
City of Marietta Consolidated Retirement Plan Summary

Note: This information is intended only as an aid in highlighting the major points of the Consolidated Retirement Plan for the Employees of the City of Marietta, Georgia. The 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 June 2017)

Eligible Employees:

The effective date of the Consolidated Retirement Plan is March 1, 1987. All regular, full-time employees and elected and appointed officials hired after this date are eligible to participate in the Consolidated Retirement Plan. Active employees on March 1, 1987, had 90 days from that date to elect to participate in this plan. There was a second special election period in 1999.

Contributions:

As of January 1, 2009, each participant shall make mandatory contributions to the Plan. The amount of contributions shall be four percent (4%) of each participant's gross wages other than overtime and expense reimbursements. The 4% will be refunded if participant is not vested at end of employment.

Vesting:

Employees hired before March 18, 2008, are vested after five (5) years of credited service. Employees hired on or after March 18, 2008, and before January 1, 2009, are vested after seven (7) years of credited service. Employees hired on or after January 1, 2009, are vested after ten (10) years of service.

Final Average Earnings:

Final average earnings for participants hired prior to January 1, 2009, shall mean the average monthly earnings paid to a participant during the thirty-six (36) full months preceding his actual date of retirement in which his earnings were the highest. Final average earnings for participants hired on or after January 1, 2009, shall mean the average monthly earnings paid to a participant during the sixty (60) full months preceding his actual date of retirement in which his earnings were highest. Final average earnings for an elected or appointed member of the governing authority shall be defined as the average annual salary divided by 12 of all plan participants covered by the plan on the July 1 preceding the plan year of determination.

Eligibility for Benefits:

Normal Retirement:

A participant hired before March 18, 2008, is eligible to retire with a normal retirement benefit at age sixty-five (65) and five (5) years of credited service. A participant hired on or after March 18, 2008, and before January 1, 2009, is eligible to retire with normal retirement benefits at age sixty-five (65) and seven (7) years of credited service. A participant hired on or after January 1, 2009, is eligible to retire with normal retirement benefits at age sixty-five (65) and ten (10) years of credited service. The monthly amount of normal retirement for a participant's benefit shall be equal to 2.1% of the participant's final average earnings multiplied by the years of credited service up to a maximum of 35 years of service. For participants who terminated service prior to December 12, 2001, the percentage is 2.0%.

Early Retirement:

A participant hired before March 18, 2008, is eligible to retire with an early retirement benefit at age fifty-five (55) and five (5) years of credited service. A participant hired on or after March 18, 2008, and before January 1, 2009, is eligible to retire with an early retirement benefit at age fifty-five (55) and seven (7) years of credited service. A participant hired on or after January 1, 2009, is eligible to retire with an early retirement benefit at age fifty-five (55) and ten (10) years of credited service.

For participants hired before January 1, 2009, the monthly amount of early retirement benefit shall be equal to the benefit determined for normal retirement, reduced by one-quarter of one percent (.25%) for each month that the participant is younger than sixty-five (65). For participants hired on or after January 1, 2009, the monthly amount of early retirement benefits shall be equal to the benefit determined for normal retirement, reduced by .417 of one percent (.417%) for each month by which the participant is younger than sixty-five (65).

Unreduced Early Retirement:

Participants hired prior to March 18, 2008, shall be eligible to retire on an unreduced early retirement benefit, provided the sum of age plus credited service equals at least eighty (80). Participants hired on or after March 18, 2008, shall be eligible to retire on an unreduced early retirement benefit, provided the sum of age plus credited service equal at least eighty (80) and the participant is age fifty-five (55).

The monthly amount of the unreduced early retirement benefit shall be equal to the benefit determined for normal retirement.

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.

Survivor's Benefits:

A participant may elect to receive an actuarially reduced monthly retirement benefit with a continuation upon his or her death after retirement of 50%, 75%, or 100% of the retirement benefit to a designated beneficiary, with the continuation of the benefit being for the life of the beneficiary. Employees must retire to elect this option. Beneficiaries of employees who die while actively employed will receive a refund of participant contributions, but no other survivor's or preretirement death benefits under the plan.

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. This provision only applies to active employees who apply for normal or unreduced early retirement.

Additional Retirement Benefits:

Retiree Life Insurance – Employees who had City-funded Basic Life Insurance in effect at the time of retirement will be covered in retirement for \$25,000.

Health Care Coverage – If you were **hired before August 14, 1991**, the City/BLW will contribute 100 percent of the calculated premium cost of retiree health care coverage. All full-time employees hired between **August 14, 1991 – October 31, 2006**, may continue their health insurance coverage after retirement from active service. Effective July 1, 2003, the City/BLW will contribute toward the cost of this retiree health insurance on the following basis (**note: terminated vested employees are NOT eligible for retiree health insurance**):

1. 20+ years of employee service. If hired after August 14, 1991, and before November 14, 1996, the City /BLW will contribute 100 percent of the calculated premium cost of retiree health care coverage (POS and PPO plans). If hired between November 14, 1996 – October 31, 2006, the City/BLW will contribute 100% of the calculated premium cost of the retiree coverage on the City/BLW's basic health care plan (currently the POS Plan). 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.
2. 15-19 years of employee service. If hired after August 14, 1991, and before November 14, 1996, the City/BLW will contribute 80 percent of the calculated premium cost of retiree health care coverage (POS and PPO plans). If hired between November 14, 1996 – October 31, 2006, the City/BLW will contribute 80 percent of the calculated premium cost of the retiree coverage on the City/BLW's basic health care plan (currently the POS plan). The calculated premium cost to the retiree for retiree coverage will be frozen at time of retirement. The City/BLW will not contribute to the calculated premium cost of retiree dependent coverage and rate increases for dependent coverage will be passed on to the retiree as they occur.
3. 10-14 years of employee service. If hired after August 14, 1991, and before November 14, 1996, the City/BLW will contribute 50 percent of the calculated premium cost of retiree health care coverage (POS and PPO plans). If hired between November 14, 1996 – October 31, 2006, the City/BLW will contribute 50 percent of the calculated premium cost of the retiree coverage on the City/BLW's basic health care plan (currently the POS plan). The calculated premium cost to the retiree for retiree coverage will be frozen at time of retirement. The City/BLW will not contribute to the calculated premium cost of retiree dependent coverage and rate increases for dependent coverage will be passed on to the retiree as they occur.

4. Less than 10 years of employee service. If hired between August 14, 1991 – October 31, 2006, the employee may continue their health insurance coverage after retirement from continuous, active service, but the retired employee must pay 100 percent of the retiree calculated premium cost and 100 percent of the dependent calculated premium cost if the retiree elects dependent coverage and all rate increases thereon.

All full-time employees hired on or after November 1, 2006, with a minimum of 10 years' full time continuous, active service may continue their health care coverage after retirement provided such health care coverage is elected and provided by the City of Marietta at time of retirement. Effective November 1, 2006, the City/BLW will contribute toward the cost of this retiree health insurance on the following basis for such employees:

20+ years of continuous employee service for those employees hired on or after November 1, 2006: The City/BLW will contribute 85% of the calculated premium cost of retiree single coverage for the City/BLW's basic health care plan (currently the POS). Such benefit will be limited to cover the City/BLW retiree only. The dollar amount of the retiree contribution will not be frozen and will increase as the calculated premium cost for coverage increases to the City/BLW. The City/BLW will not contribute to the calculated premium cost of retiree dependent coverage and rate increases for dependent coverage will be passed on to the retiree as they occur.

10-19 years of continuous employee service for those employees hired on or after November 1, 2006: The City/BLW will not contribute toward the calculated premium cost of any retiree health plan chosen by the retired employee. The employee may purchase City/BLW group retiree health care coverage and dependent health care coverage, but will be responsible for 100 percent of all incurred costs including future rate increases on any plan selected.

Less than 10 years of continuous employee service for those employees hired on or after November 1, 2006: Employees who retire with less than 10 years of service are not eligible to purchase retiree or dependent health care coverage through the City of Marietta/BLW.

This is an overview of the Consolidated Retirement Plan. You may obtain a complete copy of the Consolidated Retirement Plan from the MuniCode website located at https://www.municode.com/library/ga/marietta/codes/code_of_ordinances. Once there, go to Article 4-12-6.

For Public Safety employees who are in the 4022 Retirement Plan, you may obtain a complete copy of the plan from the above website by finding Article 4-12-4.

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

**HOW TO ESTIMATE YOUR RETIREMENT BENEFIT
THE CONSOLIDATED RETIREMENT PLAN (4532)
Hired before January 1, 2009**

1. Estimate your annual salary for the consecutive three-year period prior to your retirement in which your earnings were, or will be, the highest _____

2. Divide the total three-year period earnings by thirty-six (36) to determine your Final Average Earnings (FAE). _____

3. Multiply the FAE times 2.1% (.021) to obtain the Unit Benefit.* _____
(Note: For participants who terminated service prior to 12/12/2001, percentage is 2.0%)

4. Determine your credited service to retirement. _____
(Note: Service includes up to one year for unused sick leave or prior active military service**)

5. Multiply the Unit Benefit times your total credited service (maximum 35 years) to determine your monthly Normal Retirement Benefit (NRB).*** _____

6. The Early Retirement Benefit (ERB) is determined by reducing the NRB by a reduction factor of .0025 (.25%) for each month your age is less than 65 years if not retiring at age 65 or with an unreduced early retirement.
 - a. NRB: _____

 - b. 1.00 (or 100%) minus (months less than 65: ____ x .0025): _____

 - c. NRB multiplied by the difference in b above equals: _____ (Single life benefit)

* For elected officials, the FAE is equal to the average annual salary divided by 12 of all plan participants covered by the plan on the July 1 preceding the plan year of determination.

** Normal or unreduced early retirement only

*** As per Ordinance 7890, the maximum retirement benefits for all elected officials sworn into office on or after January 1, 2018, shall be seventy-three and a half percent (73.5%) of the benchmark amount of the total compensation of the Mayor, including the Mayor's combined compensation as both Mayor and as ex officio Chairman of BLW, as of the elected official's final term of service.

HOW TO ESTIMATE YOUR RETIREMENT BENEFIT
THE CONSOLIDATED RETIREMENT PLAN (4532)
Hired on or after January 1, 2009

1. Estimate your annual salary for the consecutive five-year period prior to your retirement in which your earnings were, or will be, the highest _____

2. Divide the total five-year period earnings by sixty (60) to determine your Final Average Earnings (FAE). _____

3. Multiply the FAE times 2.1% (.021) to obtain the Unit Benefit.* _____
(Note: For participants who terminated service prior to 12/12/2001, percentage is 2.0%)

4. Determine your credited service to retirement. _____
(Note: Service includes up to one year for unused sick leave or prior active military service**)

5. Multiply the Unit Benefit times your total credited service (maximum 35 years) to determine your monthly Normal Retirement Benefit (NRB).*** _____

6. The Early Retirement Benefit (ERB) is determined by reducing the NRB by a reduction factor of .00417 (.417%) for each month your age is less than 65 years if not retiring at age 65 or with an unreduced early retirement.
 - a. NRB: _____
 - b. 1.00 (or 100%) minus (months less than 65: ____ x .00417): _____
 - c. NRB multiplied by the difference in b above equals: _____ (Single life benefit)

* For elected officials, the FAE is equal to the average annual salary divided by 12 of all plan participants covered by the plan on the July 1 preceding the plan year of determination.

** Normal or unreduced early retirement only

*** As per Ordinance 7890, the maximum retirement benefits for all elected officials sworn into office on or after January 1, 2018, shall be seventy-three and a half percent (73.5%) of the benchmark amount of the total compensation of the Mayor, including the Mayor's combined compensation as both Mayor and as ex officio Chairman of BLW, as of the elected official's final term of service.

HOW TO ESTIMATE YOUR RETIREMENT BENEFIT
JOINT AND SURVIVOR OPTION (JSO)
THE CONSOLIDATED RETIREMENT PLAN (4532)

Single life benefit amount from #6: _____ (spousal consent required for this amount)

If beneficiary is older without pop-up (will not exceed 99%):

50%: 88.0% plus 0.4% for each full year that the beneficiary is older than the participant
75%: 83.5% plus 0.5% for each full year that the beneficiary is older than the participant
100%: 79.0% plus 0.6% for each full year that the beneficiary is older than the participant

If beneficiary is older with pop-up (will not exceed 99%):

50%: 87.5% plus 0.4% for each full year that the beneficiary is older than the participant
75%: 82.9% plus 0.5% for each full year that the beneficiary is older than the participant
100%: 78.3% plus 0.6% for each full year that the beneficiary is older than the participant

If beneficiary is younger without pop-up:

50%: 88.0% minus 0.4% for each full year that the beneficiary is younger than the participant
75%: 83.5% minus 0.5% for each full year that the beneficiary is younger than the participant
100%: 79.0% minus 0.6% for each full year that the beneficiary is younger than the participant

If beneficiary is younger with pop-up:

50%: 87.5% minus 0.4% for each full year that the beneficiary is younger than the participant
75%: 82.9% minus 0.5% for each full year that the beneficiary is younger than the participant
100%: 78.3% minus 0.6% for each full year that the beneficiary is younger than the participant

If beneficiary is older without pop-up (disability retirement, will not exceed 99%):

50%: 77.5% plus 0.4% for each full year that the beneficiary is older than the participant
75%: 70.0% plus 0.5% for each full year that the beneficiary is older than the participant
100%: 63.0% plus 0.6% for each full year that the beneficiary is older than the participant

If beneficiary is older with pop-up (disability retirement, will not exceed 99%):

50%: 77.0% plus 0.4% for each full year that the beneficiary is older than the participant
75%: 69.4% plus 0.5% for each full year that the beneficiary is older than the participant
100%: 62.3% plus 0.6% for each full year that the beneficiary is older than the participant

If beneficiary is younger without pop-up (disability retirement):

50%: 77.5% minus 0.4% for each full year that the beneficiary is younger than the participant
75%: 70.0% minus 0.5% for each full year that the beneficiary is younger than the participant
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