

City of Hapeville

Georgia Municipal Employee Benefit System Defined Benefit Plan

June 18, 2019



Important Facts

- The GMEBS Retirement Fund was created by the Georgia Legislature in 1965 and currently provides DB plans to 290 local government entities.
- Other South Fulton cities in GMEBS Retirement Fund include College Park, Fairburn, Palmetto and Union City.
- The Fund covers over 38,000 employees, retirees and beneficiaries and includes over \$2 Billion in assets.
- Each member's assets, investment income, contributions and benefit payments are accounted for separately. Assets are comingled for investment purposes to provide our members with economies of scale which results in a more comprehensive and diversified investment portfolio than could be achieved independently.

Administrative Services

- Drafting of retirement plan document and amendments
- Annual actuarial valuation
- Annual audit of the fund
- Monthly reports provided for account reconciliation
- Processing and paying monthly and lump-sum benefits
- Plan compliance
- Annual benefit statements
- Member training and employee information sessions
- GASB Compliance

Compliance Issues

- City's current plan has not been restated for IRS compliance since at least 2010. GMA can assist with the Voluntary Correction Program (VCP) .
- GMA's tax counsel can file the VCP to the Internal Revenue Service for a charge of approximately \$12,000 - \$15,000.
- GMA can take the plan assets and plan administration before the VCP is filed as long as steps are taken to begin the correction process.

Questions?

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