

ORDINANCE NO. 278

AN ORDINANCE OF STILWELL, OKLAHOMA, AMENDING THE RETIREMENT PLAN OF THE CITY OF STILWELL, OKLAHOMA, AS ADMINISTERED BY THE OKLAHOMA MUNICIPAL RETIREMENT FUND BY ADDING ADDITIONAL DEFINITIONS OF "COMPENSATION" TO THE PLAN; PROVIDING FOR REPEALER AND SEVERABILITY; AND DECLARING AN EMERGENCY.

BE IT ORDAINED, by the Mayor and council of the City of Stilwell, Oklahoma:

SECTION 1. Due to changes in Federal law, and in order to comply with certain requirements of the Internal Revenue Service regarding the tax qualified status of the Retirement Plan of the City of Stilwell, Oklahoma, it is necessary to amend the definition of compensation contained in the Plan as hereinafter set forth.

SECTION 2. The retirement plan of the City of Stilwell, Oklahoma, as adopted by Ordinance No. 274, on May 6, 1966, is hereby amended only by adding the following language to the definition of compensation in the Plan:

"Effective as of July 1, 1994, the definition of "Compensation" as set forth in the Plan is hereby amended to add the following paragraphs:

In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for Plan years beginning on or after January 1, 1994, the annual compensation of each employee taken into account under the Plan shall not exceed the Omnibus Budget Reconciliation Act of 1993 (OBRA '93) annual compensation limit. The OBRA '93 annual compensation limit is \$150,000.00, as adjusted by the Commissioner for increases in the cost of living in accordance with Section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months over which compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA '93 annual compensation limit will be multiplied by a fraction the numerator of which is the number of months in the determination period, and the denominator of which is 12.

For Plan years beginning on or after January 1, 1994, any reference in this Plan to the limitation under Section 401(a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision.

If Compensation for any prior determination period is taken into account in determining an employee's benefits accruing in the current Plan year, the compensation for that prior determination period is subject to the OBRA '93 annual

compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first Plan year beginning or after January 1, 1994, the OBRA '93 annual compensation limit is \$150,000.00."

SECTION 3. All ordinances in conflict herewith are hereby repealed.

SECTION 4. If any part, article, section, or subsection of this ordinance shall be held invalid or unconstitutional for any reasons, such holding shall not be construed to impair or invalidate the remainder of this ordinance, notwithstanding such holding.

SECTION 5. It being immediately necessary for the preservation of the public peace, health, safety, and welfare of the City of Stilwell and the inhabitants thereof that this ordinance shall be put into full force and effect from and after its passage and approval.

PASSED by the Council this 6th day of May, 1996.

APPROVED by the Mayor this 6th day of May, 1996.

W. Neil Morton
Mayor

(Seal)

ATTEST: DEAN WATT
City Clerk

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