

CITY OF ATLANTA DEFINED
BENEFIT ADMINISTRATIVE
COMMITTEE GENERAL EMPLOYEES'
PLAN MEETING
September 10, 2020
Webex Teleconference
11:00 A.M. – 12:00 P.M.

COMMITTEE MEMBERS PRESENT

ALFRED BERRY JR.	Retiree, City of Atlanta
ANGELA GREEN	Retiree, City of Atlanta
DOUG STRACHAN	Active, City of Atlanta
BRYANT MITCHELL	Retiree, Atlanta Public Schools
YOULANDA CARR	CFO – City of Atlanta, Designee
LOUIS AMIS	HR – City of Atlanta, Designee
QUENTIN HUTCHINS	APS, City of Atlanta

COMMITTEE MEMBERS ABSENT

JOE HOOD	Active, Atlanta Public Schools
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OTHERS PRESENT

MIKE SHEA	Zenith American Solutions
INETTA WORTHY	Zenith American Solutions
MARY SHAH	Strategic Benefit Advisors
STEPHANIE ATLI	Strategic Benefit Advisors
ED EMERSON	Morris, Manning & Martin
AARON MOODY	Morris, Manning & Martin
CARL CHRISTIE	City of Atlanta Law Department
ALICIA THOMPSON	City of Atlanta Law Department
ROSIE WOODS	Pension Administrator, City of Atlanta
JEANETTE COOPER	Segal
AMANDA ROUSER	City of Atlanta

I. CALL TO ORDER

Chairman Mr. Alfred Berry called the meeting to order at 11:04 a.m. It was noted the meeting was held by Webex Teleconference.

II. ADOPTION OF THE AGENDA

Chairman Berry asked Mr. Shea if there were any changes needed to the agenda. Mr. Shea informed the Committee that Ms. Jeanette Cooper from Segal is on the call and will provide an update on pension overpayment offsets.

A motion was made by Mr. Strachan to approve the Agenda with the noted additional above, the motion was seconded by Mr. Amis. The motion unanimously carried and the Agenda was approved.

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III. MINUTES

The Committee Members reviewed the Minutes of the March 12, 2020 General Employees' Defined Benefit Administrative Committee Meeting, which were distributed in advance and reviewed by Counsel.

Following this discussion and review, a *motion was made by Mr. Strachan to approve the Minutes. This motion was seconded by Mr. Amis. The Minutes were approved.*

IV. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

Chairman Berry informed the Committee members that they will be reviewing Pension applications for the months of April 2020 through September 2020. Chairman Berry advised the Committee members that they will review and vote on each month individually.

Mr. Shea informed the Committee members that all pensioners listed have been placed into pay status due to COVID-19.

April 9, 2020 Service Pensions

The committee reviewed Service Pensions number 1-9.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve service pension applications Nos. 1-9 as listed on the attached spreadsheet dated April 9, 2020. The motion to approve was passed unanimously.*

April 9, 2020 Beneficiary Pension Applications

The committee reviewed Beneficiary Pension Applications 1-5

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve beneficiary pension applications Nos. 1-5 as listed on the attached spreadsheet dated April 9, 2020. The motion to approve was passed unanimously.*

April 9, 2020 Lump Sum Applications

The committee reviewed Lump Sum Applications 1-12. Chairman Berry asked the Committee if Lump Sum applications require a motion. Mr. Amis informed the committee they are for information only.

May 14, 2020 Service Pensions

The committee reviewed Service Pensions number 1-15. Chairman Berry asked Mr. Shea if applicant #13 was aware if they stayed an additional month they would not have a penalty applied. Mr. Shea informed the Committee members that he was not aware of a conversation had taken place with the participant. Chairman Berry asked going forward we ensure if anyone is close to retirement with no penalty that we advise them before retiring.

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Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve service pension applications Nos. 1-15 as listed on the attached spreadsheet dated May 14, 2020. The motion to approve was passed unanimously.*

May 14, 2020 Disabilities converting to Normal Pensions

The committee reviewed Disabilities converting to Normal Pensions number 1-2. Chairman Berry asked if it was normal that a disability amount might be higher than the normal benefit. Ms. Woods confirmed that it is possible.

Following this review, a *motion was made Mr. Amis and seconded by Mr. Strachan to approve disabilities converting to normal Nos. 1-2 as listed on the attached spreadsheet dated May 14, 2020. The motion to approve was passed unanimously.*

May 14, 2020 Beneficiary Pension Applications

The committee reviewed Beneficiary Pension Applications 1-8. Ms. Woods informed the Committee that Mr. Turnipseed needs to be recalculated due to an error.

Following this review, a *motion was made Mr. Mitchell and seconded by Mr. Strachan to approve beneficiary pension applications Nos. 1-8 as listed on the attached spreadsheet dated May 14, 2020. The motion to approve was passed unanimously.*

May 14, 2020 Lump Sum Applications

The committee reviewed Lump Sum Applications 1-69.

June 11, 2020 Service Pensions

The committee reviewed Service Pensions number 1-8.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve service pension applications Nos. 1-8 as listed on the attached spreadsheet dated June 11, 2020. The motion to approve was passed unanimously.*

June 11, 2020 Disabilities converting to Normal Pensions

The committee reviewed Disabilities converting to Normal Pensions numbers 1-2.

Following this review, a *motion was made Mr. Mitchell and seconded by Mr. Strachan to approve disabilities converting to normal Nos. 1-2 as listed on the attached spreadsheet dated June 11, 2020. The motion to approve was passed unanimously.*

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June 11, 2020 Beneficiary Pension Applications

The committee reviewed Beneficiary Pension Applications 1-3

Following this review, a *motion was made Mr. Amis and seconded by Mr. Strachan to approve beneficiary pension applications Nos. 1-3 as listed on the attached spreadsheet dated June 11, 2020. The motion to approve was passed unanimously.*

June 11, 2020 Lump Sum Applications

The committee reviewed Lump Sum Applications 1-73. Ms. Shah asked why there were Lump Sum Recalculations done. Mr. Shea informed the Committee that while processing another Lump Sum application, ZAS verified a missing payroll file. ZAS updated the payroll file and review all participants that had previous lump sums taken.

Chairman Berry asked Mr. Shea to confirm if the Lump Sum amount listed for the recalculations is an additional amount paid or if it is the total amount. Chairman Berry asked Mr. Shea to verify if interest was paid. Mr. Shea informed the Committee members that he will verify both and report back at the next Committee meeting.

July 9, 2020 Service Pensions

The committee reviewed Service Pensions number 1-4. Chairman Berry asked Mr. Shea to verify application #1 listed as 40% is correct. Mr. Shea informed the Committee members that he will review and provide an update at the next meeting.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve service pension applications Nos. 1-4 as listed on the attached spreadsheet dated July 9, 2020 with the understanding a review of application #1 will be completed. The motion to approve was passed unanimously.*

July 9, 2020 Disabilities converting to Normal Pensions

The committee reviewed Disabilities converting to Normal Pensions number 1.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve disabilities converting to normal No. 1 as listed on the attached spreadsheet dated July 9, 2020. The motion to approve was passed unanimously.*

July 9, 2020 Beneficiary Pension Applications

The committee reviewed Beneficiary Pension Applications 1-9

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve beneficiary pension applications Nos. 1-9 as listed on the attached spreadsheet dated July 9, 2020. The motion to approve was passed unanimously.*

July 9, 2020 Lump Sum Applications

The committee reviewed Lump Sum Applications 1-9.

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August 13, 2020 Service Pensions

The committee reviewed Service Pensions number 1-6. Chairman Berry asked if a participant is entitled to two different amendments if can they be listed only once. Chairman Berry asked Mr. Shea to verify if the amounts are paid in one benefit check. Mr. Shea informed the Committee he will report back at the next Committee meeting.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve service pension applications Nos. 1-6 as listed on the attached spreadsheet dated August 13, 2020. The motion to approve was passed unanimously.*

August 13, 2020 Corrections – WC Hours received Application

The committee reviewed WC hours received application No 1.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve WC hours received application No. 1 as listed on the attached spreadsheet dated August 13, 2020. The motion to approve was passed unanimously.*

August 13, 2020 Disability Pension Applications

The committee reviewed Disability Pension Applications 1. Ms. Green asked Mr. Shea to send out to the Board the doctor's certification for each disability pension that is approved.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve disability pension application No. 1 as listed on the attached spreadsheet dated August 13, 2020. The motion to approve was passed unanimously.*

August 13, 2020 Beneficiary Pension Applications

The committee reviewed Beneficiary Pension Applications 1-7. Mr. Strachan asked Mr. Shea to review if applications #4 and #7 would remain as a disability or will they be transitioned to a normal pension benefit. Mr. Shea informed the Committee members that he will review and report back at the next Committee meeting.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve beneficiary pension applications Nos. 1-7 as listed on the attached spreadsheet dated August 13, 2020 with the understanding applications #4 and #7 will be reviewed. The motion to approve was passed unanimously.*

August 13, 2020 Lump Sum Applications

The committee reviewed Lump Sum Applications 1-20. Chairman Berry asked the Committee if anyone knew if applications number 3 and 14 retired as they were close to retirement. Chairman Berry informed the columns years of service and date of processing are reversed.

September 10, 2020 Service Pensions

The committee reviewed Service Pensions number 1-7.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve service pension applications Nos. 1-7 as listed on the attached spreadsheet dated September 10, 2020. The motion to approve was passed unanimously.*

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September 10, 2020 Corrections to include Vacation Carryover

The committee reviewed corrections to include Vacation Carryover numbers 1-4.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve corrections to include vacation carryover applications Nos. 1-4 as listed on the attached spreadsheet dated September 10, 2020. The motion to approve was passed unanimously.*

September 10, 2020 Disability Pension Applications

The committee reviewed Disability Pension Applications numbers 1-3.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve disability pension applications No. 1-3 as listed on the attached spreadsheet dated September 10, 2020. The motion to approve was passed unanimously.*

September 10, 2020 Disabilities converting to Normal Pensions

The committee reviewed Disabilities converting to Normal Pensions number 1-5.

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve disabilities converting to normal Nos. 1-5 as listed on the attached spreadsheet dated September 10, 2020. The motion to approve was passed unanimously.*

September 10, 2020 Beneficiary Pension Applications

The committee reviewed Beneficiary Pension Applications 1-10

Following this review, a *motion was made Mr. Strachan and seconded by Mr. Amis to approve beneficiary pension applications Nos. 1-10 as listed on the attached spreadsheet dated September 10, 2020. The motion to approve was passed unanimously.*

September 10, 2020 Lump Sum Applications

The committee reviewed Lump Sum Applications 1-12.

Cash Financial Statement

Mr. Berry asked Ms. Carr could discuss the computation of Fund Equity as of July 20. Ms. Carr informed the Committee members that this is the equity at the beginning of the year. She advised the Committee members that the Financials are unaudited as the year-end audit is being completed now.

Ms. Carr advised the Committee members that once the audit is completed the numbers will be updated.

Chairman Berry informed the Committee members that he does not see February 2020 listed. Mr. Shea informed the Committee members that it was his error from when he was formatting the financials for presentation.

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Following a complete review, a *motion was made by Mr. Strachan and seconded by Mr. Amis to accept the financials as information only and that updated numbers will be provided upon completion of the audit. This motion was carried with unanimous decision.*

Payable Listing Check Register

Chairman Berry reviewed with the Committee the Accounts Payable Check Registers for the months of April 2020 through September 2020. Chairman Berry asked Mr. Shea to verify checks 76599 and 77381 as they appear to be duplicate postage payments and checks 77380 and 77596 as they appear to be duplicate postage payments. Mr. Shea informed the Committee members that he will review the check numbers and report back at the next Committee meeting.

Following a complete review of the disbursements, a *motion was made by Mr. Strachan and seconded by Mr. Amis to approve the disbursements for the periods of April 2020 through September 2020 with the understanding the items listed above would be reported at the next Committee member. This motion was carried, Ms. Green abstained.*

V. ATTORNEY'S REPORT

Pension Death Overpayments

Mr. Emerson reviewed with the Committee members a spreadsheet that listed all death benefit overpayments. Mr. Emerson informed the Committee members that letters were sent to the estates by regular and certified mail.

Mr. Emerson informed the Committee members that his office has received some responses but would recommend a second mailing be done due to COVID-19.

Mr. Strachan suggested that the Committee look into creating a database that includes electronic communication means, email addresses. He feels it is important to move forward with technology.

Mr. Emerson informed the Committee members that Mr. Amis was reviewing to see if any Life Insurance was paid and the beneficiary that was listed to try and track down a direct contact.

Chairman Berry asked Mr. Emerson what the cost of sending a certified letter and regular letter. Mr. Shea informed the Committee members that he believes the cost is around \$5.00 per letter. Mr. Emerson advised the Committee members that sending the letters by certified mail does help prove receipt of the letter.

Mr. Strachan asked if we can track down banking information for the participants and potentially recoup the funds directly from their account. Mr. Emerson informed the Committee members that he can have Mr. Shea review to see if they have any banking information available.

Following a lengthy discussion, a *motion was made by Mr. Strachan and seconded by Mr. Amis to send out a second notice to all participant estates. This motion was*

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carried unanimously.

Summary Plan Description (SPD)

Mr. Emerson noted that he is finalizing the new SPD and made a decision to separate the General and APS plans into separate SPD's due to the numerous amendments and differences between the two plans. Mr. Emerson advised the Committee members that he is going to send to Zenith, Strategic Benefit Advisors, City of Atlanta Pension Team and Segal.

Mr. Emerson advised the Committee members that Strategic Benefit Advisors is working on a benefit matrix that will be used to ensure benefits are being administered as directed by the Committee.

Fiduciary Liability Policy

Mr. Christie advised the Committee that he is waiting on new quotes for the Fiduciary Liability Policy from Hudson and Allied. Mr. Christie advised the Committee members that he is also looking at obtaining a quote for Cyber Insurance Policy.

Chairman Berry asked Mr. Christie if the current policy is expired. Mr. Christie advised the Committee members that the current policy has expired.

VI. OLD BUSINESS

It was noted there was no old business.

VII. NEW BUSINESS

Ms. Cooper informed the Committee members that earlier in the year she was advised the seven (7) participants being reviewed were determined to have been overpaid and all worked in the School Board plan.

Ms. Cooper advised the Committee that the original payment was set-up incorrectly and received increases that were not correct and there were two individuals who received COLA adjustments when they should not have received.

Ms. Cooper informed the Committee that she worked with Mr. Carr, Mr. Emerson and Mr. Christie on determining on how to apply an offset to each of the participants. She advised the Committee members that for current participants, the offset was based off of their life expectancy. Once a retiree passes away the recoupment would end but if they have a beneficiary, the beneficiary would receive the full amount and would not have a recoupment applied.

Mr. Strachan asked why there is not a recoupment on the beneficiary if the overpayment had not been repaid. Ms. Cooper informed the Committee members that it was a Legal decision based on the IRS guidelines. Mr. Emerson informed the Committee members that there are two elements. If you were collecting from the participant and they pass, it is not the beneficiary fault that there was an overpayment.

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Mr. Strachan advised the Committee members he feels we should collect the overpayment amount no matter who is receiving the benefit. Ms. Cooper asked the Committee members if a participant retires and has been paying for beneficiary coverage but has no spouse at the time of retirement, can a new spouse be added. Mr. Amis informed Ms. Cooper that yes a new spouse could be added.

Ms. Cooper informed the Committee members that when determining the actuarial amount that would need to be paid back the spouse is not part of the factor.

Mr. Strachan informed the Committee that there should be a mutual responsibility of the participant to come forward when they know they are receiving an overpayment. Each participant knows the amount they are going to receive as a benefit and if the amount they received is higher than they should come forward.

Chairman Berry asked Mr. Emerson if all the Committees should be on the same recoupment process. Mr. Emerson informed the Committee that he believes they should all be the same. Ms. Cooper informed the Committee that they would need the date of birth for the spouse to determine the amount that would need to be repaid on a monthly basis. Mr. Strachan asked if there is a big difference between the participant age and the spouse age why would we want to make a different deduction amount when the participant passes. Ms. Cooper informed the Committee that if you include both the repayment amount would be less due to the repayment would be considered over a longer period of time.

Mr. Strachan asked if the reduction would be permanent for as long as they live. Ms. Cooper informed the Committee that the reduction would be permanent for the rest of their life. Mr. Strachan asked if they paid back their overpayment they would not be entitled to having their full benefit amount again. Ms. Cooper informed the Committee that they would not be increased to their normal benefit amount.

Ms. Cooper reviewed with the Committee members the following offset amounts for each participant.

Participant 1: Overpayment of almost \$400,000.00. The offset for this participant would eliminate their current benefit.

Participant 2: Overpayment of almost \$101,000.00. The offset would be \$2,100.37 per month.

Participant 3: Overpayment of almost \$142,000.00 but the participant did pass away. The beneficiary would be paid the participants normal benefit amount.

Participant 4: Overpayment is almost \$40,000.00. The offset for this participant would eliminate their current benefit.

Participant 5: Overpayment is almost \$131,000.00. The offset would be \$4,612.41 per month.

Participant 6: Overpayment is almost \$160,000.00. The offset would be \$1,382.64 per month.

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Participant 7: Overpayment is almost \$30,000.00. The offset would be \$1,563.75 per month.

Ms. Cooper informed the Committee members that they will need to make a decision on how to move forward on collecting the overpayments. Mr. Strachan informed the Committee members that he is concerned if you take x amount from all participants, some participant with a smaller benefit amounts will be hurt severely.

Mr. Strachan recommended creating a chart to ensure the reimbursements are equitable. Chairman Berry informed the Committee members that we need to figure out what the best course of action is but it will be painful for some participants.

Chairman Berry asked Mr. Strachan to provide his recommendation to Ms. Cooper and then have a presentation made to the Committee so this item can be moved forward to Legal.

Mr. Emerson informed the Committee members that the law says the plan needs to be made whole. Setting the repayments up on an actuarial offset meets the IRS requirements. Mr. Emerson has seen other plans cap the actuarial offset at 25% of the benefit.

Chairman Berry informed Mr. Emerson that it's important that all three plans are handling these issues the same way. Ms. Cooper recommended that a decision be possibly made at the next Committee meeting and the offsets be started effective December 1, 2020.

VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

Mr. Strachan informed the Committee members that he received an email from a participant who bought back into the plan but has not received any information from the plan but their spouse has received information. Chairman Berry asked Mr. Strachan to forward the email to Mr. Amis, Mr. Shea and Mr. Shah for review.

IX. DATE OF NEXT MEETING

Mr. Shea informed the Committee members that the next meeting is scheduled for October 8, 2020.

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X. ADJOURNMENT

There being no further business to be brought before the Committee at this time, Chairman Berry called for adjournment at 1:19 p.m.

Respectfully Submitted,

Alfred Berry, Jr., Chairman

These Minutes were adopted on _____, 2020.