

Credit for prior governmental service shall accrue at the following rate **(check one)**:

☐ One month of prior governmental service credit for every _____ month(s) **(insert number)** of Credited Service with the Adopting Employer.

☐ One year of prior governmental service credit for every _____ year(s) **(insert number)** of Credited Service with the Adopting Employer.

☐ All prior governmental service shall be creditable (subject to any caps imposed above) after the Participant has completed _____ years **(insert number)** of Credited Service with the Adopting Employer.

☐ Other requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: _______.

(5) Payment for Prior Governmental Service Credit.

☐ Participants shall **not** be required to pay for governmental service credit.

☐ Participants shall be required to pay for governmental service credit as follows:

- ☐ The Participant must pay ____% of the actuarial cost of the service credit.
- ☐ The Participant must pay an amount equal to **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ________________________.

Other Conditions for Award of Prior Governmental Service Credit **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

D. <u>Leave Conversion for Unused Paid Time Off (e.g., Sick, Vacation, or Personal Leave)</u>

(1) Credit for Unused Paid Time Off.

Subject to the limitations in Section 3.01 of the Master Plan, an Adopting Employer may elect to treat accumulated days of unused paid time off for a terminated Participant, for which the Participant is not paid, as Credited Service. The only type of leave permitted to be credited under this provision is leave from a paid time off plan which qualifies as a bona fide sick and vacation leave plan (which may include sick, vacation or personal leave) and which the Participant may take as paid leave without regard to whether the leave is due to illness or incapacity. The Credited Service resulting from the conversion of unused paid time off must not be the only Credited Service applied toward the accrual of a normal retirement benefit under the Plan. The Pension Committee shall be responsible to certify to GMEBS the total amount of unused paid time off that is creditable hereunder.

Important Note: Leave cannot be converted to Credited Service in lieu of receiving a cash payment. If the Employer elects treating unused paid time off as Credited Service, the conversion to Credited Service will be automatic, and the Participant cannot request a cash payment for the unused paid time off.

The Employer elects the following treatment of unused paid time off:

☐ Unused paid time off shall **not** be treated as Credited Service **(if checked, skip to Section 14 – Retirement Eligibility)**.

☒ The following types of unused paid time off for which the Participant is not paid shall be treated as Credited Service under the Plan **(check one or more as applicable)**:

☒ Unused sick leave
☐ Unused vacation leave
☐ Unused personal leave
☐ Other paid time off **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

(2) Minimum Service Requirement.

In order to receive credit for unused paid time off, a Participant must meet the following requirement at termination **(check one)**:

☒ The Participant must be 100% vested in a normal retirement benefit.
☐ The Participant must have at least _______ years **(insert number)** of Total Credited Service (not including leave otherwise creditable under this Section).
☐ Other **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: _______.

(3) Use of Unused Paid Time Off Credit. Unused paid time off for which the Participant is not paid shall count as Credited Service for the following purposes under the Plan **(check one or more as applicable)**:

☒ Computing amount of benefits payable.
☐ Meeting minimum service requirements for vesting.
☐ Meeting minimum service requirements for benefit eligibility.

(4) Maximum Credit for Unused Paid Time Off.

Credit for unused paid time off for which the Participant is not paid shall be limited to a maximum of ____ months **(insert number)**.

(5) Computation of Unused Paid Time Off.

Unless otherwise specified by the Adopting Employer under "Other Conditions" below, each twenty (20) days of creditable unused paid time off shall constitute one (1) complete month of Credited Service under the Plan. Partial months shall not be credited.

(6) Other Conditions (please specify, subject to limitations in Section 3.01 of Master Plan; must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i)): <u>Notwithstanding any provision to the contrary, for Participants employed prior to January 3, 1990, unused sick leave creditable hereunder shall also be counted for purposes of meeting the minimum Service requirements for Vesting and benefit eligibility.</u>

14. RETIREMENT ELIGIBILITY

A. <u>Early Retirement Qualifications</u>

Early retirement qualifications are **(check one or more as applicable)**:

☒ Attainment of age <u>**55**</u> **(insert number)**

☒ Completion of <u>**10**</u> years **(insert number)** of Total Credited Service

<u>**Exceptions**</u>: If different early retirement eligibility requirements apply to a particular class or classes of Eligible Employees, the Employer must specify below the classes to whom the different requirements apply and indicate below the requirements applicable to them.

Eligible Employees to whom exception applies **(must specify - specific positions are permissible; specific individuals may not be named)**: <u>**Eligible Regular Employees employed on October 4, 2005, provided they are not Terminated and reemployed after such date**</u>.

Early retirement qualifications for excepted class(es) are **(check one or more as applicable)**:

☒ Attainment of age <u>**50**</u> **(insert number)**

☒ Completion of <u>**10**</u> years **(insert number)** of Total Credited Service

B. <u>Normal Retirement Qualifications</u>

<u>**Note**</u>**: Please complete this Section and also list "Alternative" Normal Retirement Qualifications, if any, in Section 14.C**.

(1) Regular Employees

Normal retirement qualifications for Regular Employees are **(check one or more as applicable)**:

☒ Attainment of age **65** **(insert number)**

☒ Completion of **5** years **(insert number)** of Total Credited Service

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if Participant meets minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____________________.

Exceptions: If different normal retirement qualifications apply to a particular class or classes of Regular Employees, the Employer must specify below the classes to whom the different requirements apply and indicate below the requirements applicable to them.

Class(es) of Regular Employees to whom exception applies **(must specify - specific positions are permissible; specific individuals may not be named)**: **Eligible Regular Employees employed on October 4, 2005, provided they are not Terminated and reemployed after such date**.

Normal retirement qualifications for excepted class(es) are **(check one or more as applicable)**:

☒ Attainment of age **60** **(insert number)**

☒ Completion of **5** years **(insert number)** of Total Credited Service

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if Participant meets minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____________________.

(2) Elected or Appointed Members of Governing Authority

Complete this Section only if elected or appointed members of the Governing Authority or Municipal Legal Officers are permitted to participate in the Plan. Normal retirement qualifications for this class are **(check one or more as applicable)**:

☐ Attainment of age _________ **(insert number)**

☐ Completion of _________ years **(insert number)** of Total Credited Service

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if Participant meets minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____________________.

Exceptions: If different normal retirement qualifications apply to particular elected or appointed members of the Governing Authority or Municipal Legal Officers, the Employer must specify below to whom the different requirements apply and indicate below the requirements applicable to them.

Particular elected or appointed members of the Governing Authority or Municipal Legal Officers to whom exception applies **(must specify - specific positions are permissible; specific individuals may not be named)**: ____.

Normal retirement qualifications for excepted elected or appointed members of the Governing Authority or Municipal Legal Officers are **(check one or more as applicable)**:

☐ Attainment of age _________ **(insert number)**

☐ Completion of _________ years **(insert number)** of Total Credited Service

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if Participant meets minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____________________.

C. Alternative Normal Retirement Qualifications

The Employer may elect to permit Participants to retire with unreduced benefits after they satisfy service and/or age requirements other than the regular normal retirement qualifications specified above. The Employer hereby adopts the following alternative normal retirement qualifications:

Alternative Normal Retirement Qualifications (check one or more, as applicable):

(1) ☐ Not applicable (the Adopting Employer does not offer alternative normal retirement benefits under the Plan).

(2) ☐ **Alternative Minimum Age & Service Qualifications (if checked, please complete one or more items below, as applicable):**

☐ Attainment of age _________ **(insert number)**

☐ Completion of _________ years **(insert number)** of Total Credited Service

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if Participant meets minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**:___________________________________.

This alternative normal retirement benefit is available to:

☐ All Participants who qualify.

☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: _______________.

A Participant **(check one)**: ☐ is required ☐ is not required to be in the service of the Employer at the time he satisfies the above qualifications in order to qualify for this alternative normal retirement benefit.

Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

(3) ☒ **Rule of 70 (insert number)**. The Participant's combined Total Credited Service and age must equal or exceed this number. Please complete additional items below:

To qualify for this alternative normal retirement benefit, the Participant **(check one or more items below, as applicable)**:

☒ Must have attained at least age **55** **(insert number)**

☐ Must not satisfy any minimum age requirement

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if the Participant meets the minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: _____________.

This alternative normal retirement benefit is available to:

☒ All Participants who qualify.

☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: _______________.

A Participant **(check one)**: ☒ is required ☐ is not required to be in the service of the Employer at the time he satisfies the Rule in order to qualify for this alternative normal retirement benefit.

Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

(4) ☒ **Alternative Minimum Service**. A Participant is eligible for an alternative normal retirement benefit if he has at least **35** years **(insert number)** of Total Credited Service, regardless of the Participant's age.

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if the Participant meets the minimum service requirement specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ________________________________.

This alternative normal retirement benefit is available to:

☐ All Participants who qualify.

☒ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **Class 6 Participants**.

A Participant **(check one)**: ☒ is required ☐ is not required to be in the service of the Employer at the time he satisfies the qualifications for this alternative normal retirement benefit.

Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

(5) ☒ **Other Alternative Normal Retirement Benefit**.

Must specify qualifications (in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i)): **A Participant is eligible for an Alternative Normal Retirement benefit if he or she has at least 30 years of Total Credited Service, regardless of the Participant's age**.

☐ In-Service Distribution to Eligible Employees permitted (i.e., a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if the Participant meets minimum age and service requirements specified immediately above and is at least age 62 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ______________.

This alternative normal retirement benefit is available to:

☐ All Participants who qualify.

☒ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **<u>Eligible Regular Employees employed on October 4, 2005, provided they are not Terminated and reemployed after such date</u>**.

A Participant **(check one)**: ☒ is required ☐ is not required to be in the service of the Employer at the time he satisfies the qualifications for this alternative normal retirement benefit.

Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

(6) ☐ **Other Alternative Normal Retirement Benefit <u>for Public Safety Employees Only</u>**.

Must specify qualifications (in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i)): _______.

☐ In-Service Distribution to Eligible Employees who are Public Safety Employees permitted (<u>i.e.</u>, a qualifying Participant may commence receiving retirement benefits while in service without first incurring a Bona Fide Separation from Service), if the Participant meets minimum age and service requirements specified immediately above and is at least age 50 (unless a lower safe-harbor age is permitted under applicable federal law), subject to applicable Plan provisions concerning recalculation and offset applied at re-retirement to account for the value of benefits received prior to re-retirement. This rule shall apply to **(check one)**: ☐ all Participants ☐ only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____.

This alternative normal retirement benefit is available to:

☐ All public safety employee Participants who qualify.

☐ Only the following public safety employee Participants **(must specify - specific positions are permissible; specific individuals may not be named)**:____.

A public safety employee Participant **(check one)**: ☐ is required ☐ is not required to be in the service of the Employer at the time he satisfies the qualifications for this alternative normal retirement benefit.

Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2)**

and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i)): ____.

Note: "Public safety employees" are defined under the Internal Revenue Code for this purpose as employees of a State or political subdivision of a State who provide police protection, firefighting services, or emergency medical services for any area within the jurisdiction of such State or political subdivision.

D. <u>Disability Benefit Qualifications</u>

Subject to the other terms and conditions of the Master Plan and except as otherwise provided in an Addendum to this Adoption Agreement, disability retirement qualifications are based upon Social Security Administration award criteria or as otherwise provided under Section 2.23 of the Master Plan. The Disability Retirement benefit shall commence as of the Participant's Disability Retirement Date under Section 2.24 of the Master Plan.

To qualify for a disability benefit, a Participant must have the following minimum number of years of Total Credited Service **(check one)**:

☐ Not applicable (the Adopting Employer does not offer disability retirement benefits under the Plan).
☒ No minimum.
☐ _______ years **(insert number)** of Total Credited Service.

Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ______________________________.

15. RETIREMENT BENEFIT COMPUTATION

A. <u>Maximum Total Credited Service</u>

The number of years of Total Credited Service which may be used to calculate a benefit is **(check one or all that apply)**:

☒ not limited.

☐ limited to _________ years for all Participants.

☒ limited to **<u>30</u>** years for the following classes of Eligible Regular Employees:

   ☐ All Eligible Regular Employees.

   ☒ Only the following Eligible Regular Employees: **<u>Participants who are certified public safety Employees who are initially employed or become reemployed on or after February 8, 2023, provided that this limit will not apply to a certified public safety Employee who already has 30 years of Total Credited Service as of the date such Participant is first reemployed on or after February 8, 2023.</u>**

☐ limited to _______ years as an elected or appointed member of the Governing Authority.

☐ limited to _______ years as a Municipal Legal Officer.

☐ Other **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: _______.

B. Monthly Normal Retirement Benefit Amount

(1) Regular Employee Formula

The monthly normal retirement benefit for Eligible Regular Employees shall be 1/12 of **(check and complete one or more as applicable)**:

☒ (a) **Flat Percentage Formula**. **1.32% (insert percentage)** of Final Average Earnings multiplied by years of Total Credited Service as an Eligible Regular Employee.

This formula applies to:

☐ All Participants who are Regular Employees.
☒ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **Class 5 Participants**.

☒ (b) **Alternative Flat Percentage Formula**. **2.0% (insert percentage)** of Final Average Earnings multiplied by years of Total Credited Service as an Eligible Regular Employee. This formula applies to the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **Certified Public Safety Employees who were employed as Class 6 Participants prior to February 8, 2023, who were not in Service with the City on February 8, 2023, and who become reemployed with the City after February 8, 2023, with respect to their Service with the City prior to February 8, 2023, only.**

☒ (b.1) **Alternative Flat Percentage Formula**. **2.5% (insert percentage)** of Final Average Earnings multiplied by years of Total Credited Service as an Eligible Regular Employee. This formula applies to the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **Certified Public Safety Employees who were employed as Class 4 Participants prior to February 8, 2023, who were not in Service with the City on February 8, 2023, and who become reemployed with the City after February 8, 2023, with respect to their Service with the City prior to February 8, 2023, only.**

☒ (b.2) **Alternative Flat Percentage Formula**. **3.0% (insert percentage)** of Final Average Earnings multiplied by years of Total Credited Service as an Eligible Regular Employee. This formula applies to the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **1) Class 6 Participants who are initially employed on or after February 8, 2023, with respect to all Service with the City; 2) Class 4 Participants and Class 6 Participants who are employed as certified public safety employees on February 8, 2023, with respect to all Service with the City; and 3) Former Class 4 Participants and former Class 6 Participants who were employed prior to February 8, 2023, are not in Service with the City on February 8, 2023, and become reemployed with the City as Class 6 Participants after February 8, 2023, with respect to their Service with the City after February 8, 2023, only**.

☒ (c) **Split Final Average Earnings Formula**. **1.0**% **(insert percentage)** of Final Average Earnings up to the amount of **Covered Compensation (see subsection (2) below for definition of Covered Compensation)**, plus **1.75**% **(insert percentage)** of Final Average Earnings in excess of said Covered Compensation, multiplied by years of Total Credited Service as an Eligible Regular Employee.

This formula applies to:

☐ All Participants who are Regular Employees.
☒ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **Class 3 Participants**.

☐ (d) **Alternative Split Final Average Earnings Formula**. _____ % **(insert percentage)** of Final Average Earnings up to the amount of **Covered Compensation (see subsection (2) below for definition of Covered Compensation)**, plus ______% **(insert percentage)** of Final Average Earnings in excess of said Covered Compensation, multiplied by years of Total Credited Service as an Eligible Regular Employee.

This formula applies to:

☐ All Participants.
☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: _____.

[Repeat above subsections as necessary for each applicable benefit formula and Participant class covered under the Plan.]

(2) Covered Compensation (complete only if Split Formula(s) is checked above):

Covered Compensation is defined as (check one or more as applicable):

☐ (a) **A.I.M.E. Covered Compensation** as defined in Section 2.18 of the Master Plan. This definition of Covered Compensation shall apply to **(check one)**:

☐ All Participants who are Regular Employees.
☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: _____.

☐ (b) **Dynamic Break Point** Covered Compensation as defined in Section 2.19 of the Master Plan. This definition of Covered Compensation shall apply to **(check one)**:

☐ All Participants who are Regular Employees.
☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**:_____.

☒ (c) **Table Break Point** Covered Compensation as defined in Section 2.20 of the Master Plan. This definition of Covered Compensation shall apply to **(check one)**:

☐ All Participants who are Regular Employees.
☒ Only the following class(es) of Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: **Class 3 Participants**.

☐ (d) **Covered Compensation** shall mean a Participant's annual Earnings that do not exceed $_______________ **(specify amount)**. This definition shall apply to **(check one)**:

☐ All Participants who are Regular Employees.
☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**:_____.

(3) Final Average Earnings

Unless otherwise specified in an Addendum to the Adoption Agreement, Final Average Earnings is defined as the monthly average of Earnings paid to a Participant by the Adopting Employer for the **60** **(insert number not to exceed 60)** consecutive months of Credited Service preceding the Participant's most recent Termination in which the Participant's Earnings were the highest, multiplied by 12. Note: GMEBS has prescribed forms for calculation of Final Average Earnings that must be used for this purpose.

This definition of Final Average Earnings applies to:

☒ All Participants who are Regular Employees.

☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ______________________________________.

[Repeat above subsection as necessary for each applicable definition and Participant class covered under the Plan.]

(4) <u>Formula for Elected or Appointed Members of the Governing Authority</u>

The monthly normal retirement benefit for members of this class shall be as follows **(check one)**:

☒ Not applicable (elected or appointed members of the Governing Authority or Municipal Legal Officers are not permitted to participate in the Plan).

☐ $_________ **(insert dollar amount)** per month for each year of Total Credited Service as an elected or appointed member of the Governing Authority or Municipal Legal Officer or major fraction thereof (6 months and 1 day).

This formula applies to:

☐ All elected or appointed members of the Governing Authority or Municipal Legal Officers eligible to participate.

☐ Only the following elected or appointed members of the Governing Authority or Municipal Legal Officers eligible to participate **(must specify - specific positions are permissible; specific individuals may not be named)**: ___________________________.

[Repeat above subsection as necessary for each applicable formula for classes of elected or appointed members covered under the Plan.]

C. <u>Monthly Early Retirement Benefit Amount</u>

Check and complete one or more as applicable:

☒ (1) **Standard Early Retirement Reduction Table**. The monthly Early Retirement benefit shall be computed in the same manner as the monthly Normal Retirement benefit, but the benefit shall be reduced on an Actuarially Equivalent basis in accordance with Section 12.01 of the Master Plan to account for early commencement of benefits. This provision shall apply to:

☒ All Participants.

☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**:______.

☐ (2) **Alternative Early Retirement Reduction Table**. The monthly Early Retirement benefit shall be computed in the same manner as the monthly Normal Retirement benefit, but the benefit shall be reduced to account for early commencement of benefits based on the following table. This table shall apply to:

☐ All Participants.

☐ Only the following Participants **(must specify - specific positions are permissible; specific individuals may not be named)**:______.

<u>Alternative Early Retirement Reduction Table</u>

<u>Number of Years Before [Age ___ (Insert Normal Retirement Age)]</u> (check as applicable)	**<u>Percentage of Normal Retirement Benefit*</u>** (complete as applicable)
☐ 0	1.000
☐ 1	0.___
☐ 2	0.___
☐ 3	0.___
☐ 4	0.___
☐ 5	0.___
☐ 6	0.___
☐ 7	0.___
☐ 8	0.___
☐ 9	0.___
☐ 10	0.___
☐ 11	0.___
☐ 12	0.___
☐ 13	0.___
☐ 14	0.___
☐ 15	0.___

*Interpolate for whole months

D. <u>Monthly Late Retirement Benefit Amount (check one):</u>

☒ (1) The monthly Late Retirement benefit shall be computed in the same manner as the Normal Retirement Benefit, based upon the Participant's Accrued Benefit as of his Late Retirement Date.

☐ (2) The monthly Late Retirement benefit shall be the greater of: (1) the monthly retirement benefit accrued as of the Participant's Normal Retirement Date, actuarially increased in accordance with the actuarial table contained in Section 12.05 of the Master Plan; or (2) the monthly retirement benefit accrued as of the Participant's Late Retirement Date, without further actuarial adjustment under Section 12.06 of the Master Plan.

E. Monthly Disability Benefit Amount

The amount of the monthly Disability Benefit shall be computed in the same manner as the Normal Retirement benefit, based upon the Participant's Accrued Benefit as of his Disability Retirement Date.

Minimum Disability Benefit. The Adopting Employer may set a minimum Disability Benefit. The Employer elects the following minimum Disability benefit **(check one)**:

☐ Not applicable (the Adopting Employer does not offer disability retirement benefits under the Plan).

☐ No minimum is established.

☐ No less than **(check one):** ☐ 20% ☐ 10% ☐ ____% **(if other than 20% or 10% insert percentage amount)** of the Participant's average monthly Earnings for the 12 calendar month period (excluding any period of unpaid leave of absence) immediately preceding his Termination of Employment as a result of a Disability. (Unless otherwise specified in an Addendum to the Adoption Agreement, no minimum will apply to elected or appointed members of the Governing Authority or Municipal Legal Officers.)

☒ No less than **(check one):** ☒ 66 2/3 % ☐ ______% **(if other than 66 2/3%, insert percentage amount)** of the Participant's average monthly Earnings for the 12 calendar month period (excluding any period of unpaid leave of absence) immediately preceding his Termination of Employment as a result of a Disability, less any monthly benefits paid from federal Social Security benefits as a result of disability as reported by the Employer. (Unless otherwise specified in an Addendum to the Adoption Agreement, no minimum will apply to elected or appointed members of the Governing Authority or Municipal Legal Officers.)

Note: The Adopting Employer is responsible for reporting to GMEBS any amounts to be used in an offset.

F. Minimum/Maximum Benefit For Elected Officials

In addition to any other limitations imposed by federal or state law, the Employer may impose a cap on the monthly benefit amount that may be received by elected or appointed members of the Governing Authority. The Employer elects **(check one)**:

☒ Not applicable (elected or appointed members of the Governing Authority do not participate in the Plan).

☐ No minimum or maximum applies.

☐ Monthly benefit for Service as an elected or appointed member of the Governing Authority may not exceed 100% of the Participant's final salary as an elected or appointed member of the Governing Authority.

☐ Other minimum or maximum **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

16. SUSPENSION OF BENEFITS FOLLOWING BONA FIDE SEPARATION OF SERVICE; COLA

A. **<u>Re-Employment as Eligible Employee After Normal, Alternative Normal, or Early Retirement and Following Bona Fide Separation of Service (see Master Plan Section 6.06(c) Regarding Re-Employment as an Ineligible Employee and Master Plan Section 6.06(e) and (f) Regarding Re-Employment After Disability Retirement)</u>**

(1) Reemployment After Normal or Alternative Normal Retirement. In the event that a Retired Participant 1) is reemployed with the Employer as an Eligible Employee (as defined in the Plan) after his Normal or Alternative Normal Retirement Date and after a Bona Fide Separation from Service, or 2) is reemployed with the Employer in an Ineligible Employee class, and subsequently again becomes an Eligible Employee (as defined in the Plan) due to the addition of such class to the Plan after his Normal or Alternative Normal Retirement Date, the following rule shall apply **(check one)**:

☒ (a) The Participant's benefit shall be suspended in accordance with Section 6.06(a)(1) of the Master Plan for as long as the Participant remains employed.

☐ (b) The Participant may continue to receive his retirement benefit in accordance with Section 6.06(b) of the Master Plan. This rule shall apply to **(check one)**: ☐ all Retired Participants ☐ only the following classes of Retired Participants **(must specify (specific positions are permissible; specific individuals may not be named) - benefits of those Retired Participants not listed shall be suspended in accordance with Section 6.06(a) of the Master Plan if they return to work with the Employer)**: ____________.

(2) Reemployment After Early Retirement. In the event a Participant Retires with an Early Retirement benefit after a Bona Fide Separation from Service 1) is reemployed with the Employer as an Eligible Employee before his Normal Retirement Date; or 2) is reemployed with the Employer in an Ineligible Employee class, and subsequently again becomes an Eligible Employee (as defined in the Plan) before his Normal Retirement Date due to the addition of such class to the Plan, the following rule shall apply **(check one or more as applicable)**:

(a) ☒ The Participant's Early Retirement benefit shall be suspended in accordance with Section 6.06(a)(1) of the Master Plan for as long as the Participant remains employed.

This rule shall apply to **(check one)**: ☒ all Retired Participants; ☐ only the following classes of Retired Participants **(must specify - specific**

positions are permissible; specific individuals may not be named): ____.

(b) ☐ The Participant's Early Retirement benefit shall be suspended in accordance with Section 6.06(a)(1) of the Master Plan. However, the Participant may begin receiving benefits after he satisfies the qualifications for Normal Retirement or Alternative Normal Retirement, as applicable, and after satisfying the minimum age parameters of Section 6.06(a)(3) of the Master Plan, in accordance with Section 6.06(b)(2)(B)(i) of the Master Plan.

This rule shall apply to **(check one)**: ☐ all Retired Participants; ☐ only the following classes of Retired Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____.

(c) ☐ The Participant's Early Retirement benefit shall continue in accordance with Section 6.06(b)(2)(B)(ii) of the Master Plan.

This rule shall apply to **(check one)**: ☐ all Retired Participants; ☐ only the following classes of Retired Participants **(must specify - specific positions are permissible; specific individuals may not be named)**: ____.

B. Cost Of Living Adjustment

The Employer may elect to provide for an annual cost-of-living adjustment (COLA) in the amount of benefits being received by Retired Participants and Beneficiaries, which shall be calculated and paid in accordance with the terms of the Master Plan. The Employer hereby elects the following **(check one)**:

☐ (1) No cost-of-living adjustment.

☐ (2) Variable Annual cost-of-living adjustment not to exceed ______% **(insert percentage)**.

☒ (3) Fixed annual cost-of-living adjustment equal to **1.0**% **(insert percentage)**.

The above cost-of-living adjustment shall apply with respect to the following Participants (and their Beneficiaries) **(check one)**:

☒ All Participants (and their Beneficiaries).

☐ Participants (and their Beneficiaries) who terminate employment on or after _________ **(insert date)**.

☐ Other **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i)); specific positions are permissible; specific individuals may not be named)**: ________.

The Adjustment Date for the above cost-of-living adjustment shall be (if not specified, the Adjustment Date shall be January 1): ____.

17. TERMINATION OF EMPLOYMENT BEFORE RETIREMENT; VESTING

A. Eligible Regular Employees

Subject to the terms and conditions of the Master Plan, a Participant who is an Eligible Regular Employee and whose employment is terminated for any reason other than death or retirement shall earn a vested right in his accrued retirement benefit in accordance with the following schedule **(check one):**

☐ **No vesting schedule (immediate vesting)**.

☒ **Cliff Vesting Schedule**. Benefits shall be 100% vested after the Participant has a minimum of 5 years **(insert number not to exceed 10)** of Total Credited Service. Benefits remain 0% vested until the Participant satisfies this minimum.

☐ **Graduated Vesting Schedule**. Benefits shall become vested in accordance with the following schedule **(insert percentages)**:

COMPLETED YEARS OF TOTAL CREDITED SERVICE	VESTED PERCENTAGE
1	%
2	%
3	%
4	%
5	%
6	%
7	%
8	%
9	%
10	%

Exceptions: If a vesting schedule other than that specified above applies to a special class(es) of Regular Employees, the Employer must specify the different vesting schedule below and the class(es) to whom the different vesting schedule applies.

Regular Employees to whom exception applies **(must specify - specific positions are permissible; specific individuals may not be named)**: **Certified public safety employee Participants who are initially employed on or after February 8, 2023**.

Vesting Schedule for excepted class **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: **Benefits shall be 100% Vested after the Participant has a minimum of 10 years of Total Credited Service. Benefits remain 0% Vested until the Participant satisfies this minimum.**

B. Elected or Appointed Members of the Governing Authority

Subject to the terms and conditions of the Master Plan, a Participant who is an elected or appointed member of the Governing Authority or a Municipal Legal Officer shall earn a vested right in his accrued retirement benefit for Credited Service in such capacity in accordance with the following schedule **(check one)**:

☒ Not applicable (elected or appointed members of the Governing Authority are not permitted to participate in the Plan).

☐ No vesting schedule (immediate vesting).

☐ Other vesting schedule **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

18. PRE-RETIREMENT DEATH BENEFITS

A. In-Service Death Benefit

Subject to the terms and conditions of the Master Plan, the Employer hereby elects the following in-service death benefit, to be payable in the event that an eligible Participant's employment with the Employer is terminated by reason of the Participant's death prior to Retirement **(check and complete one)**:

(1) ☒ **Auto A Death Benefit**. A monthly benefit payable to the Participant's Pre-Retirement Beneficiary, equal to the decreased monthly retirement benefit that would have otherwise been payable to the Participant, had he elected a 100% joint and survivor benefit under Section 7.03 of the Master Plan. In order to be eligible for this benefit, a Participant must meet the following requirements **(check one)**:

- ☐ The Participant must be vested in a normal retirement benefit.
- ☐ The Participant must have ______ years **(insert number)** of Total Credited Service.
- ☐ The Participant must be eligible for Early or Normal Retirement.

☒ Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: **The Participant shall be eligible upon becoming an Eligible Regular Employee.**

(2) ☐ **Actuarial Reserve Death Benefit**. A monthly benefit payable to the Participant's Pre-Retirement Beneficiary, actuarially equivalent to the reserve required for the Participant's anticipated Normal Retirement benefit, provided the Participant meets the following eligibility conditions **(check one)**:

☐ The Participant shall be eligible upon satisfying the eligibility requirements of Section 8.02(c) of the Master Plan.

☐ The Participant must have _____ years **(insert number)** of Total Credited Service.

☐ Other eligibility requirement **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ___________________________________.

Imputed Service. For purposes of computing the actuarial reserve death benefit, the Participant's Total Credited Service shall include **(check one)**:

☐ Total Credited Service accrued prior to the date of the Participant's death.

☐ Total Credited Service accrued prior to the date of the Participant's death, plus **(check one)**: ☐ one-half (½) ☐ ___________ **(insert other fraction)** of the Service between such date of death and what would otherwise have been the Participant's Normal Retirement Date. **(See Master Plan Section 8.02(b) regarding 10-year cap on additional Credited Service.)**

Minimum In-Service Death Benefit for Vested Employees Equal to Terminated Vested Death Benefit. Unless otherwise specified under "Exceptions" below, if a Participant's employment is terminated by reason of the Participant's death prior to Retirement, and if as of the date of death the Participant is vested but he does not qualify for the in-service death benefit, then the Auto A Death Benefit will be payable, provided the Auto A Death Benefit is made available to terminated vested employees under the Adoption Agreement (see "Terminated Vested Death Benefit" below).

(3) **Exceptions:** If an in-service death benefit other than that specified above applies to one or more classes of Participants, the Employer must specify below the death benefit payable, the class(es) to whom the different death benefit applies, and the eligibility conditions for said death benefit.

Alternative Death Benefit **(must specify formula that satisfies the definite written program and definitely determinable requirements of Treasury Regulations Sections 1.401-1(a)(2)**

and 1.401-1(b)(1)(i) and does not violate limits applicable to governmental plans under Code Sections 401(a)(17) and 415): ____.

Participants to whom alternative death benefit applies **(must specify - specific positions are permissible; specific individuals may not be named)**: _______________________________.

Eligibility conditions for alternative death benefit **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: __________.

B. <u>**Terminated Vested Death Benefit**</u>

(1) Complete this Section only if the Employer offers a terminated vested death benefit. The Employer may elect to provide a terminated vested death benefit, to be payable in the event that a Participant who is vested dies after termination of employment but before Retirement benefits commence. Subject to the terms and conditions of the Master Plan, the Employer hereby elects the following terminated vested death benefit **(check one)**:

☒ **Auto A Death Benefit**. A monthly benefit payable to the Participant's Pre-Retirement Beneficiary, equal to the decreased monthly retirement benefit that would have otherwise been payable to the Participant had he elected a 100% joint and survivor benefit under Section 7.03 of the Master Plan.

☐ **Accrued Retirement Benefit**. A monthly benefit payable to the Participant's Pre-Retirement Beneficiary which shall be actuarially equivalent to the Participant's Accrued Normal Retirement Benefit determined as of the date of death.

(2) <u>Exceptions</u>: If a terminated vested death benefit other than that specified above applies to one or more classes of Participants, the Employer must specify below the death benefit payable, the class(es) to whom the different death benefit applies, and the eligibility conditions for said death benefit.

Alternative Death Benefit **(must specify formula that satisfies the definite written program and definitely determinable requirements of Treasury Regulations Sections 1.401-1(a)(2) and 1.401-1(b)(1)(i) and does not violate limits applicable to governmental plans under Code Sections 401(a)(17) and 415): ____.**

Participants to whom alternative death benefit applies **(must specify - specific positions are permissible; specific individuals may not be named): _______________________________.**

Eligibility conditions for alternative death benefit **(must specify in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: __________.

19. EMPLOYEE CONTRIBUTIONS

(1) Employee contributions (check one):

☒ Are not required.

☐ Are required in the amount of _____ % **(insert percentage)** of Earnings for all Participants.

☐ Are required in the amount of _____ % **(insert percentage)** of Earnings for Participants in the following classes **(must specify - specific positions are permissible; specific individuals may not be named)**: ____________________.

[Repeat above subsection as necessary if more than one contribution rate applies.]

(2) Pre-Tax Treatment of Employee Contributions. If Employee Contributions are required in Subsection (1) above, an Adopting Employer may elect to "pick up" Employee Contributions to the Plan in accordance with IRC Section 414(h). In such case, Employee Contributions shall be made on a pre-tax rather than a post-tax basis, provided the requirements of IRC Section 414(h) are met. If the Employer elects to pick up Employee Contributions, it is the Employer's responsibility to ensure that Employee Contributions are paid and reported in accordance with IRC Section 414(h). The Adopting Employer must not report picked up contributions as wages subject to federal income tax withholding.

The Employer hereby elects **(check one)**:

☐ To pick up Employee Contributions. By electing to pick up Employee Contributions, the Adopting Employer specifies that the contributions, although designated as Employee Contributions, are being paid by the Employer in lieu of Employee Contributions. The Adopting Employer confirms that the executor of this Adoption Agreement is duly authorized to take this action as required to pick up contributions. This pick-up of contributions applies prospectively, and it is evidenced by this contemporaneous written document. On and after the date of the pick-up of contributions, a Participant does not have a cash or deferred election right (within the meaning of Treasury Regulation Section 1.401(k)-1(a)(3)) with respect to the designated Employee Contributions, which includes not having the option of receiving the amounts directly instead of having them paid to the Plan.

☐ Not to pick up Employee Contributions.

(3) Interest on Employee Contributions. The Adopting Employer may elect to pay interest on any refund of Employee Contributions.

☐ Interest shall not be paid.

☐ Interest shall be paid on a refund of Employee Contributions at a rate established by GMEBS from time to time.

☐ Other rate of interest **(must specify rate in a manner that satisfies the definite written program requirement of Treasury Regulation 1.401-1(a)(2) and the definitely determinable requirement of Treasury Regulation 1.401-1(b)(1)(i))**: ____.

20. MODIFICATION OF THE TERMS OF THE ADOPTION AGREEMENT

If an Adopting Employer desires to amend any of its elections contained in this Adoption Agreement (or any Addendum), the Governing Authority by official action must adopt an amendment of the Adoption Agreement (or any Addendum) or a new Adoption Agreement (or Addendum) must be adopted and forwarded to the Board for approval. The amendment of the new Adoption Agreement (or Addendum) is not effective until approved by the Board and other procedures required by the Plan have been implemented.

The Administrator will timely inform the Adopting Employer of any amendments made by the Board to the Plan.

21. TERMINATION OF THE ADOPTION AGREEMENT

This Adoption Agreement (and any Addendum) may be terminated only in accordance with the Plan. The Administrator will inform the Adopting Employer in the event the Board should decide to discontinue this volume submitter program.

22. EMPLOYER ADOPTION AND AUTHORIZATION FOR AMENDMENTS

Adoption. The Adopting Employer hereby adopts the terms of the Adoption Agreement and any Addendum, which is attached hereto and made a part of this ordinance. The Adoption Agreement (and, if applicable, the Addendum) sets forth the Employees to be covered by the Plan, the benefits to be provided by the Adopting Employer under the Plan, and any conditions imposed by the Adopting Employer with respect to, but not inconsistent with, the Plan. The Adopting Employer reserves the right to amend its elections under the Adoption Agreement and any Addendum, so long as the amendment is not inconsistent with the Plan or the Internal Revenue Code or other applicable law and is approved by the Board of Trustees of GMEBS. The Adopting Employer acknowledges that it may not be able to rely on the volume submitter advisory letter if it makes certain elections under the Adoption Agreement or the Addendum.

The Adopting Employer hereby agrees to abide by the Master Plan, Trust Agreement, and rules and regulations adopted by the Board of Trustees of GMEBS, as each may be amended from time to time, in all matters pertaining to the operation and administration of the Plan. It is intended that the Act creating the Board of Trustees of GMEBS, this Plan, and the rules and regulations of the Board are to be construed in harmony with each other. In the event of a conflict between the provisions of any of the foregoing, they shall govern in the following order:

(1) The Act creating the Board of Trustees of The Georgia Municipal Employees' Benefit System, O.C.G.A. Section 47-5-1 *et seq*. (a copy of which is included in the Appendix to the Master Defined Benefit Plan Document) and any other applicable provisions of O.C.G.A. Title 47;

(2) The Master Defined Benefit Plan Document and Trust Agreement;

(3) This Ordinance and Adoption Agreement (and any Addendum); and

(4) The rules and regulations of the Board.

In the event that any section, subsection, sentence, clause or phrase of this Plan shall be declared or adjudged invalid or unconstitutional, such adjudication shall in no manner affect the previously existing provisions or the other section or sections, subsections, sentences, clauses or phrases of this Plan, which shall remain in full force and effect, as if the section, subsection, sentence, clause or phrase so declared or adjudicated invalid or unconstitutional were not originally a part hereof. The Governing Authority hereby declares that it would have passed the remaining parts of this Plan or retained the previously existing provisions if it had known that such part or parts hereof would be declared or adjudicated invalid or unconstitutional.

This Adoption Agreement (and any Addendum) may only be used in conjunction with Georgia Municipal Employees Benefit System Master Defined Benefit Retirement Plan Document approved by the Internal Revenue Service under advisory letter J501718a dated March 30, 2018. The Adopting Employer understands that failure to properly complete this Adoption Agreement (or any Addendum), or to operate and maintain the Plan and Trust in accordance with the terms of the completed Adoption Agreement (and any Addendum), Master Plan Document and Trust, may result in disqualification of the Adopting Employer's Plan under the Internal Revenue Code. Inquiries regarding the adoption of the Plan, the meaning of Plan provisions, or the effect of the IRS advisory letter should be directed to the Administrator. The Administrator is Georgia Municipal Employees Benefit System, with its primary business offices located at: 201 Pryor Street, SW, Atlanta, Georgia, 30303. The business telephone number is: (404) 688-0472. The primary person to contact is: GMEBS Legal Counsel.

Authorization for Amendments. Effective on and after February 17, 2005, the Adopting Employer hereby authorizes the volume submitter practitioner who sponsors the Plan on behalf of GMEBS to prepare amendments to the Plan, for approval by the Board, on its behalf as provided under Revenue Procedure 2005-16, as superseded by Revenue Procedure 2015-36, Revenue Procedure 2011-49, and Announcement 2005-37. Effective January 1, 2013, Georgia Municipal Association, Inc., serves as the volume submitter practitioner for the Plan. Employer notice and signature requirements were met for the Adopting Employer before the effective date of February 17, 2005. The Adopting Employer understands that the implementing amendment reads as follows:

> On and after February 17, 2005, the Board delegates to the Practitioner the authority to advise and prepare amendments to the Plan, for approval by the Board, on behalf of all Adopting Employers, including those Adopting Employers who have adopted the Plan prior to the January 1, 2013, restatement of the Plan, for changes in the Code, the regulations thereunder, revenue rulings, other statements published by Internal Revenue Service, including model, sample, or

other required good faith amendments (but only if their adoption will not cause such Plan to be individually designed), and for corrections of prior approved plans. These amendments shall be applied to all Adopting Employers. Employer notice and signature requirements have been met for all Adopting Employers before the effective date of February 17, 2005. In any event, any amendment prepared by the Practitioner and approved by the Board will be provided by the Administrator to Adopting Employers.

Notwithstanding the foregoing paragraph, no amendment to the Plan shall be prepared on behalf of any Adopting Employer as of either:

- the date the Internal Revenue Service requires the Adopting Employer to file Form 5300 as an individually designed plan as a result of an amendment by the Adopting Employer to incorporate a type of Plan not allowable in a volume submitter plan as described in Revenue Procedure 2015-36; or

- as of the date the Plan is otherwise considered an individually designed plan due to the nature and extent of the amendments.

If the Adopting Employer is required to obtain a determination letter for any reason in order to maintain reliance on the advisory letter, the Practitioner's authority to amend the Plan on behalf of the Adopting Employer is conditioned on the Plan receiving a favorable determination letter.

The Adopting Employer further understands that, if it does not give its authorization hereunder or, in the alternative, adopt another pre-approved plan, its Plan will become an individually designed plan and will not be able to rely on the volume submitter advisory letter.

AN ORDINANCE (continued from page 1)

Section 2. Except as otherwise specifically required by law or by the terms of the Master Plan or Adoption Agreement (or any Addendum), the rights and obligations under the Plan with respect to persons whose employment with the City was terminated or who vacated his office with the City for any reason whatsoever prior to the effective date of this Ordinance are fixed and shall be governed by such Plan, if any, as it existed and was in effect at the time of such termination.

Section 3. The effective date of this Ordinance shall be February 8, 2023.

Section 4. All Ordinances and parts of ordinances in conflict herewith are expressly repealed.

Approved by the Mayor and Council of the City of Hapeville, Georgia this _______ day of ____________________, 20_____.

Attest: CITY OF HAPEVILLE, GEORGIA

________________________ ____________________________________

City Clerk Mayor

(SEAL)

Approved:

____

City Attorney

The terms of the foregoing Adoption Agreement are approved by the Board of Trustees of Georgia Municipal Employees Benefit System.

IN WITNESS WHEREOF, the Board of Trustees of Georgia Municipal Employees Benefit System has caused its Seal and the signatures of its duly authorized officers to be affixed this ______ day of _________________________, 20____.

Board of Trustees
Georgia Municipal Employees
Benefit System

(SEAL)

____

Secretary

GENERAL ADDENDUM TO THE GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM DEFINED BENEFIT RETIREMENT PLAN ADOPTION AGREEMENT

This is an Addendum to the Adoption Agreement completed by the City of Hapeville, Georgia, as follows (complete one or more sections, as applicable):

***** Items (1) through (14) of General Addendum – Not Applicable *****

(15) Other (May include, but shall not be limited to, provisions relating to Master Plan Sections 6.03, 6.06, 8.04, 8.06, 8.08, 8.09, 8.10, 8.12, 9.01, and 9.02) (must specify):

(a) Plan Background. This is a continuation of the "City of Hapeville Defined Benefit Pension Plan", which was originally approved March 1, 1976, and subsequently amended. Pursuant to a contract between the City and the Joint Municipal Employees' Retirement System ("JMERS"), JMERS, and its successor, the Georgia Municipal Employees Benefit System ("GMEBS") administered the plan on behalf of the City and managed the plan's assets until July 1, 2007, on which date the City terminated its agreement with GMEBS and directed GMEBS to transfer administration of the plan and all assets in the trust fund to a successor administrator and trustee. Effective June 2, 2020, the City of Hapeville transferred administration of the plan and all assets in the trust fund to GMEBS. Prior to transferring assets and administration back to GMEBS, the plan was most recently restated effective May 11, 2010.

(b) Transfer of Assets and Administration. Administration of this Plan was transferred to GMEBS effective June 2, 2020, with the express intent that a minimum of 85% of Plan assets be transferred to GMEBS no later than June 5, 2020, with the remainder of the Plan's assets to be transferred to GMEBS no later than August 3, 2020, in order to allow GMEBS to make Retirement benefit payments to Retired Participants (and their beneficiaries) on July 1, 2020, and each month thereafter. The trustee, custodian, fund administrator, third party administrator,

and other employees or agents of the City of Hapeville who were responsible for the administration of the City's defined benefit retirement plan immediately prior to June 2, 2020, were authorized and directed to take any and all reasonably necessary actions to effect the transfer of at least 85% of retirement plan assets to GMEBS by June 5, 2020, and the remainder by August 3, 2020.

(i) Required Data. On or before June 2, 2020, the City of Hapeville provided (or ensured that its employees or agents provided) GMEBS with records and information reasonably requested or necessary to facilitate the timely transfer of plan administration (plan administration included the payment of current retirees and beneficiaries in pay status as of July 1, 2020). Information and records provided included, but were not limited to the following concerning active Participants, Terminated Vested Participants, Retired Participants and beneficiaries: name, address, social security number, birth date, years and months of credited service, 60-month Earnings history, Employee Contribution history and equity account balances, accrued monthly Normal Retirement benefits, Cost-of-Living adjustments, beneficiary designation forms, Retirement applications, and direct deposit forms, tax withholding forms, and 1099 tax reporting information for current retirees and beneficiaries.

(ii) Treatment of Terminated Vested Participants and Retired Participants; Lump Sum Post-Retirement Death Benefit; No Pre-Retirement Death Benefit. In particular with respect to Vested Participants who Terminated prior to June 2, 2020, but had not Retired as of such date, the City ensured GMEBS was provided with a listing indicating the amount of each such Terminated Vested Participant's accrued Normal Retirement benefit and Normal Retirement eligibility date. Retirement benefits for said Terminated Vested Participants will be paid based upon said information (unless the Participant returns to service with the City of Hapeville after June 2, 2020) in accordance with the Retirement benefit payment options (including factors

used to determine benefit reductions associated with survivor beneficiaries and/or early retirement benefits, and factors used to determine Actuarial Equivalent amounts) available under the GMEBS Master Plan or the City's non-GMEBS plan document, as applicable, in effect as of each said Participant's effective Retirement date

(iii) <u>Continuation of Benefits for Retirees (and Their Beneficiaries) in Pay Status as of June 2, 2020</u>. Benefits will continue be paid to Retired Participants (and their beneficiaries, if applicable) in pay status prior to June 2, 2020, in accordance with the form of benefit payment required or selected by the Retired Participant under the applicable terms of the retirement plan in effect prior to June 2, 2020, and based upon the benefit payment amounts determined prior to June 2, 2020, and furnished to GMEBS.

(iv) <u>Effect of Failure to Timely Transfer Assets</u>. Notwithstanding any provision to the contrary, the terms of this paragraph would have applied in the event the City failed to liquidate (or have liquidated) all assets invested in the City of Hapeville Defined Benefit Pension Plan trust fund at the time of the transfer and transfer (or have transferred) at least 85% of such liquidated assets to the GMEBS Retirement Trust by June 5, 2020. In such event, the City, and not GMEBS, would have been responsible for processing and distributing all July 1, 2020, benefit payments under the Plan to Participants (and their beneficiaries) in pay status as of such date. Thereafter, the City would have remained responsible for processing benefit payments under the Plan until the first day of the first month that began at least 20 days after the date on which at least 85% of the liquidated assets describe in this paragraph 15(b)(vi) were transferred to GMEBS. GMEBS would have been otherwise responsible for administering the Plan effective June 2, 2020, including but not limited to processing Retirement benefit applications and requests for death benefits and determining the amounts of any benefits newly payable under the Plan, and notifying the City of the amounts of any benefits which became newly payable after

June 2, 2020, and until the date on which GMEBS assumed responsibility for processing benefit payments. The City would have been responsible for processing payments of any benefits which became newly payable after June 2, 2020, until the date GMEBS assumed responsibility for processing benefit payments (i.e., the first day of the first month that began at least 20 days after the date on which at least 85% of the liquidated assets describe in this paragraph 15(b)(vi) were transferred to GMEBS) in accordance with the information provided by GMEBS.

(c) <u>Administration of Benefits to Terminated Vested Participants Who Terminated Prior to June 2, 2020; Insufficient Information Relating to Calculation of Benefits under Prior Plan</u>. Recognizing that documentation by previous plan administrators of the accrued benefits of Participants who Terminated prior to June 2, 2020, may not provide adequate information relating to the computation of retirement benefits under the Plan to accurately determine a Participant's Vested status or the amount of a Participant's monthly Retirement benefit, the following provisions shall govern the administration of Retirement benefits with respect to a Participant who Terminated employment with the City prior to June 2, 2020 (i.e., the effective date of the City's current GMEBS Plan) and who applies for Retirement benefits on or after such date.

(i) GMEBS shall accept the City's determination regarding whether a Participant who Terminated prior to June 2, 2020, was deemed Terminated Vested as of such date, provided, however, that in the event the City deemed such a Participant not Vested and information is subsequently presented suggesting that such Participant was Vested, GMEBS shall, in its sole discretion determine whether said Participant was Vested upon his or her Termination prior to June 2, 2020.

(ii) Where sufficient information necessary to compute such a Participant's benefits is available, including applicable prior plan documents, GMEBS will compute the

Participant's Retirement benefits in accordance with such plan documents and supporting information.

(iii) Where sufficient information necessary to compute such a Participant's benefits is <u>not</u> available, if the accrued benefits of such a Participant were calculated by the plan administrator in place at the time of the Participant's termination, and GMEBS has written documentation of such calculation, GMEBS will administer retirement benefits to the Participant in accordance with the greater of:

(A) The prior administrator's calculation of the Participant's Retirement benefits, applying the GMEBS Retirement factors and the Plan's early retirement factors in effect at the time of the Participant's Retirement to determine the monthly Retirement benefit amount payable to the Participant; or

(B) GMEBS's calculation of the Participant's Retirement benefits, using the terms of the GMEBS Plan in effect at the time of the Participant's Retirement, including the benefit formula, the definition of Final Average Earnings and any applicable factors.

(iv) Where sufficient information necessary to compute such a Participant's benefits is <u>not</u> available and GMEBS does <u>not</u> have documentation of a prior administrator's calculation of the accrued benefits of such a Participant, GMEBS will apply the terms of the GMEBS Plan in effect at the time of the Participant's application for Retirement benefits, including the benefit formula, the definition of Final Average Earnings and any applicable factors, to calculate the Participant's Retirement benefits.

(v) In the event information relating to such a Participant's Earnings necessary to compute Retirement benefits is insufficient or unavailable, salary information obtained from the Social Security Administration, or other information provided by the City as Earnings, will be used as a proxy to determine the Participant's Final Average

Earnings. The City and/or the Participant will be responsible for obtaining Earnings information necessary to compute retirement benefits under the Plan and providing such information to GMEBS.

(vi) Notwithstanding any provision to the contrary, the provisions of Article VII, Section 5 and the table in Article X, Section 9 in the City's defined benefit retirement plan document in effect immediately prior to June 2, 2020, shall apply with respect to the calculation of benefits for Participant who Terminated employment with the City prior to June 2, 2020 (i.e., the effective date of the City's current GMEBS Plan) and who applies for Retirement benefits on or after such date.

(d) Definitions; Participant Classes.

(i) Class 3 Participants. Class 3 Participants are Eligible Regular Employees initially employed or reemployed on or after March 1, 1976, from whose Earnings Social Security contributions are regular deducted; however, Class 3 does not include any Employee initially employed or reemployed after October 4, 2005.

(ii) Class 4 Participants. Class 4 Participants are Eligible Regular Employees initially employed or reemployed as Certified Public Safety Employees on or after March 1, 1976, from whose Earnings Social Security contributions are not regularly deducted; however, Class 4 does not include any Employee initially employed or reemployed after October 4, 2005.

(iii) Class 5 Participants. Class 5 Participants are Eligible Regular Employees initially employed or reemployed after October 4, 2005, from whose Earnings Social Security contributions are regularly deducted.

(iv) Class 6 Participants. Class 6 Participants are Eligible Regular Employees initially employed or reemployed as Certified Public Safety Employees after October 4, 2005,

from whose Earnings Social Security contributions are not regularly deducted.

(v) Certified Public Safety Employees. "Certified Public Safety Employees" means a Firefighter as defined in Section 2.34 of the Master Plan or a Police Officer as defined in Section 2.51 of the Master Plan.

(vi) Class 1 and Class 2 Participants. Class 1 and Class 2 Participants were defined in the City's plan which took effect on May 11, 2010, as (in part) Eligible Regular Employees who were employed as of March 1, 1976. As of June 2, 2020, no active or Terminated Vested Class 1 or Class 2 Participants remain in the Plan. Any benefits payable to or on behalf of a Class 1 or Class 2 Participant shall be governed by the City's May 11, 2010, retirement plan documents or, if the Class 1 or Class 2 Participant last Terminated prior to May 11, 2010, by the applicable terms of the plan in effect on the Class 1 or Class 2 Participant's latest Termination of employment.

(e) Benefits for Former Elected or Appointed Members of the Governing Authority. Elected or appointed members of the Governing Authority who initially take office on or after March 1, 1994, are not eligible to participate in the Plan. Benefits of elected or appointed members of the Governing Authority who entered office prior to March 1, 1994, shall be determined in accordance with the terms of the City's retirement plan in effect as of March 1, 1994, or if earlier, the date of the Participant's Termination vacation of such office. Elected or appointed members of the Governing Authority who first took office prior to March 1, 1994, and who return to office on or after June 2, 2020, shall not be eligible to participate in the Plan following said return to office on or after June 2, 2020.

(f) Reservation of Rights. The Employer reserves the right to amend the Plan at any time, retroactively or otherwise, by action approved by the Mayor and Council, subject to approval by the Administrator. The Employer expects and intends to continue the Plan indefinitely but reserves the right to Terminate the Plan at any time. However, no amendment or Termination of the Plan

shall authorize any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

(g) Reliance by GMEBS on Information Provided by City; Litigation over Transfer of Assets and Administration. GMEBS is not responsible for errors in and is entitled to rely on all information provided to GMEBS by the City, including but not limited to information required pursuant to subsection 15(a) of this Addendum. The City certifies that the information provided is true and correct to the best of its knowledge. Notwithstanding any provision to the contrary, the City of Hapeville, and not GMEBS, shall bear the cost of any litigation or other claims relating to the transfer of assets and administration to GMEBS.

(h) Service with GMEBS Employers Not Applicable to Participants Who Terminated Prior to June 2, 2020; Portability Service – Notwithstanding Section 9.05 of the Master Plan or any other provision to the contrary, Service with other GMEBS Employers shall not count as portability service under this Plan for Employees who Terminated employment with the City of Hapeville prior to June 2, 2020, unless such Employees participated in City's GMEBS Plan prior to July 1, 2007, or participate in the City's GMEBS Plan on or after June 2, 2020. Provisions relating to portability between GMEBS Employers in the City's prior GMEBS Plan, which was originally effective March 1, 1976, and which was terminated and transferred to a successor administrator and trust effective July 1, 2007, shall apply with respect to Participants in said prior GMEBS Plan. Service with the City of Hapeville between July 1, 2007, and June 2, 2020, shall not count as portability service with respect to any other GMEBS Employer unless the Participant was in Service with the City of Hapeville on June 2, 2020, or except as otherwise provided under the City's prior GMEBS plan.

(i) IRS Filings. The City will complete at its expense any IRS filings (including payment of associated IRS filing fees and tax attorney fees) that GMEBS reasonably requests in order to protect the 401(a)-qualified status of the GMEBS volume submitter plan and/or to confirm the 401(a)-qualified status of the City's Adoption Agreement and Addendum.

The terms of the foregoing Addendum to the Adoption Agreement are approved by the Mayor and Council of the City of Hapeville, Georgia this ________ day of _____________, 20____.

Attest: **CITY OF HAPEVILLE, GEORGIA**

_________________________ **____________________________________**

City Clerk **Mayor**

(SEAL)

Approved:

____

City Attorney

The terms of the foregoing Addendum are approved by the Board of Trustees of the Georgia Municipal Employees Benefit System.

IN WITNESS WHEREOF, the Board of Trustees of the Georgia Municipal Employees Benefit System has caused its Seal and the signatures of its duly authorized officers to be affixed this ______ day of __________________________, 20____.

Board of Trustees
Georgia Municipal Employees
Benefit System

(SEAL)

____

Secretary

COMPARISON SUMMARY

1. Truist Financing Corporation / GMA Lease Purchase Financing		**2. REGIONS Equipment Finance Corporation**	
AMOUNT:	**$295,746.00**	**AMOUNT:**	**$295,746.00**
TERM:		TERM:	
Option A: Four (4) Years		Option A: Four (4) Years	
Option B: Five (5) Years		Option B: Five (5) Years	
Option C: Six (6) Years		Option C: Six (6) Years	
INTEREST RATE		INTEREST RATE	
Option A: 3.99% (4 Years)		Option A: 4.42% (4 Years)	
Option B: 4.05% (5 Years)		Option B: 4.33% (5 Years)	
Option C: 4.09% (6 Years)		Option C: 4.27% (6 Years)	
RATE EXPIRATION DATE:	January 27, 2023	RATE EXPIRATION DATE:	January 31, 2023

TRUIST

Truist Financial Corporation

Governmental Finance

5130 Parkway Plaza Boulevard
Charlotte, North Carolina 28217
Phone (704) 954-1700
Fax (704) 954-1799

December 5, 2022

Mr. Randy Brewer
Mr. Tim Young
City of Hapeville, Georgia

Via Electronic Mail: RBrewer@hapeville.org; TYoung@hapeville.org;

Gentlemen:

Truist Bank ("Lender") is pleased to offer this proposal for the financing requested by the City of Hapeville, Georgia ("Borrower").

PROJECT:	GMA Lease Purchase Financing – Police Vehicles
AMOUNT:	$295,746.00
TERM:	Option A: Four (4) Years Option B: Five (5) Years Option C: Six (6) Years
INTEREST RATE:	Option A: 3.99% (4 years) Option B: 4.05% (5 years) Option C: 4.09% (6 years)
TAX STATUS:	Tax Exempt-BQ
PAYMENTS:	<u>Interest:</u> Annually (or as requested) <u>Principal:</u> Annually (or as requested)
INTEREST RATE CALCULATION:	30/360
SECURITY:	First lien security interest in the vehicles
PREPAYMENT TERMS:	Callable in whole at par at any time
RATE EXPIRATION:	January 27, 2023
DOCUMENTATION/ LEGAL REVIEW FEE:	$0

FUNDING:	Proceeds will be deposited into an account to be held with Lender pending disbursement unless equipment is delivered prior to closing.
DOCUMENTATION:	Lender proposes to use GMA standard form financing contracts and related documents for this installment financing.
REPORTING REQUIREMENTS:	Lender will require financial statements to be delivered within 270 days after the conclusion of each fiscal year end throughout the term of the financing.

Lender will have the right to cancel this offer by notifying the Borrower of its election to do so (whether this offer has previously been accepted by the Borrower) if at any time prior to the closing there is a material adverse change in the Borrower's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Borrower or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to Lender.

Costs of counsel for the Borrower and any other costs will be the responsibility of the Borrower.

The stated interest rate assumes that the Borrower expects to borrow less than $10,000,000 in the current calendar year and that the financing will be bank qualified and tax exempt under the Internal Revenue Code. Lender reserves the right to terminate this bid or to negotiate a mutually acceptable interest rate if the financing is not bank qualified and tax exempt.

We appreciate the opportunity to offer this financing proposal. Please call me at (704) 607-6985 with your questions and comments. We look forward to hearing from you.

Sincerely,

Truist Bank

Mary Parrish Coley

Mary Parrish Coley
Director

City of Hapeville, Georgia
Lease Purchase for Police Vehicles
Sample Payment Schedule
Four (4) Years; Annual Payments in Arrears

Compounding Period: Annual

Nominal Annual Rate: 3.990%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	11/28/2022	295,746.00	1		
2	Payment	11/28/2023	81,455.88	4	Annual	11/28/2026

TValue Amortization Schedule - Normal, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	11/28/2022				295,746.00
2023 Totals		**0.00**	**0.00**	**0.00**	
1	11/28/2023	81,455.88	11,800.27	69,655.61	226,090.39
2024 Totals		**81,455.88**	**11,800.27**	**69,655.61**	
2	11/28/2024	81,455.88	9,021.01	72,434.87	153,655.52
2025 Totals		**81,455.88**	**9,021.01**	**72,434.87**	
3	11/28/2025	81,455.88	6,130.86	75,325.02	78,330.50
2026 Totals		**81,455.88**	**6,130.86**	**75,325.02**	
4	11/28/2026	81,455.88	3,125.38	78,330.50	0.00
2027 Totals		**81,455.88**	**3,125.38**	**78,330.50**	
Grand Totals		**325,823.52**	**30,077.52**	**295,746.00**	

ANNUAL PERCENTAGE RATE	**FINANCE CHARGE**	**Amount Financed**	**Total of Payments**
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.

3.990%	**$30,077.52**	**$295,746.00**	**$325,823.52**

City of Hapeville, Georgia
Lease Purchase for Police Vehicles
Sample Payment Schedule
Five (5) Years; Annual Payments in Arrears

Compounding Period: Annual

Nominal Annual Rate: 4.050%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	11/28/2022	295,746.00	1		
2	Payment	11/28/2023	66,525.91	5	Annual	11/28/2027

TValue Amortization Schedule - Normal, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	11/28/2022				295,746.00
2023 Totals		**0.00**	**0.00**	**0.00**	
1	11/28/2023	66,525.91	11,977.71	54,548.20	241,197.80
2024 Totals		**66,525.91**	**11,977.71**	**54,548.20**	
2	11/28/2024	66,525.91	9,768.51	56,757.40	184,440.40
2025 Totals		**66,525.91**	**9,768.51**	**56,757.40**	
3	11/28/2025	66,525.91	7,469.84	59,056.07	125,384.33
2026 Totals		**66,525.91**	**7,469.84**	**59,056.07**	
4	11/28/2026	66,525.91	5,078.07	61,447.84	63,936.49
2027 Totals		**66,525.91**	**5,078.07**	**61,447.84**	
5	11/28/2027	66,525.91	2,589.42	63,936.49	0.00
2028 Totals		**66,525.91**	**2,589.42**	**63,936.49**	
Grand Totals		**332,629.55**	**36,883.55**	**295,746.00**	

ANNUAL PERCENTAGE RATE	**FINANCE CHARGE** The dollar amount the credit will cost you.	**Amount Financed** The amount of credit provided to	**Total of Payments** The amount you will have paid after you have made all

The cost of your credit as a yearly rate. **4.050%**	**$36,883.55**	you or on your behalf. **$295,746.00**	payments as scheduled. **$332,629.55**

City of Hapeville, Georgia
Lease Purchase for Police Vehicles
Sample Payment Schedule
Six (6) Years; Annual Payments in Arrears

Compounding Period: Annual

Nominal Annual Rate: 4.090%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	11/28/2022	295,746.00	1		
2	Payment	11/28/2023	56,582.48	6	Annual	11/28/2028

TValue Amortization Schedule - Normal, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	11/28/2022				295,746.00
2023 Totals		**0.00**	**0.00**	**0.00**	
1	11/28/2023	56,582.48	12,096.01	44,486.47	251,259.53
2024 Totals		**56,582.48**	**12,096.01**	**44,486.47**	
2	11/28/2024	56,582.48	10,276.51	46,305.97	204,953.56
2025 Totals		**56,582.48**	**10,276.51**	**46,305.97**	
3	11/28/2025	56,582.48	8,382.60	48,199.88	156,753.68
2026 Totals		**56,582.48**	**8,382.60**	**48,199.88**	
4	11/28/2026	56,582.48	6,411.23	50,171.25	106,582.43
2027 Totals		**56,582.48**	**6,411.23**	**50,171.25**	
5	11/28/2027	56,582.48	4,359.22	52,223.26	54,359.17
2028 Totals		**56,582.48**	**4,359.22**	**52,223.26**	
6	11/28/2028	56,582.48	2,223.31	54,359.17	0.00
2029 Totals		**56,582.48**	**2,223.31**	**54,359.17**	
Grand Totals		**339,494.88**	**43,748.88**	**295,746.00**	

ANNUAL PERCENTAGE RATE	**FINANCE CHARGE**	**Amount Financed** The amount of credit provided to you or on your behalf.	**Total of Payments** The amount you will have paid after you have made all

The cost of your credit as a yearly rate. **4.090%**	The dollar amount the credit will cost you. **$43,748.88**	**$295,746.00**	payments as scheduled. **$339,494.88**

REGIONS
EQUIPMENT FINANCE
CORPORATION

November 29th, 2022

City of Hapeville, Georgia
3468 North Fulton Avenue
Hapeville, Georgia, 30354

Reference: 2022 LEASE PURCHASE REQUEST (VEHICLES) - $295,746.00

Regions Equipment Finance Corporation (the "Lessor") is pleased to furnish this Term Sheet (this "Term Sheet") to **City of Hapeville, Georgia** (the "Lessee") for a not-to-exceed amount of $295,746.00. This Term Sheet contains an outline of suggested terms only, and it does not represent a commitment by the Lessor or create any obligation whatsoever on the Lessor's part. It is for discussion purposes only, and the outlined terms have not received final approval by the appropriate lending authorities within Regions Equipment Finance Corporation.

Lessee:	City of Hapeville, Georgia
Lessor:	Regions Equipment Finance Corporation
Role of Lessor:	The Lessor and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to this Term Sheet and any other information, materials or communications provided by the Lessor: (a) the Lessor and its representatives are not recommending an action to any municipal entity or obligated person; (b) the Lessor and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Term Sheet, information, materials or communications; (c) the Lessor and its representatives are acting for their own interests; and (d) the Issuer and the Lessee have been informed that the Issuer and the Lessee should discuss this Term Sheet and any such other information, materials or communications with any and all internal and external advisors and experts that the Issuer and the Lessee, respectively, deem appropriate before acting on this Term Sheet or any such other information, materials or communications.
Privately Negotiated Lease:	The Lessee acknowledges and agrees that the Lessor is entering into a lease-purchase agreement in evidence of a privately negotiated Lease and in that connection the lease-purchase agreement shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.
Purpose:	Procure Leased Property described per the City of Hapeville, GA request dated November 8th 2022 (collectively, the "Project").

Lease Amount:	Up to and including $295,746.00. Funds to be deposited into an Acquisition Fund (the "Fund") at Regions. Any draws from the Fund will be made when conditions satisfactory to Lessor have been met (copies of invoices/proof of purchase, title applications with Lessor as lien holder, MSO's, insurance, etc.). All funds must be drawn from the Fund within Eighteen (18) months from the Lease Start Date, any remaining funds will be applied to paydown the Lease. Any investment earnings will be applied as a credit against lease payments or at the option of the City, be used to defray the cost of the Leased Property.
Structure:	Bank or Non-Bank Qualified Tax-Exempt Lease Purchase evidenced by a Lease Purchase Agreement (the "Debt Instrument"). Mutually agreeable Lease Documents (the "Lease Documents") will be prepared by Regions.
Interest Rate:	**Option A:** Tax-Exempt, Bank Qualified Lease. 48Month Rate – **4.42%** 60Month Rate – **4.33%** 72Month Rate - **4.27%** **Option B:** Tax-Exempt, Non-Bank Qualified Lease. 48Month Rate – **4.60%** 60Month Rate - **4.51%** 72Month Rate - **4.46%** The Lease will bear interest at a fixed rate per annum until Maturity. These rates are available if the Term Sheet is approved by Lessee on or before December 9th, 2022 and the Lease closes by January 31st, 2023.
Default Rate:	The interest rate otherwise applicable to the Debt Instrument plus 3%.
Repayment:	Lease Payments will be payable annually in arrears (calculated on the basis of a 30 day month and a 360 day year). The lease payment schedule assumes $295,746.00 of principal.
Insurance:	Lessee will be responsible to purchase and maintain liability insurance coverage equal to $1,000,000.00 naming Lessor as Additional Insured and physical damage insurance coverage with a deductible of no more than $5,000.00 naming Lessor as Loss Payee. Lessee will furnish satisfactory evidence of such insurance prior to funding (from Escrow account). Lessee may self-insure against any and all risks and will furnish a certificate evidencing such insurance to the Lessor.

Security:	Uniform Commercial Code-1 Financing Statement (the "UCC Filing") evidencing a first lien on the equipment and on all additions, attachments and accessions (the "Equipment") and any related escrow fund. The Lease Documents will be subject to appropriation of funds on an annual basis, and the Equipment will be subject to approval by the Lessor in a timely manner. The Lessee will certify as to the essential use nature of the Equipment. If during the term of the Lease Documents, sufficient funds are not appropriated to make rental payments for the following fiscal year, the Lease Documents shall terminate and the Lessee shall deliver possession and title of the Equipment under the Lease Documents to the Lessor. If the Lessee fails to deliver possession and title of the Equipment to the Lessor upon termination of the Lease Documents by reason of a non-appropriation, the termination shall nevertheless be effective, but the Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Documents rental payments thereafter coming due and for any other loss suffered by the Lessor as a result of the Lessee's failure to deliver possession of the Equipment.
Representations and Warranties:	Usual and customary for this type of financing.
Covenants:	The Lessee shall deliver to the Lessor, in form and substance satisfactory to the Lessor audited financial statements within 270 days after the end of the each of the Lessee's fiscal years.
Defaults:	Usual and customary for this type of financing.
Remedies:	The Lessor shall have all of the rights and remedies set forth in the Lease Documents, and available at law and in equity, for the enforcement thereof.
Legal Opinions:	As an additional condition precedent to the Lessor making the Lease, the Lessee shall provide, among other things, the following opinions to the Lessor: An opinion of bond counsel in form and substance satisfactory to the Lessor and its counsel in all respects, which shall include opinions to the effect that (a) the Lessee has the authority under the laws of the State of Georgia to issue the Debt Instrument and execute and deliver the Lease Documents, (b) that the Debt Instrument has been duly issued and each of the Debt Instrument and the other Lease Documents to which the Lessee is a party has been duly authorized, executed and delivered by the Lessee, (c) that each of the Debt Instrument and the other Lease Documents to which the Lessee is a party is a valid and binding obligation of the Lessee, duly enforceable in accordance with its terms, (d) that interest on the Debt Instrument is (i) excludable from gross income of the holders thereof for federal income tax purposes and (ii) is exempt from present income taxation in the State of Georgia.

Transfer Provisions:	The Lessor shall maintain the right to transfer and/or assign, in whole or in part, its rights hereunder, the Debt Instrument and/or the Lease, or, in either case, any interest therein, to any person or entity in its sole and absolute discretion. The Lessee may not assign its rights hereunder or under any of the Lease Documents to any person without the prior written consent of the Lessor.
Disclaimer:	This Term Sheet describes some of the basic terms and conditions proposed to be included in the documents between the Lessor and the Lessee. This Term Sheet does not purport to summarize all the conditions, covenants, representations, warranties, assignments, events of default, cross default, acceleration events, remedies or other provisions that may be contained in documents required to consummate this financing.
Net Lease:	The Lease will be a "net lease" with Lessee responsible for all expenses, including (a) maintenance costs, liability and physical damage insurance satisfactory to Lessor and (b) taxes relating to the purchase, lease, possession and use of the Equipment (some of which may be added to the cost of the Equipment or collected as the gross rentals as appropriate under state law), excluding taxes based solely on the net income of Lessor. Lessor is not responsible for the selection, suitability or performance of the Equipment and Lessee will be responsible for all payments and performance irrespective of any defect in the Equipment.
US Patriot Act:	The Lessee represents and warrants to the Lessor that neither it nor any of its principals, shareholders, members, partners, or Affiliates, as applicable, is a Person named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. The Lessee further represents and warrants to the Lessor that the Lessee and its principals, shareholders, members, partners, or Affiliates, as applicable, are not directly or indirectly, engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any Person named as a Specially Designated National and Blocked Person.
Confidentiality:	The Lessee acknowledges and agrees that this Term Sheet and the information set forth herein is confidential and proprietary, and further agrees to keep this Term Sheet and the information set forth herein CONFIDENTIAL. The Lessee shall not disclose this Term Sheet or any of its material terms to anyone, without the prior written consent of the Lessor in each instance, except as such disclosure is required by law or regulation or as a result of any legal or administrative procedure.
Governing Law:	State of Georgia

REGIONS
EQUIPMENT FINANCE
CORPORATION

Thank you for providing the Lessor with this opportunity to be involved in a financial partnership with the Lessee. The Lessor is willing to discuss the terms reflected herein through December 9th , 2022. After such date, terms, conditions and pricing may change based on prevailing market conditions and further discussion will be at Lessor's sole discretion. We are grateful for your consideration and remain available to promptly respond to any questions that you may have regarding this document. We look forward to hearing from you.

REGIONS EQUIPMENT FINANCE CORPORATION

By: William F. Koss II – Senior Vice President
Regions Equipment Finance Corporation
1180 West Peachtree Street NW Suite 900
Atlanta, Georgia 30309

CC: Stacy Dyer– Commercial Banking Relationship Manager
Stacy.dyer@regions.com

EXHIBIT A

In the event Lessee requests Lessor to move forward with the approval process after discussion of the aforementioned terms and conditions contained in the Term Sheet.

ACCEPTANCE:

Lessee does hereby agree to all provisions contained in Exhibit A.

Lessee Signature:

By: ______________________________

Name: ______________________________

Title: ______________________________

FLEET - COMMERCIAL - GOVERNMENT SALES

THE ORIGINAL

BRANNEN MOTOR COMPANY

"YOUR EMERGENCY VEHICLE HEADQUARTERS FOR OVER 25 YEARS"

1080 Second Street
I-75 @ Exit# 122
PO Box 746
Unadilla GA. 31091

City of Hapeville
Fleet Proposal

Toll Free 1-800-999-9606
Local (478) 627-3221
Fax (478) 627-9550
Email: jamey@brannenmotors.com

	2022 Ford Ecoboost Interceptor Utility	$37,800.00
Equipped with:	Whelen Legacy light bar (14 LEDs, take-downs & alleys)	
	Whelen Vertex four corner LEDs	
	Whelen Dominator 8 LED bar inside top of rear glass	
	Wig-wags on headlights	
	GoRhino push bumper w/heavy duty wraparounds	
	Whelen TLIB LEDs on push bumper (x2 forward & x2 side mount)	
	Whelen 295SLS A6 siren/switches	
	Whelen SA315P - 100 watt speaker	
	Havis Shield console w/cupholders, adj, arm rest & 3-way outlet	
	Havis Shield computer stand w/universal laptop mount	
	Setina transport cage w/slider window and lower extension	
	Expanded metal mesh screen behind rear seat (cargo barrier)	
	Total for vehicle with listed equipment installed=	$49,941.00

Bobby Reed *Fleet Manager*

Jamey Reed *Asst. Fleet Manager*

BRANNEN
UNADILLA, GA

1080 2nd Street
PO Box 746
Unadilla, GA 31091
P: (478) 627-3221 F: (478) 627-9550
www.brannenmotorcompany.com

DATE 11/04/22

SOLD TO: City of Hapeville

ADDRESS

INVOICE NO. 221104

CUST. NO.	STOCK NO	YEAR MAKE	MODEL	NEW OR USED	SERIAL NO.	KEY	SALESMAN
		See Below		New			J. Reed

INSURANCE COVERAGE INCLUDES

FIRE AND THEFT
COLLISION AMT. DEDUCT.
PUBLIC LIABILITY • AMT.
PROPERTY DAMAGE • AMT.

OPTIONAL EQUIPMENT AND ACCESSORIES

GROUP / DESCRIPTION	PRICE
2022 Ford Interceptor Utility (1FM5K8AB2NGB71518)	$36,500.00
2022 Ford Interceptor Utility (1FM5K8AB0NGC19338)	$36,500.00
2022 Ford Interceptor Utility (1FM5K8AB5NGC19383)	$36,500.00

Equipment upfit cost of $12,141.00 per vehicle

PRICE OF CAR	$109,500.00
FREIGHT AND HANDLING	
OPTIONAL EQUIP. ACCESS.	$36,423.00
TAVT	
LICENSE AND TITLE	N/A
TOTAL CASH PRICE	
FINANCING	
INSURANCE	N/A
TOTAL TIME PRICE	
SETTLEMENT:	
DEPOSIT	-
CASH ON DELIVERY	-
USED CAR:	-
TYPE	-
SERIAL NO.	-
ENGINE NO.	-
PAYMENTS.	
TOTAL	$145,923.00

DISCLAIMER OF WARRANTIES

THE SELLER, BRANNEN MOTOR COMPANY, HEREBY EXPRESSLY DSCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILIW OR FINESS FOR A PARTICULAR PURPOSE, AND BRANNEN MOTOR COMPANY NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR ANY LIABILITY CONNECTION WITH SALE OF THE VEHICLE.

PURCHASER'S SIGNATURE____________________

ESTIMATED COST SUMMARY

VENDOR	BRANNEN FORD MOTOR COMPANY	
QUANTITY	**VEHICLE DESCRIPTION**	**ESTIMATED COST**
1	2022 Ford Interceptor Utility (1FMSK8AB2NGB71518)	36,500.00
1	2022 Ford Interceptor Utility (1FMSK8ABONGC19338	36,500.00
1	2022 Ford Interceptor Utility (1FMSK8ABSNGC19383	36,500.00
	ADDITIONAL / UNFITTING EQUIPMENT TO BE FITTED	36,423.00
	TOTAL INVOICE #221104	**145,923.00**
1	2022 Ford Ecoboost Interceptor Utility ($49,941.00)	37,800.00
1	2022 Ford Ecoboost Interceptor Utility ($49,941.00)	37,800.00
1	2022 Ford Ecoboost Interceptor Utility ($49,941.00)	37,800.00
	ADDITIONAL / UNFITTING EQUIPMENT TO BE FITTED	36,423.00
	TOTAL - QUOTE	**149,823.00**
6	**GRAND TOTAL**	**295,746.00**