

**GENERAL ADDENDUM TO THE  
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM  
DEFINED BENEFIT RETIREMENT PLAN  
ADOPTION AGREEMENT**

This is an Addendum to the Adoption Agreement completed by the City of Hogansville, as follows (complete one or more sections, as applicable):

\*\*\* Item (1) of General Addendum – Not Applicable \*\*\*

- (2) **Discontinuance of participation in the Plan by one or more Departments or classes of Employees (for amendment of Adoption Agreement only - see Section 9 of Adoption Agreement):**

Transfer of Assets on Behalf of Certain Former Employees Transferred to Troup County as of July 1, 2001 – Provided that the former employee's properly completed asset transfer request form is received by the Georgia Municipal Employees Benefit System (GMEBS) on or before January 31, 2009, and provided that all of the other conditions of this subsection are satisfied, GMEBS is hereby authorized and directed to transfer from the Trust Fund of the City of Hogansville Retirement Plan (this Plan) to the Trust Fund for the Association County Commissioners of Georgia Defined Benefit Plan for Troup County Employees ("Troup County Plan") a lump sum amount equal to the present value of the Accrued Benefit under this Plan, as determined by the GMEBS actuary, for the following former employees of the City of Hogansville, who became Troup County employees effective July 1, 2001, pursuant to an intergovernmental agreement dated May 19, 2000, between Troup County and the cities of Hogansville, LaGrange, and West Point:

Donald Howell  
Linda Prescott

The transfer of assets referred to herein is contingent upon GMEBS' receipt of a properly executed amendment to the Troup County Plan, providing that: (1) former City of Hogansville employees on whose behalf assets are transferred will receive under the Troup County Plan an additional amount of "Credited Service" for benefit accrual purposes that is equal to the amount of credited service necessary to provide an "Accrued Benefit" under the Troup County Plan for service with the City of Hogansville that is at least equal to the former employee's Accrued Benefit under this Plan; (2) said Credited Service will be taken into account (in addition to any Credited Service the former employee accrues under the Troup County Plan as an employee of Troup County) in determining the former employee's Accrued Benefit under the Troup County Plan; and (3) with respect to former employees on

whose behalf a transfer of assets is effected, the portion of his or her "Nonforfeitable Accrued Benefit" under the Troup County Plan attributable to prior service with the City of Hogansville will be no less than the former employee's Accrued Benefit as determined under the applicable terms of this Plan in effect as of June 30, 2001. As a precondition for the transfer of assets, said former employees must submit a request for said transfer, on an applicable form approved by GMEBS and the City for such purpose. The transfer of assets will not occur unless GMEBS receives the former employee's properly completed asset transfer request form on or before January 31, 2010. The former employee is responsible to ensure that GMEBS receives his or her properly completed asset transfer request form on or before January 31, 2010. If GMEBS does not receive the former employee's properly completed asset transfer request form on or before such date, then no transfer of assets will occur on behalf of the former employee. The former employee cannot revoke his/her request for transfer of assets once it has been submitted to GMEBS. If the former employee terminates employment from Troup County and if GMEBS receives written notice of same before the transfer of assets is completed, then the former employee's asset transfer request, if any, will be considered null and void and the transfer of assets will not occur. No assets were transferred on behalf of any former employee who has previously received a distribution from this Plan. Upon completion of the transfer of assets, former employees on whose behalf the transfer was effected and their beneficiaries, heirs and assigns will have no further right, title or interest under the City of Hogansville Retirement Plan (this Plan).

\*\*\* Item (3) – (14) of General Addendum – Not Applicable \*\*\*

(15) Other (may include, but shall not be limited to, provisions relating to Master Plan Sections 6.03, 6.06, 8.04, 8.06, 8.08, 8.09, 8.10, 8.12, 9.01 and 9.02):

(a) Re-Retirement Following Receipt of In-Service Distribution or Reemployment After Retirement; No Reduction of Monthly Retirement Benefit by Actuarial Equivalent of Retirement Benefits Received Prior to Re-Retirement – Notwithstanding any provision of the Master Plan to the contrary, in the event that a Retired Participant who receives an In-Service Distribution while serving as an elected or appointed member of the Governing Authority, or who returns to Service as an elected or appointed member of the Governing Authority, subsequently re-retires on or after January 5, 2015, the Retirement benefit payable upon the Participant's re-retirement shall be computed in accordance with Section 6.06(b)(4) of the Master Plan except that the Retirement benefit will not be reduced by the Actuarial Equivalent of any Retirement benefits received prior to such re-retirement.

The terms of the foregoing Addendum to the Adoption Agreement are approved by the Mayor and Council of the City of Hogansville, Georgia this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Attest: CITY OF HOGANSVILLE, GEORGIA

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

(SEAL)

Approved:

\_\_\_\_\_  
City Attorney

The terms of the foregoing Addendum are approved by the Board of Trustees of the Georgia Municipal Employees Benefit System.

IN WITNESS WHEREOF, the Board of Trustees of the Georgia Municipal Employees Benefit System has caused its Seal and the signatures of its duly authorized officers to be affixed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Board of Trustees  
Georgia Municipal Employees  
Benefit System

(SEAL)

\_\_\_\_\_  
Secretary

**SUMMARY OF KEY AMENDMENTS  
TO THE RESTATED  
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM  
DEFINED BENEFIT RETIREMENT PLAN**

**I. GENERAL OVERVIEW**

On March 30, 2018, the IRS issued a favorable advisory letter for the restated Georgia Municipal Employees Benefit System Volume Submitter Defined Benefit Retirement Plan ("DB Plan" or "Plan"). The DB Plan, as approved, incorporates required federal law updates, as well as administrative updates adopted by the Board of Trustees of GMEBS over the last several years. The IRS requires that each Adopting Employer sign an updated DB Plan Adoption Agreement (and Addendum, if applicable).

**II. SUMMARY OF KEY CHANGES TO THE MASTER PLAN DOCUMENT**

Because all federal law and substantive amendments to the DB Plan were previously adopted by the Board of Trustees, participating employers have already been apprised of the amendments. However, the following information is a reminder of certain key provisions that were added to the Plan or significantly amended since the Plan was last restated in 2010.

- ❖ **Final Average Earnings and Federal Law Compensation Limits** - Final Average Earnings is defined as a set number of consecutive months of service credit (not to exceed 60 months) in which the participant's earnings were the highest. To comply with federal law, monthly earnings in excess of 1/12 of the federal annual compensation for the year in which the monthly salary was earned will not be used to compute a participant's Final Average Earnings. The monthly limit for salary earned (including payouts for unused leave, if applicable) for 2018 is \$22,916.66. Unless the Plan says otherwise, Final Average Earnings excludes severance pay.
- ❖ **Mandatory Participation; Opt Out Through Written Agreement with Employer** - Unless an employer's Adoption Agreement says participation in the Plan is optional for one or more classes of eligible employees, all eligible employees must participate in the Plan. However, if, within 120 days of becoming employed or taking office, an eligible employee (or elected official, if elected officials are permitted to participate in an employer's Plan) enters into a written agreement or employment contract agreeing not to participate in the DB Plan, the employee will be ineligible to participate in the Plan. The employer must notify GMEBS if an otherwise eligible employee has entered into such an agreement. The employee may not become a participant in the employer's Plan in the future unless the employer amends its Adoption Agreement to specifically require participation by the employee.
- ❖ **Immediate Participation for all Eligible Employees** - Effective January 1, 2015, eligible employees become participants in the Plan on the date on which they become employed. If a plan is contributory, employee contributions must begin when an eligible employee begins work. A participant must still be

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employed with an employer for a minimum of one (1) year in order for his or her service to count for portability or actuarial reserve death benefit purposes.

- ❖ **Repayment of Withdrawn Employee Contributions; Interest and Timing** - If a participant who has terminated employment and withdrawn employee contributions returns to service with the employer, he or she may repay the employee contributions to restore forfeited service credit. The withdrawn funds must be repaid no later than six (6) months following reemployment, in a lump sum with interest, compounded annually from the date of withdrawal to the date of repayment.
- ❖ **No Employee Contributions While Receiving In-Service Distribution** - Participants in plans that require employee contributions and allow in-service distribution of benefits will not be required or allowed to make contributions under the plan while receiving an in-service distribution.
- ❖ **In-Service Distribution** - As a general rule, employees or elected officials may not draw retirement benefits while employed. If a plan allows in-service distribution, a participant must be at least age 62 to receive retirement benefits while employed. If a plan allows in-service distribution and has an alternative normal retirement provision with a minimum age of at least 50 specifically for public safety employees, public safety employees who are eligible for the alternative normal retirement may receive an in-service distribution even if they are younger than age 62. "In-service distribution" means a distribution of normal or alternative normal retirement benefits without a bona fide separation from service. A "bona fide separation from service" is a separation from service of at least six months with no expectation of returning to service. (For a few plans with grandfathered in-service distribution provisions, other minimum age limits may apply.)
- ❖ **Auto A Terminated Vested Death Benefits as Default** - The Auto A terminated vested death benefit applies to all vested participants who terminate employment on or after October 1, 2016, and who were not already covered by a terminated vested death benefit under the employer's GMEBS retirement plan.
- ❖ **Default Death Beneficiaries** - Effective July 1, 2015, if a participant who is eligible for pre-retirement death benefits dies before retirement and does not have a designated pre-retirement beneficiary, his or her surviving spouse, if any, will be considered the pre-retirement beneficiary. If there is no surviving spouse, the participant's pre-retirement death benefits will be paid in a lump sum to the participant's estate. With the exception of the payment of the actuarial reserve in-service death benefit to the estate (which already provided for payment of death benefits to the participant's estate in the absence of a designated pre-retirement beneficiary or surviving spouse), the amount of the pre-retirement death benefit payment to a participant's estate will be 50% of the actuarial equivalent of the participant's vested accrued benefit.
- ❖ **Application for Disability Benefits** – The rules for retroactive disability benefits depend on when the participant terminated employment due to disability. **For a**

## SUMMARY OF KEY AMENDMENTS

**participant who terminates due to disability on or after April 1, 2015**, to receive both retroactive and prospective GMEBS disability benefits, the participant must apply for disability benefits with the Social Security Administration (“SSA”), or with the Pension Committee, as applicable, within one year of termination. Within six months of receipt of the SSA award letter, the participant must submit a GMEBS retirement application and the SSA disability award letter (or Pension Committee determination of disability, if applicable) to the Pension Committee Secretary. Participants who do not meet these timing requirements but are otherwise eligible for disability benefits under the Plan can receive prospective benefits following submission of a retirement application and SSA disability award letter to GMEBS.

**For a participant who terminated due to disability on or after July 1, 2011, but before April 1, 2015**, to receive both retroactive and prospective disability benefits, the participant must have both submitted a GMEBS retirement application to the Pension Committee Secretary and applied for disability benefits with the SSA (or with the Pension Committee, as applicable) within one year of termination, and submitted the SSA disability award letter (or Pension Committee determination of disability, if applicable) to GMEBS within six months of receiving it. Participants who failed to meet these timing requirements but were otherwise eligible for disability benefits under the Plan could receive prospective benefits after submitting a GMEBS retirement application and SSA disability award letter to GMEBS.

- ❖ **Employer Indemnification of GMEBS; GMEBS Reliance on Information Provided by Employer and Participant; Payment of Benefits Conditioned on Receipt of Information** - By participating in the Plan, employers agree to indemnify and hold GMEBS harmless for any failure to pay benefits, any delay in paying benefits, or any other errors in processing benefits due to the employer’s failure to perform its obligations under the Plan or provide accurate data to GMEBS. The Plan states that GMEBS is entitled to rely on information provided to it by employers, participants and beneficiaries. Payment of benefits under the Plan is conditioned on each payee providing GMEBS accurate information.
- ❖ **Correction of Overpayments to Deceased Individual** - If a participant or beneficiary dies and GMEBS makes excess payments due to not knowing the payee has died, GMEBS will make reasonable efforts (not including litigation or collections processes) to recover the overpayment for a period of 60 days. If, after 60 days following notice of the participant’s or beneficiary’s death, GMEBS has not been able to recover the overpayment, the loss associated with overpayment will be charged against employer’s trust fund. The employer will be required to make a separate payment to the trust fund to make up for the loss. The employer may continue to try to recover the overpayment.
- ❖ **Correction of Underpayments to Deceased Individual** - With respect to underpayments corrected on or after January 1, 2017, if the corrective payment is owed to a deceased party, the corrective payment will be paid to the deceased party’s surviving spouse. If there is no surviving spouse, the benefit will be paid to the deceased party’s estate.