

RISK MANAGEMENT AND EMPLOYEE BENEFITS SERVICES

EXECUTIVE STAFF

Larry H. Hanson CEO and Executive Director

Randy Logan Deputy Executive Director February 27, 2025

TRANSMITTED VIA E-MAIL

(pconner@cityofpowdersprings.org)

Ms. Pam Conner City of Powder Springs 4484 Marietta Street Powder Springs, GA 30127

RE: City of Powder Springs GMEBS Defined Benefit Retirement Plan;

Amendment to Treat Certain Unused Sick Leave as Credited Service, Implement a "Rule of 78" for Field Personnel, Increase Elected Official Benefits and Provide Additional Credited Service for Accounts Receivable Clerk

Dear Ms. Conner:

Per the city's request, enclosed please find a draft Adoption Agreement ("AA") and General Addendum for the city of Powder Spring's Georgia Municipal Employees Benefit System ("GMEBS") Defined Benefit Retirement Plan ("Plan"). The amendment to the Plan treats unused sick leave as credited service for employees in service on or after March 17, 2025 (see AA, pp. 13-14). The unused sick leave will only count as credited service for vested employees who have accumulated more than 90 days of unused sick leave as of their termination date. Credited service for unused sick leave will count for benefit eligibility and benefit calculation.

The amendment also establishes a Rule of 78 alternative normal retirement qualification for employees employed as "Field Personnel" and in service on or after March 17, 2025 (see AA, pp. 17-18). Field Personnel are defined in the Plan to include employees of the Police Department, Public Works Department and Parks, Recreation and Cultural Affairs Department whose jobs require them to be out of the office and in the field at least 75 percent of the time. The definition of "Field Personnel" does not include civilian, executive assistant or other office-bound employees in such departments. To qualify for the Rule of 78, the age and service of a Field Personnel employee must equal or exceed 78. There is no minimum age requirement.

The amendment also increases the monthly normal retirement benefit for elected officials in office on or after March 17, 2025, from \$55 to \$60 per month for each year of service as an elected official (see AA, p. 24).

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Finally, the amendment provides four (4) years of credited past service for part-time service from October 17, 2019, to March 31, 2025, to the employee in service as Accounts Receivable Clerk on April 1, 2025 (see General Addendum, Section 4).

The Adoption Agreement provides that the amendment will become effective March 17, 2025. Please note that per O.C.G.A. § 47-5-40, the Adoption Agreement has been drafted in the form of an ordinance.

If the city would like changes to the draft documents, please let us know before approving them so we can make any necessary revisions. If the draft Adoption Agreement and General Addendum are acceptable as drafted, please have the designated representatives sign and date where indicated (Adoption Agreement, p. 37, and General Addendum, p. 2) and email them to Ms. Gina Gresham at rgresham@gacities.com. We will then countersign and return the documents to you for your files.

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.

Sincerely, Kevin Jeselnik

Kevin H. Jeselnik

Assistant General Counsel

Encl.

C: Mr. Richard Calhoun, City Attorney, City of Powder Springs (w/ encl.)

Ms. Rosalyn Y. Nealy, Pension Committee Contact, City of Powder Springs (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.)