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## **City of Marietta 4022 Retirement Plan Summary**

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**Note:** This information is intended only as an aid in highlighting the major points of the City of Marietta 4022 Retirement Plan (a closed retirement plan). The actual Municipal Code of Marietta and applicable state and federal laws shall govern in the event of any discrepancies. The City reserves the right to amend the plan with the approval of the City Council. (Note: Summary updated February 2018)

### **Eligible Employees:**

The effective date of the 4022 Retirement Plan is November 1, 1973. All regular, full-time employees and elected and appointed officials hired before March 1, 1987, were eligible to participate in the 4022 Retirement Plan. Eligible employees were offered two election periods to participate in the Consolidated Retirement Plan: March 1, 1987 to May 29, 1987, and a 30-day period during calendar year 1999.

### **Contributions:**

Participants shall not be required to make any contributions to the cost of the plan.

### **Vesting:**

Employees are vested after five (5) years of credited service.

### **Final Average Earnings:**

Final average earnings shall mean the average of the annual earnings paid to a participant during any consecutive three (3) year period preceding his actual date of retirement in which his earnings were highest; or if he had less than three (3) years of total credited service, then his final average earnings shall be his average earnings for his total credited service.

### **Eligibility for benefits:**

#### **Normal Retirement:**

A Level 1 participant who has completed a minimum of five (5) years of total credited service is eligible to retire with a normal retirement benefit at age fifty-five (55) (police officers and firefighters). A Level 2 participant who has completed a minimum of five (5) years of total credited service is eligible to retire with a normal retirement benefit at age sixty-five (65) (general employees or police officers and firefighters hired on or after November 12, 1986). A Level 2 participant who has completed a minimum of ten (10) years of total credited service is eligible to retire with a normal retirement benefit at age sixty-five (65) (elected or appointed members of the governing authority).

The monthly amount of normal retirement for participant's benefit shall be equal to the higher of 1.33% of the participant's final average earnings multiplied by the years of credited service or one and one-tenth percent (1.1%) of the final average earnings up to the amount of covered compensation applicable to the participant, plus 2.1% (for participants who terminate active service prior to December 12, 2001, the benefit percentage will remain 2%) of final average earnings in excess of the covered compensation applicable to the participant, multiplied by the total years of credited service.

### **Early Retirement:**

A Level 1 participant who has completed a minimum of five (5) years of total credited service is eligible to retire with an early retirement benefit at age forty-five (45) (police officers and firefighters). A Level 2 participant who has completed a minimum of five (5) years of total credited service is eligible to retire with an early retirement benefit at age fifty-five (55) (general employees, elected and appointed officials of the governing authority, or police officers and firefighters hired on or after November 12, 1986).

A participant who elects to retire on his early retirement date shall receive either:

A. The amount of each monthly retirement benefit for early retirement shall be computed in the same manner as for a normal retirement benefit, but the benefit so computed shall be reduced by .167% (.00167) for each full month retired early from age fifty-five (55) (Level 1) or sixty-five (65) (Level 2); or

B. A delayed monthly retirement benefit under which payment shall commence on the first day of the month coinciding with or next following the retired participant's fifty-fifth (55th) birthday if such participant is a Level 1 employee, or sixty-fifth (65th) birthday if such participant is a Level 2 employee, and shall be payable on the first day of each month thereafter during the lifetime of the participant. The amount of each monthly retirement benefit shall be computed in the same manner as for a normal retirement benefit.

### **Alternate Retirement Date:**

A participant may elect an alternate retirement option based on the eligibility requirements for an unreduced early retirement under the Consolidated Retirement Plan for the Employees of the City of Marietta, Georgia. A participant may retire from the service of the city at any time after the date that the sum of his age and credited service equals at least 80.

### **Disability Retirement:**

A participant will be considered disabled if unable, solely because of disease or accidental bodily injury, to work at his or her own occupation or at any reasonable occupation for which the participant may be engaged, or may reasonable become engaged, fitted by education, training or experience provided, however, that such disability shall not have been (a) self-inflicted; (b) incurred in military service; (c) incurred in the commission of a felonious enterprise; or (d) the result of the use of narcotics and/or drugs and/or alcohol.

The monthly amount of disability retirement benefits shall be determined in the same manner as normal retirement benefits. In no event, however, shall the benefit be less than 50% of the average of the participant's most recent 12 months of earnings.

### **Delayed or Late Retirement Benefit:**

Level 1 participants who retire on or after age 56 and Level 2 participants who retire on or after age 66 will have their normal benefit multiplied by a factor that is more than 100%.

### **Death Benefits:**

If a participant dies prior to retirement, his beneficiary shall receive a monthly death benefit actuarially equivalent to the participant's anticipated normal retirement benefit assuming that his age at the time of his death is fifty-five (55) if he is a Level 1 employee, or sixty-five (65) if he is a Level 2 employee; the benefit shall be computed in accordance with actuarial tables within the plan document based on the age of the beneficiary. If a participant dies after retirement, the benefit will be calculated by subtracting the number of retirement payments received from the number of expected retirement payments received. Notwithstanding that calculation, the beneficiary will receive a minimum of 24 months of death benefit payments.

### **Unused Sick Leave or Military Duty:**

New retirees will be credited with additional service for benefit calculation purposes only (this additional credit will not be used to satisfy any eligibility criteria for plan benefits) for either unused sick leave or for active duty federal military service prior to becoming an employee of the City of Marietta/BLW, whichever is greater, to a maximum of one year.

### **Cost of Living Increases:**

Each monthly retirement benefit for Level 1 participants shall be increased by a percentage equal to the percentage representing the current average cost-of-living index figure divided by the current average cost-of-living index figure from the most recent August 1 annual adjustment. If the current average cost-of-living index figure is less than the average cost-of-living index figure determined on August 1 of the previous calendar year, the monthly retirement benefit will not be reduced. Notwithstanding the foregoing provisions, no increase in the amount of a monthly retirement benefit due to changes in the current average cost-of-living index figure effective at any August 1 annual adjustment date shall be in excess of an average increase of four percent (4%) of the amount of the monthly retirement benefits payable immediately prior to such participant's or beneficiary's applicable adjustment date.

### **Additional Retirement Benefits:**

Retiree Life Insurance – If you had city-funded, basic life insurance in effect at the time of retirement, the amount of your basic life benefit will be \$20,000.

Health Care Coverage – If you were hired before August 14, 1991, and did not leave the city as a terminated vested employee, the City/BLW will contribute 100 percent of the calculated premium cost of retiree health care coverage. The City/BLW will not contribute to the calculated premium cost of retiree dependent coverage except that the calculated premium cost to the retiree if he/she elects to cover such dependents will be frozen at time of retirement.

This is an overview of the 4022 Retirement Plan. You may obtain a complete copy of the plan from the MuniCode website located at [https://www.municode.com/library/ga/marietta/codes/code\\_of\\_ordinances](https://www.municode.com/library/ga/marietta/codes/code_of_ordinances). Once there, go to Article 4-12-4.

For all other employees who are in the Consolidated Retirement Plan, you may obtain a complete copy of the plan from the above website by finding Article 4-12-6.

If you have questions regarding either plan, contact the Benefits Division at 770-794-5562, option 3.

You can find all plan documents at <http://www.marietta.gov/768/Retirement-Plan-Documents>

You can find Pension Board minutes at <http://www.marietta.gov/AgendaCenter/Pension-Board-8>

You can find all ordinances affecting the 4022 Retirement Plan at <http://www.marietta.gov/788/Pension-Board-Minutes-Legislation-and-Do>

**Normal Retirement Benefit Estimate for Plan 4022**

**Age 65 (Level 2): General Employees or Police/Fire hired between November 12, 1986 and February 28, 1987**

**Age 55 (Level 1): Police/Fire hired prior to November 12, 1986**

1. Total of highest 36 months of regular earnings: \_\_\_\_\_

2. Divide amount in number 1 by 36 to determine final average earnings (FAE):  
\_\_\_\_\_

3. Determine covered compensation (CC) amount from table. Divide the covered compensation amount by 12. Compare covered compensation to final average earnings.

FAE: \_\_\_\_\_

CC: \_\_\_\_\_ (if CC is equal to or greater than FAE, then go to number 8)

Difference equals: \_\_\_\_\_

4. Covered compensation multiplied by .011 equals: \_\_\_\_\_

5. The difference between FAE and CC multiplied by .021 equals: \_\_\_\_\_

6. Add the results in numbers 4 and 5 to determine unit benefit (UB): \_\_\_\_\_

7. Multiply unit benefit by total service to determine the normal retirement benefit.

UB: \_\_\_\_\_

\* Service: \_\_\_\_\_

Normal Retirement Benefit: \_\_\_\_\_

\* May be eligible for an addition of up to 1 year of service for prior active military service or unused sick leave

8. Multiply FAE by .0133 (1.33%) to determine unit benefit (UB): \_\_\_\_\_

9. Multiply unit benefit by total service to determine the normal retirement benefit.

UB: \_\_\_\_\_

Service: \_\_\_\_\_

Normal Retirement Benefit (NRB): \_\_\_\_\_

**Early Retirement Benefit Estimate for Plan 4022**

**Age 55 (Level 2): General Employees or Police/Fire hired between November 12, 1986 and February 28, 1987**

**Age 45 (Level 1): Police/Fire hired prior to November 12, 1986**

The Early Retirement Benefit is determined by reducing the normal retirement benefit by .00167 (.167 %) for each full month age is less than 65 years at retirement.

- a. Normal Retirement Benefit: \_\_\_\_\_
- b. 1.00 (or 100%) minus reduction factor: \_\_\_\_\_
- c. NRB multiplied by the difference in b above equals: \_\_\_\_\_

**Delayed/Late Retirement Benefit (Level 1: Police/Fire hired before November 12, 1986)**

The delayed retirement benefit is determined by multiplying the normal retirement benefit by the appropriate factor.

Normal retirement benefit (NRB): \_\_\_\_\_

Delayed retirement increase factor: \_\_\_\_\_

**Delayed Retirement Benefit:** \_\_\_\_\_

Delayed Retirement Increase Factors	
Age at retirement	Factor
56	1.0664
57	1.1392
58	1.2191
59	1.3072
60	1.4044
61	1.5124
62	1.6326
63	1.7667
64	1.9168
65	2.0851
66	2.2745
67	2.4888
68	2.7323
69	3.0101
70	3.3287

**Delayed/Late Retirement Benefit (Level 2: General Employees or Police/Fire hired  
between November 12, 1986 and February 28, 1987)**

The delayed retirement benefit is determined by multiplying the normal retirement benefit by the appropriate factor.

Normal retirement benefit (NRB): \_\_\_\_\_

Delayed retirement increase factor: \_\_\_\_\_

**Delayed Retirement Benefit:** \_\_\_\_\_

Delayed Retirement Increase Factors	
Age at retirement	Factor
66	1.0908
67	1.1936
68	1.3104
69	1.4436
70	1.5964

**City of Marietta 4022 Retirement Plan 2019 Covered Compensation Table**

**4022 Retirement Plan of the Employees of the City of Marietta  
Covered Compensation Table for 2019**

<b>Year of Birth*</b>	<b>Age 65 or 55</b>	<b>Covered Compensation</b>
1933/43	1998	31,128
1934/44	1999	33,060
1935/45	2000	35,100
1936/46	2001	37,212
1937/47	2002	39,444
1938/48	2004	43,992
1939/49	2005	46,344
1940/50	2006	48,816
1941/51	2007	51,348
1942/52	2008	53,952
1943/53	2009	56,628
1944/54	2010	59,268
1945/55	2011	61,884
1946/56	2012	64,560
1947/57	2013	67,308
1948/58	2014	69,996
1949/59	2015	72,636
1950/60	2016	75,180
1951/61	2017	77,880
1952/62	2018	80,532
1953/63	2019	83,244
1954/64	2020	85,920
1955/65	2022	91,056
1956/66	2023	93,564
1957/67	2024	96,000
1958/68	2025	98,328
1959/69	2026	100,596
1960/70	2027	102,804
1961/71	2028	104,964
1962/72	2029	107,028
1963/73	2030	109,080
1964/74	2031	111,084
1965/75	2032	113,004
1966/76	2033	114,852
1967/77	2034	116,580
1968/78	2035	118,200
1969/79	2036	119,700
1970/80	2037	121,068
1971/81	2038	122,376
1972/82	2039	123,660
1973/83	2040	124,884
1974/84	2041	126,000
1975/85	2042	127,008
1976/86	2043	127,884

<b>Year of Birth*</b>	<b>Age 65 or 55</b>	<b>Covered Compensation</b>
1977/87	2044	128,640
1978/88	2045	129,384
1979/89	2046	130,128
1980/90	2047	130,776
1981/91	2048	131,328
1982/92	2049	131,784
1983/93	2050	132,192
1984/94	2051	132,600
1985/95	2052	132,768
1986/96 and later	2053 and later	132,900

\* For level 2 participants; age 65 is the applicable normal retirement age.

Thus, year of birth is the first year under this column.

For level 1 participants; age 55 is the applicable normal retirement age.

Thus, year of birth is the second year under this column.