

Introduced by \_\_\_\_\_

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_

Ordinance No. \_\_\_\_\_

Council Bill No. B 335-16

### AN ORDINANCE

amending Chapter 18 of the City Code relating to police and fire pension plans; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. Chapter 18 of the Code of Ordinances of the City of Columbia, Missouri, is hereby amended as follows:

Material to be deleted in ~~strikeout~~; material to be added underlined.

Sec. 18-55. Direct transfer of eligible rollover distributions; rollover notice.

(a) To the extent required by section 401(a)(31) of the Code, if the distributee of an eligible rollover distribution from this plan (1) elects to have all or any portion of such distribution paid directly to one individual retirement account or annuity (an "IRA") or other eligible retirement plan (within the meaning of section 401(a)(31)(E) of the Code, including effective January 1, 2008 a Roth IRA as described in section 408A of the Code provided that a direct rollover under this section 18-55 meets the requirements of section 408A(e) of the Code), and (2) specifies such IRA or plan on such form, at such time and subject to such permissible restrictions as the employer may specify, such distribution or elected portion thereof shall be made in the form of a direct rollover to such IRA or plan, in accordance with and subject to the conditions and limitations of section 401(a)(31) and related provisions of the Code ~~if the distributee of any eligible rollover distribution elects to have the distribution paid directly to an eligible retirement plan and specifies the eligible retirement plan to which the distribution is to be paid, the distribution shall be made in the form of a direct trustee to trustee transfer to the specified eligible retirement plan.~~

(1) "Distributee" means a participant, a beneficiary (if the surviving spouse of a participant), or an "alternate payee" (as defined in section 414(p)(8) of the Code) (if the surviving spouse of a participant under a "qualified domestic relations order" (as defined in section 414(p) of the Code)). The term "distributee" includes a non-spouse beneficiary of a deceased participant, provided the distributee elects a direct rollover to an eligible retirement plan which is an individual retirement account described in section 408(a) of the

Code or an individual retirement annuity described in section 408(b) of the Code.

- (2) “Eligible rollover distribution” means a distribution of any portion of the balance credited to the benefit of a participant which is not one of a series of substantially equal periodic payments made over (1) a specified period of ten years or more, or (2) the life expectancy of the distributee, to the extent that it constitutes an eligible rollover distribution (within the meaning of section 401(a)(31)(D) of the Code).

(b) In the case of any mandatory distribution made on or after March 28, 2005, if the vested balance of the distributee’s benefit is greater than \$1,000.00 and less than or equal to \$5,000.00, and if the distributee does not elect to have such distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover or to receive the distribution directly in accordance with this section 18-55, then the employer will pay the distribution in a direct rollover to an individual retirement plan designated by the employer.

(b-c) The plan administrator shall give covered police employees an understandable written explanation of rollover rules within a reasonable period before making an eligible rollover distribution.

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Sec. 18-80. Direct transfer of eligible rollover distributions; rollover notice.

(a) To the extent required by section 401(a)(31) of the Code, if the distributee of an eligible rollover distribution from this plan (1) elects to have all or any portion of such distribution paid directly to one individual retirement account or annuity (an “IRA”) or other eligible retirement plan (within the meaning of section 401(a)(31)(E) of the Code, including effective January 1, 2008 a Roth IRA as described in section 408A of the Code provided that a direct rollover under section 18-55 of this Code meets the requirements of section 408A(e) of the Code), and (2) specifies such IRA or plan on such form, at such time and subject to such permissible restrictions as the employer may specify, such distribution or elected portion thereof shall be made in the form of a direct rollover to such IRA or plan, in accordance with and subject to the conditions and limitations of section 401(a)(31) and related provisions of the Code ~~if the distributee of any eligible rollover distribution elects to have the distribution paid directly to an eligible retirement plan and specifies the eligible retirement plan to which the distribution is to be paid, the distribution shall be made in the form of a direct trustee to trustee transfer to the specified eligible retirement plan.~~

- (1) “Distributee” means a participant, a beneficiary (if the surviving spouse of a participant), or an “alternate payee” (as defined in section 414(p)(8) of the Code) (if the surviving spouse of a participant under a “qualified domestic relations order” (as defined in section 414(p) of the Code)). The term

“distributee” includes a non-spouse beneficiary of a deceased participant, provided the distributee elects a direct rollover to an eligible retirement plan which is an individual retirement account described in section 408(a) of the Code or an individual retirement annuity described in section 408(b) of the Code.

(2) “Eligible rollover distribution” means a distribution of any portion of the balance credited to the benefit of a participant which is not one of a series of substantially equal periodic payments made over (1) a specified period of ten years or more, or (2) the life expectancy of the distributee, to the extent that it constitutes an eligible rollover distribution (within the meaning of section 401(a)(31)(D) of the Code).

(b) In the case of any mandatory distribution made on or after March 28, 2005, if the vested balance of the distributee’s benefit is greater than \$1,000.00 and less than or equal to \$5,000.00, and if the distributee does not elect to have such distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover or to receive the distribution directly in accordance with section 18-55 of this Code, then the employer will pay the distribution in a direct rollover to an individual retirement plan designated by the employer.

(b-c) The plan administrator shall give covered firefighter employees an understandable written explanation of rollover rules within a reasonable period before making an eligible rollover distribution.

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Sec. 18-104. Direct transfer of eligible rollover distributions; rollover notice.

(a) To the extent required by Section 401(a)(31) of the Code, if the distributee of an eligible rollover distribution from this plan (1) elects to have all or any portion of such distribution paid directly to one individual retirement account or annuity (an “IRA”) or other eligible retirement plan (within the meaning of section 401(a)(31)(E) of the Code, including effective January 1, 2008 a Roth IRA as described in section 408A of the Code provided that a direct rollover under section 18-55 of this Code meets the requirements of section 408A(e) of the Code), and (2) specifies such IRA or plan on such form, at such time and subject to such permissible restrictions as the employer may specify, such distribution or elected portion thereof shall be made in the form of a direct rollover to such IRA or plan, in accordance with and subject to the conditions and limitations of section 401(a)(31) and related provisions of the Code if the distributee of any eligible rollover distribution elects to have the distribution paid directly to an eligible retirement plan and specifies the eligible retirement plan to which the distribution is to be paid, the distribution shall be made in the form of a direct trustee to trustee transfer to the specified eligible retirement plan.

(1) “Distributee” means a participant, a beneficiary (if the surviving spouse of a participant), or an “alternate payee” (as defined in section 414(p)(8) of the

Code) (if the surviving spouse of a participant under a “qualified domestic relations order” (as defined in section 414(p) of the Code)). The term “distributee” includes a non-spouse beneficiary of a deceased participant, provided the distributee elects a direct rollover to an eligible retirement plan which is an individual retirement account described in section 408(a) of the Code or an individual retirement annuity described in section 408(b) of the Code.

(2) “Eligible rollover distribution” means a distribution of any portion of the balance credited to the benefit of a participant which is not one of a series of substantially equal periodic payments made over (1) a specified period of ten years or more, or (2) the life expectancy of the distributee, to the extent that it constitutes an eligible rollover distribution (within the meaning of section 401(a)(31)(D) of the Code).

(b) In the case of any mandatory distribution made on or after March 28, 2005, if the vested balance of the distributee’s benefit is greater than \$1,000.00 and less than or equal to \$5,000.00, and if the distributee does not elect to have such distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover or to receive the distribution directly in accordance with section 18-55 of this Code, then the employer will pay the distribution in a direct rollover to an individual retirement plan designated by the employer.

(b-c) The plan administrator shall give covered police employees an understandable written explanation of rollover rules within a reasonable period before making an eligible rollover distribution.

...

Sec. 18-117. Direct transfer of eligible rollover distributions; rollover notice.

(a) To the extent required by Section 401(a)(31) of the Code, if the distributee of an eligible rollover distribution from this plan (1) elects to have all or any portion of such distribution paid directly to one individual retirement account or annuity (an “IRA”) or other eligible retirement plan (within the meaning of section 401(a)(31)(E) of the Code, including effective January 1, 2008 a Roth IRA as described in section 408A of the Code provided that a direct rollover under section 18-55 of this Code meets the requirements of section 408A(e) of the Code), and (2) specifies such IRA or plan on such form, at such time and subject to such permissible restrictions as the employer may specify, such distribution or elected portion thereof shall be made in the form of a direct rollover to such IRA or plan, in accordance with and subject to the conditions and limitations of section 401(a)(31) and related provisions of the Code if the distributee of any eligible rollover distribution elects to have the distribution paid directly to an eligible retirement plan and specifies the eligible retirement plan to which the distribution is to be paid, the distribution shall be made in the form of a direct trustee to trustee transfer to the specified eligible retirement plan.

(1) “Distributee” means a participant, a beneficiary (if the surviving spouse of a participant), or an “alternate payee” (as defined in section 414(p)(8) of the Code) (if the surviving spouse of a participant under a “qualified domestic relations order” (as defined in section 414(p) of the Code)). The term “distributee” includes a non-spouse beneficiary of a deceased participant, provided the distributee elects a direct rollover to an eligible retirement plan which is an individual retirement account described in section 408(a) of the Code or an individual retirement annuity described in section 408(b) of the Code.

(2) “Eligible rollover distribution” means a distribution of any portion of the balance credited to the benefit of a participant which is not one of a series of substantially equal periodic payments made over (1) a specified period of ten years or more, or (2) the life expectancy of the distributee, to the extent that it constitutes an eligible rollover distribution (within the meaning of section 401(a)(31)(D) of the Code).

(b) In the case of any mandatory distribution made on or after March 28, 2005, if the vested balance of the distributee’s benefit is greater than \$1,000.00 and less than or equal to \$5,000.00, and if the distributee does not elect to have such distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover or to receive the distribution directly in accordance with section 18-55 of this Code, then the employer will pay the distribution in a direct rollover to an individual retirement plan designated by the employer.

(b-c) The plan administrator shall give covered firefighter employees an understandable written explanation of rollover rules within a reasonable period before making an eligible rollover distribution.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor and Presiding Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor