



CITY OF
FORESTPARK

City Council Agenda Item

Subject: Georgia Municipal Association – Pension Plan

Submitted By: Ricky L. Clark, Jr., City Manager

Date Submitted: August 4, 2023

Work Session Date: August 7, 2023

Council Meeting Date: August 7, 2023

Background/History:

As part of the City Manager's employee evaluation, a large percentage of employees stated that they would like to see a Pension Plan implemented. At current, the city only offers a 457 and 401 plan. A qualified retirement plan can help our organization look more attractive to qualified employees. Finding quality employees can be a challenge today, especially when a job seeker is considering multiple job offers. Offering a retirement plan is a benefit most job seekers consider and ultimately can be a differentiating factor in their decision-making process.

Not only can retirement plans help you attract new employees, they can also help you retain those most valuable to our City's success. Keeping good employees lowers our turnover cost and helps our business function more efficiently.

Staff is seeking approval to move forward with requesting the Georgia Municipal Association to complete a cost study for us to bring back to Mayor and Council to determine whether or not a pension plan is feasible and affordable. GMA has over 50 years of experience administering local government pension plans. They provide administration of retiree benefits, actuarial services, as well as legal compliance. In addition, they will provide training for our staff as well as employee education whenever we have a need for it.

The fee for a cost study is \$2,500 and takes approximately 4-6 weeks to complete. Should Mayor and Council decide to move forward with a pension plan, their legal team can deliver plan documents within a couple of months.

Cost: \$ Variable

Budgeted for: Yes No

Financial Impact:

N/A
