

AN ORDINANCE

An Ordinance providing certain death benefits for Harry Whitten in order to comply with a federal court order dated April 12, 1988, in Case No. C87-352A.

.....  
-----  
NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MARIETTA, GEORGIA, THAT:

Section 1: The purpose of this Ordinance is to provide certain death benefits for Harry Whitten in order to comply with a federal court order dated April 12, 1988. Originally, Ordinance No. 4022, which adopted a new retirement plan for the employees of the City of Marietta, Georgia, contained certain death benefits that were deleted by Ordinance No. 4485 adopted July 9, 1986. Following a federal court suit in the United States District Court for the Northern District of Georgia, Atlanta Division, the court has indicated that to the extent Ordinance No. 4485 reduced the overall benefits for employees, the overall benefits should be reinstated. At the same time that Ordinance No. 4485 deleted the death benefits, the City of Marietta adopted a new schedule of group life insurance to replace the death benefits. Before the City of Marietta could enact new ordinances modifying the life insurance and reinstating the death benefits so as to put back in effect the overall benefits as they existed prior to July 9, 1986, Harry Whitten passed away. Accordingly, the City of Marietta requested that Martin E. Segal Company, Consultants and Actuaries, prepare the actuarial equivalent of Harry Whitten's overall death benefits as they existed prior to July 9, 1986. A copy of this actuarial computation is attached hereto as Exhibit "A", and by reference made a part hereof.

In accordance with the findings by the actuary, and in order to comply with the federal court order, it is hereby declared that Harry Whitten's beneficiary shall receive the monthly amount of \$243.46 subject to a maximum four percent cost of living increase.

Section 2: It is hereby declared to be the specific intention of this Ordinance that no participant or beneficiary shall be eligible or entitled to receive duplicate benefits from the City of Marietta, Georgia, by virtue of the passage of this Ordinance. Specifically, it is the intention of this Ordinance not to provide both the modified insurance that was enacted by Ordinance No. 4485 and the death benefits that were in place prior to July 9, 1986. Rather, it is the intention of this Ordinance to change the component parts of its retirement plan pursuant to the federal court order so as to reinstate the level of overall benefits that existed immediately prior to the passage of Ordinance No. 4485 in accordance with the Court's order (See page 9 of the federal court order).

Section 3: All Ordinances or parts of Ordinances in conflict with this Ordinance are hereby repealed.

Section 4: This Ordinance shall become effective July 15, 1988

---

DATE: July 13, 1988

APPROVED: *Vicki Chastain*  
Mayor and Council

ATTEST: *R. William C. Harris*  
City Clerk

Harris

**MARTIN E. SEGAL COMPANY**  
**CONSULTANTS AND ACTUARIES**

SUITE 200  
1810 WATER PLACE  
ATLANTA, GEORGIA 30339  
(404) 955-4003

July 6, 1988

Pension Board  
City of Marietta  
Marietta, Georgia

RE: DEATH BENEFIT CALCULATIONS FOR HARRY WHITTEN

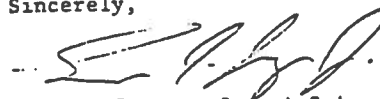
Dear Board Members:

We have been requested to perform certain calculations to determine the amount of death benefits due the widow of Harry Whitten so that the City may comply with the court order signed by United States District Judge Charles Moye on April 12, 1988. The order states that the actuarial value of benefits due to the participant may not be reduced. Through a series of ordinances passed in 1986, the value of Mr. Whitten's benefits was reduced. Therefore, we must go back to the plan in effect prior to the changes and determine the actuarial value of those benefits. In determining actuarial values we have used 8 1/2% interest, the 1971 Group Annuity Mortality Table and a maximum of 4% annual cost of living increases.

If the plan prior to the changes had been in effect on the date of Mr. Whitten's death, his widow would have received \$40,000 in cash and \$452.08 per month for the rest of her life. The monthly benefit would have been subject to cost of living increases not to exceed 4% per year. The total value of this package of benefits as of Mr. Whitten's date of death is \$137,514. His widow has received, or will soon receive, \$85,000 in cash. The remaining balance of \$52,514 is to be paid to her for the remainder of her life in a monthly amount of \$243.46 subject to a maximum of 4% cost of living increases.

If you have any questions, please let me know.

Sincerely,



Leon F. Joyner, Jr., A.S.A.

LFJ:lm  
cc: Mr. Kevin Williams  
Mr. James A. Siewert

EXHIBIT "A"