



May 21, 2024

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**TRANSMITTED VIA E-MAIL**  
([sbrown@forestparkga.gov](mailto:sbrown@forestparkga.gov))

Ms. Shalonda Brown  
Human Resources Director  
City of Forest Park  
PO Box 69  
Forest Park, GA 30298-0069

**RE: Georgia Municipal Employees Benefit System (GMEBS) Defined Benefit Retirement Plan for City of Forest Park; New Plan Documents**

Dear Ms. Brown:

Enclosed are a draft Georgia Municipal Employees Benefit System (“GMEBS”) Defined Benefit Retirement Plan (“Plan”) Adoption Agreement (“AA”), Service Credit Purchase Addendum, and Service Credit Purchase Form for the city of Forest Park, which provide for the creation and administration of the city’s new GMEBS defined benefit pension plan, effective August 1, 2024. Also attached are copies of the restated Basic Plan Document and Amendment 1, which govern the GMEBS plans, and the Plan’s favorable opinion letter from the IRS. This cover letter addresses key provisions of the city’s Plan, and provides information on adoption and execution of the draft AA and Service Credit Purchase Addendum.

The AA designates the City Manager as the Plan Representative and the Human Resources Director as the Pension Committee Secretary (see AA, pp. 2-3). The Pension Committee Secretary communicates salary and service information to GMEBS for the annual valuation and communicates with GMEBS and employee participants about Plan terms and pre-retirement beneficiary forms. The six members of the Pension Committee are the Mayor, a Councilmember, the City Manager, Finance Director, Human Resources Director, and a Forest Park Retiree (see AA, p. 3).

The Plan requires participation by all regular employees employed on or after August 1, 2024, who work a minimum of 40 hours per week at least 6 months per year (see AA, pp. 5-6). Elected officials in office on or after August 1, 2024, will participate in the Plan; municipal legal officers will not (see AA, pp. 5-6).

Importantly, the city is granting eligible regular employees in service on August 1, 2024, service credit for all service with the city prior to August 1, 2024, for the purposes of vesting and benefit eligibility. Elected officials in office on August 1, 2024, will receive service credit for all service with the city prior to August 1, 2024, for all purposes under the Plan (i.e., the purposes of benefit eligibility, and benefit computation) (see AA, p. 8).

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None of a participant's prior military service (if any), prior governmental service (if any) or unused paid time off will count as service credit under the Plan (see AA, pp. 9-12).

Eligible regular employees will qualify for an unreduced normal retirement benefit when they are at least 62 and have at least 5 years of credited service (see AA, p. 14). An eligible regular employee's monthly normal retirement benefit will be 1/12 of 2.50% of the employee's final average earnings, multiplied by the employee's years and months of credited service under the plan. Final average earnings will be based on the employee's highest 60 consecutive months of earnings (see AA, pp. 21-23).

Elected officials will qualify for unreduced normal retirement benefits when they are at least 62 (see AA, p. 15). An elected official's monthly normal retirement benefit will be \$100.00 per month for each year of total credited service as an elected official (see AA, p. 23). A year of service for elected officials is defined as service of at least 6 months and 1 day. Elected officials who qualify for normal retirement are eligible for in-service distribution of retirement benefits while in office (see AA, p. 15). Eligible regular employees may not receive in-service distribution of retirement benefits.

Please note that the maximum total credited service will be limited to 32 years for all participants, i.e., eligible regular employees *and* elected officials (see AA, p. 20).

Participants will qualify for early (reduced) retirement benefits when they are at least age 55 and have at least 10 years of credited service (see AA, pp. 13-14). If a participant elects early retirement, the participant's benefit will be reduced in accordance with the applicable early retirement reduction factors (see AA, p. 24).

Retirees who return to service as elected officials after their normal retirement dates may continue drawing their retirement benefits while in office; however, retirees who return to service as elected officials before their normal retirement dates will cease receiving retirement benefits until they reach normal retirement age. Retirees who return to service as eligible regular employees will cease receiving retirement benefits until they re-retire (see AA, pp. 26-27). In most cases, an actuarial offset will apply at re-retirement to account for retirement benefits already paid, but a participant's monthly retirement benefits will not be less following re-retirement than they were previously. This actuarial offset at re-retirement will not apply to elected officials who receive in-service distribution or retirees return to service as elected officials (see AA, pp. 26-27).

For regular eligible employees, benefits are 100% vested after a minimum of 5 years of service. Elected officials are immediately vested in their benefits (see AA, p. 28-29).

An "Auto A" death benefit will be payable in the event a vested participant dies before retirement, whether in-service or after terminating employment. This death benefit is 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 the participant

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retired and elected a 100% joint and survivor benefit (see AA, pp. 30-32, and Sections 8.06 and 8.09 of the Basic Plan Document). Participants may designate one primary and one secondary pre-retirement beneficiary. If a participant does not designate a pre-retirement beneficiary, the participant's surviving spouse, if any, will be treated as the participant's pre-retirement beneficiary. If the participant dies before retirement and does not have a designated pre-retirement beneficiary or a surviving spouse, a lump sum in the amount of 50% of the actuarial equivalent of the participant's vested accrued benefit will be paid to the participant's estate (see Basic Plan Document, Section 8.06(b)).

The Plan requires eligible regular employees to make pre-tax employee contributions in the amount of 1.0% of earnings (see AA, p. 32). If a nonvested employee terminates employment, the employee will be *required* to withdraw employee contributions made to the plan. If a vested employee terminates before retirement, the employee will be *allowed* to withdraw employee contributions made to the plan. Interest on withdrawn employee contributions will be at a rate set by GMEBS. Employees who withdraw their employee contributions will forfeit any benefits or service credit associated with those employee contributions, unless the employee returns to service with the city and repays the withdrawn employee contributions, with interest, in accordance with Section 13.03 of the Basic Plan Document (see AA, pp. 32-33).

The Service Credit Purchase Addendum provides that eligible regular employee participants in the plan who were in service with the city on July 31, 2024, and remain in service on August 1, 2024, may purchase credit for their full-time service with the city from their date of hire as a full-time regular employee through July 31, 2024. Purchased service credit will count for the purpose of computing benefits. Eligible participants will have two opportunities to apply to purchase service credit: September 1, 2024 – October 31, 2024, and September 1, 2025 – October 31, 2025. A participant may not purchase service credit after terminating employment. **The Service Credit Purchase Form, which the city will provide to eligible regular employee participants prior to the two service credit purchase windows, is also attached.**

If approved by the city's governing authority, the Plan documents will become effective August 1, 2024. **Please note that per O.C.G.A. § 47-5-40, the Adoption Agreement has been drafted in the form of an ordinance.** The Adoption Agreement and Service Credit Purchase Addendum must both be adopted for the amendment to be effective. Please note that the Basic Plan Document, Amendment 1 and the IRS favorable opinion letter are for your records, and do not need to be adopted by the city.

If the draft documents are acceptable, please have the designated representatives sign and date each document where indicated (Adoption Agreement, p. 36, and Service Credit Purchase Addendum, p. 6). Next, please scan and email the executed documents to Gina Gresham at [rgresham@gacities.com](mailto:rgresham@gacities.com). GMEBS will then countersign the documents and return electronic copies to you. Please note, GMEBS will not execute documents that have been edited by the city. If the documents require revisions, please let us know before adopting them.

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If you have any questions about the information provided in this letter or require further information, please feel free to contact me at (678) 686-6236 or [kjeselnik@gacities.com](mailto:kjeselnik@gacities.com).

Sincerely,



Kevin H. Jeselnik

Assistant General Counsel

Encl.

- C: Mr. Winston Denmark, City Attorney, City of Forest Park (w/ encl.)
- Ms. Marinetty Bienvenu, Director, Employee Benefit Services (w/o encl.)
- Ms. Michelle Warner, Director, Retirement Field Services and DC Program (w/o encl.)
- Ms. Gwin Hall, Senior Associate General Counsel (w/o encl.)