

CITY OF ATLANTA FIRE FIGHTERS'
DEFINED BENEFIT PENSION
ADMINISTRATIVE COMMITTEE MEETING
March 19, 2020
Teleconference
11:00 A.M. – 12:00 P.M.

COMMITTEE MEMBERS PRESENT

LOUIS AMIS	HR Designee, City of Atlanta
DEREK BRENT HULLENDER	Fire, City of Atlanta
RUSSELL SYKES	Fire, City of Atlanta

OTHERS PRESENT

As acknowledged on the Teleconference by Ms. Harris March 19, 2020.

I. CALL TO ORDER

Chairman Derek 'Brent' Hullender called the teleconference meeting to order at 11:01 a.m. Mr. Hullender indicated that a quorum was present for the meeting.

II. ADOPTION OF THE AGENDA

A motion was made by Mr. Amis to approve the Agenda as presented and the motion was seconded by Mr. Sykes. The motion unanimously carried and the Agenda was approved.

III. MINUTES

The Committee Members reviewed the Minutes of the February 20, 2020 Fire Fighters' Defined Benefit Administrative Committee Meeting, which were distributed in advance and reviewed by Counsel.

With no changes or modifications a *motion was made by Mr. Amis to approve the Minutes as presented the motion was seconded by Mr. Sykes. The motion carried unanimously and the Minutes were approved.*

IV. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

The Service Pension Applications on the attached spreadsheet were presented to the Committee for approval.

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Ms. Harris reminded the Committee that she had emailed out confirmation for the conditional approval granted last month for Donny Edwards regarding his rate of pay and classification status. The Committee agreed with this information as provided and there were no further questions.

Following this discussion and review of the applications for approval, a *motion was made Mr. Amis and seconded by Mr. Sykes to conditionally approve service pension applications No. 1 - 4 as listed on the attached spreadsheet dated March 19, 2020. The motion to approve was passed unanimously.*

Disability Applications

There were no Disability Pension Applications for this month.

Beneficiary Applications

The Beneficiary Pension Application on the attached spreadsheet was presented to the Committee for approval.

A motion was made Mr. Amis and seconded by Mr. Sykes to approve beneficiary pension application No. 1-2 as listed on the attached spreadsheet dated March 19, 2020. The motion to approve was passed unanimously.

Ms. Harris reported the Lump Sum total for this period was \$86,997.24.

Financial Statement

Ms. Harris reviewed with the Committee the cash financials for the month ending January 2020 which were accepted as informational.

- ***Balance Sheet*** shows assets at \$638,849,771 for the month compared to a year ago of \$651,845,609.
- ***Income Statement*** shows income and expenses for the month. Total income for the month is \$6,188,232. Total expenses for the month are \$4,628,738. Net income for the month is \$1,559,494.
- ***Comparative Income Statement*** shows a rolling twelve-month calendar of expenses and income for the period February 2019 through January 2020.
- ***Investment Market/Cost Comparison*** shows a market value for this month as \$744,953,406 and the prior month was \$750,526,140. The cost value for this month is \$631,928,411 and the prior month was \$627,641,888.

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Invoices for Approval

Ms. Harris reviewed with the Committee the disbursements for March 2020. Ms. Harris reported that the check numbers for the period were 502260 through 502269. Ms. Harris stated that the total disbursement amount is \$58,643.81.

- Mr. Hullender inquired on the manner in which the Marquette invoices were being split between the Plans. Ms. Harris noted that this was based on assets under management. Mr. Hullender reminded the Committee that there was a portion of the ongoing monthly Financial Consultant billing that should be attributed to the Defined Contribution Plan under consolidated functions for Marquette. Mr. Hullender noted that to date this matter had not yet been resolved and it would need to be addressed on the Investment Board level after the transition from Voya to Prudential takes place. Mr. Amis confirmed that this was anticipated for June 2020. Ms. Amis also noted that he would take the lead on this matter and work with Mr. Gaffney and Ms. Carr with the assistance of Marquette to find resolution. Ms. Harris noted that this item would be placed on the debrief report from today’s meeting for follow up and tracking purposes.

Following a complete review of the disbursements, ***a motion was made by Mr. Amis and seconded by Mr. Sykes to approve the March disbursements. This motion carried unanimously.***

With no further questions or discussion, the Administrative Managers’ Report was concluded and accepted as informational.

V. ATTORNEYS’ REPORT

Pension Overpayments

Mr. Emerson advised the Committee that all Death Overpayment letters had been mailed out this week. Mr. Emerson noted that during the next step of the process responses would be pending for further action/response. Mr. Emerson informed the Committee that he was waiting for Zenith to provide a listing of any payments or payment arrangements that had already been made in order to reconcile the information in progress. Mr. Emerson reminded the Committee that there was a 30 day response period stated on the letters and his firm was actively tracking all

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incoming responses. Mr. Emerson informed the Committee that he would provide updates as customary during the normal meeting agenda order of business.

Proof of Existence – Death Audit

Ms. Harris provided the Committee with the most recent counts for ‘non-responders’ noting that there were 38 members under 79 and 6 over 80 that had not yet replied to prior requests for confirmation. Ms. Harris reminded the Committee that Mr. Amis would be working on confirming if any benefit claims had been filed for any of those individuals in an effort to establish verification for this process before any potential next steps would be addressed for suspension of benefit payments. Mr. Amis requested that Ms. Harris provide him with another copy of the most recent report for his review process.

Georgia Open Meetings Act

Mr. Emerson advised the Committee that the Investment Board had met yesterday and approved an amendment to the bylaws in accordance with the Georgia Open Meetings Act to hold teleconference meetings in the case of an emergency, which includes the COVID-19 pandemic. Mr. Emerson also stated that the Investment Board had approved the update as requested to amend the time of the meetings in the bylaws. Mr. Emerson informed the Committee that the updated bylaws should be ready for the Investment Board to approve next month and they would be shared with them as customary.

One Day of Marriage

Mr. Christie informed the Committee that during the Investment Board meeting yesterday the Trustees approved with the support of City Council the position to codify the Ordinance to confirm that on the first day of marriage a spouse is entitled to receive certain beneficiary benefits, if applicable. Mr. Christie noted that although it would be a lengthy process to have the Charter approved he would make sure that this was done as approved.

Fiduciary Liability Policy

Mr. Christie informed the Committee that he had been given an additional resource by Mr. Alfred Berry Jr. to assist in the efforts for obtaining a quote for the Fiduciary Liability Policy. Ms. Christie stated that at the present there had been only one underwriter (Euclid/Hudson) that had extended a quote and should no other quote be received he would recommend the Plans bind with them.

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With no further questions or discussion, the Attorneys’ Report was concluded and accepted as informational.

VI. OLD BUSINESS

COAF – February Debrief Report

Ms. Harris informed the Committee that on pages 30-34 of the meeting packet there was a copy of the most up to date listing of ‘Action Items’ from the February 20, 2020 Committee Meeting. Ms. Harris stated that this report will be updated accordingly as new information is provided until items are completed or finalized.

The following items were discussed inclusive of action/response:

- 1. Over/Underpaid Minor Beneficiary – The requested letter and check had been mailed to Jacob Crockett as approved by the Committee. Final copies were provided to Mr. Emerson for recordkeeping purposes. Mr. Hullender inquired on the item assigned to Mr. Christie with regarding to the determination of liability. When engaged, Ms. Harris noted that the Executive Summary and associated Root Cause Analysis Report provided by Zenith had all of the applicable information that would be needed for this determination to be made as reviewed and documented by Zenith. Mr. Christie requested the copy of those documents be resent in order for him to perform this review. The Committee requested a formal update be provided at the April meeting.*
- 2. Proof of Existence Letters – Discussed during the Attorney’s Report.*
- 3. Meeting Location - Ms. Harris noted that this matter would be removed based on context provided as of February 20, 2020.*
- 4. Meeting Calendar - Ms. Harris noted that this matter would be removed based on context provided as of February 24, 2020.*
- 5. 1994 CASA History - Emailed to COAF DB PAC an explanation noting that prior to 1994 pre-tax wages were input. As such there was a line for distinguishing this period on all benefit calculations done by the Pension Ops team. Ms. Harris noted that this matter would be removed based on context provided as of February 14, 2020.*
- 6. Pension Direct Deposit – Ms. Harris provided the statistics for the number of retirees that received direct deposit vs. paper check. Ms. Harris informed the Committee that all first monthly payments were sent via paper check as a customary practice for the Custodial Bank. Mr. Hullender stated that he wanted to request that all new retirees receive pension via direct deposit moving forward. When engaged, Mr. Amis stated that City employees also have an option to receive a payroll card in the event that there is an absolute push back for direct deposit yet he agreed with the suggested approach presented by*

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Mr. Hullender. Following this discussion, a motion was made by Mr. Amis to move forward in having all new retirees received direct deposit as primary with an option for a payroll card as an alternate method. This motion was seconded by Mr. Sykes and the motion passed with unanimous decision. The Committee requested that Zenith provide the necessary forms and/or documentation used to accommodate this presently so that any applicable updates could be made to the context and verbiage as needed. Mr. Hullender also requested that room be added for retirees to provide phone numbers and email addresses for recordkeeping purposes. This item will remain open.

7. *Hardman Johnston - Ms. Harris noted that this matter would be removed based on context provided as of February 13, 2020.*
8. *Donnie Edwards – This item was discussed during the Administrative Managers Report. Ms. Harris noted that this matter would be removed based on context provided as of February 22, 2020.*
9. *Meeting Bylaws – This item was discussed during the Attorney’s Report and will remain open at this time.*
10. *City Physicians – Mr. Harris informed the Committee that she had recently received the updates acknowledged from Mr. Amis and this item would remain open at this time.*

VII. NEW BUSINESS

There was no new business to discuss.

VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

Mr. Mike Shea, SVP of Client Services at Zenith American Solutions addressed the Committee in response to the Investment Board RFP decision made yesterday. Mr. Shea extended thanks for the many continued years that Zenith had been allowed to service the City of Atlanta as their Third Party Administrator. Mr. Shea also informed the Committee that Zenith would ensure a 100% professionally smooth transition would be done.

IX. DATE OF NEXT MEETING

The Committee agreed to hold the next meeting via teleconference on April 16, 2020 at 11:00am. Ms. Harris confirmed that Zenith would again send out all of the necessary and customary information to facilitate the meeting.

X. ADJOURNMENT

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Mr. Hullender inquired if Zenith had received any formal acknowledgment from Mr. Mahle about his absence from today’s meeting. Ms. Harris stated that she had not.

With there being no further business to be brought before the Committee at this time, a *motion was made by Mr. Amis and seconded by Mr. Sykes to call for adjournment at 11:51a.m. This motion passed unanimously and the meeting was adjourned*