

**CITY OF ATLANTA DEFINED
BENEFIT ADMINISTRATIVE
COMMITTEE GENERAL EMPLOYEES'
PLAN MEETING
October 8, 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
JOE HOOD	Active, Atlanta Public Schools

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 Alfred Berry, Jr. called the meeting to order at 11:03 a.m. It was noted the meeting was being held by Webex Teleconference.

II. ADOPTION OF THE AGENDA

Chairman Berry asked Mr. Shea if there were any changes to the agenda. Mr. Shea informed the Committee that Ms. Jeanette Cooper from Segal is on the call and would like to request if she can present first due to a conflict.

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

**City of Atlanta General Employees' Defined Benefit Pension
Administrative Committee Meeting
Minutes October 8, 2020**

III. SEGAL PRESENTATION – RECOUPMENT CALCULATIONS

Ms. Cooper reviewed with the Committee members a 13 page document titled Recoupment calculation methods with Illustrations for City of Atlanta General Employees' Pension Fund.

Ms. Cooper informed the Committee members the presentation describes the Annuity Method with some choices for the interest rate used in the period of recoupment and with an option to reduce the benefit by no more than 25% of the corrected benefit amount as of the date the recoupments begin.

Ms. Cooper advised the Committee that there is an alternative approach called Percentage Method with a single 25% option and a varying percentage option to incorporate some of the recommendations of Mr. Strachan.

Ms. Cooper informed the Committee that based on recent audit findings and the desire for uniformity among the City of Atlanta Pension Funds, she would recommend the recoupment method decided upon be used for all plans.

Ms. Cooper informed the Committee that due to the upcoming transition from Zenith American Solutions (ZAS) to Strategic Benefit Advisors (SBA) both ZAS and SBA are recommending any recoupments begin when SBA is administering the plan. The recoupments would start on January 31, 2021.

Ms. Cooper reviewed in detail different Annuity and Percentage Method examples that could be applied to recoup the overpayment. A lengthy discussion took place regarding the collection of interest, the annuity and percentage method.

Mr. Strachan informed the Committee that he is ok with interest being applied and would prefer it. Mr. Strachan informed the Committee that he would recommend using a percentage method with a varying reduction. He provided five reasons to consider.

When using the percentage method with a varying reduction there is no reduction to zero. When using the percentage method it applies to all including beneficiaries. Participants will understand the reduction and understand they will pop back up after repayment. When this happens in the future, it will allow a quick repayment without a life time annuity and most importantly this will future proof the plan.

Ms. Green asked the Committee if they have the authority to make changes without the Investment Board approving the method selected. Mr. Emerson informed the Committee they can make the decision but the Investment Board should weigh in as they will review all appeals.

Ms. Green informed Mr. Christie that previously the Committee was able to recoup from the participant insurance policy or estate. Mr. Berry asked Mr. Christie if he can research and provide an update at the next Committee meeting. Mr. Christie informed the Committee that he will research and provide an update at the next Committee member.

Ms. Cooper informed the Committee that she reviewed with the Fund Professionals and it was the recommendation to use the percentage method with a 25% reduction. Ms. Shah agreed with Ms. Cooper that it would be easier to administer a flat 25% reduction.

Ms. Cooper informed the Committee that any future COLA increases would not be calculated into the overpayment repayment amount.

**City of Atlanta General Employees' Defined Benefit Pension
Administrative Committee Meeting
Minutes October 8, 2020**

Chairman Berry asked the Committee members had any questions regarding the presentation by Ms. Cooper. The Committee members informed Mr. Berry they did not have any additional questions.

Chairman Berry asked the Committee if anyone would like to make a motion.

A motion was made by Mr. Strachan to approve the percentage method with a varying reduction, column 8. Motion was seconded by Mr. Hood. Motion failed.

A motion was made by Mr. Amis to approve the percentage method with a reduction of 25%, column 7. Motion was seconded by Mr. Mitchell. The motion was approved with Mr. Strachan voting no.

IV. MINUTES

The Committee Members reviewed the Minutes of the September 10, 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. Hood. The Minutes were unanimously approved.**

V. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

Chairman Berry informed the Committee members that they will be reviewing Pension applications for the meeting date of October 8, 2020.

Service Pensions

The Committee reviewed Service Pensions number 1-6.

Following this review, **a motion was made Mr. Strachan and seconded by Ms. Green to approve service pension applications Nos. 1-6 as listed on the attached spreadsheet dated October 8, 2020. The motion to approve was passed unanimously.**

Disabilities Converting to Normal Applications

The Committee reviewed disabilities converting to Normal applications.

Following this review, **a motion was made Mr. Mitchell and seconded by Mr. Green to approve beneficiary pension applications No. 1 as listed on the attached spreadsheet dated October 8, 2020. The motion to approve was passed unanimously.**

Beneficiary Pension Applications

The Committee reviewed Beneficiary Pension Applications 1-3. Chairman Berry asked Mr. Shea to verify beneficiary pension application No. 2 as they were also listed under the disabilities converting to normal applications.

Following this review, **a motion was made Mr. Strachan and seconded by Mr. Amis to approve beneficiary pension applications Nos. 1-3 as listed on the attached spreadsheet dated October 8, 2020. The motion to approve was passed unanimously.**

**City of Atlanta General Employees' Defined Benefit Pension
Administrative Committee Meeting
Minutes October 8, 2020**

Lump Sum Applications

The Committee reviewed Lump Sum Applications 1-13. Mr. Shea informed Chairman Berry that Zenith American Solutions does not receive confirmation that a member is either sworn or non-sworn from the City of Atlanta.

Following a review of the financials, a **motion was made by Mr. Amis and seconded by Mr. Hood to approve the lump sum applications as informational only. This motion was carried unanimously.**

Cash Financial Statement

Mr. Shea reviewed with the Committee members the unaudited August 2020 Financials. Chairman Berry asked Mr. Shea to have any items that are no longer applicable removed from the Financials. Mr. Shea informed the Committee that he will have them removed.

Following a review of the financials, a **motion was made by Mr. Strachan and seconded by Mr. Hood to approve the financials as informational only. This motion was carried, Ms. Green abstained.**

Payable Listing Check Register

Mr. Shea reviewed with the Committee members the payable listing. Mr. Shea advised the Committee members that they are still reviewing the duplicate postage charges.

Following a complete review of the disbursements, a **motion was made by Mr. Amis and seconded by Mr. Strachan to approve the disbursements for the meeting date of October 8, 2020. This motion was carried, Ms. Green abstained.**

VI. ATTORNEY'S REPORT

Pension Death Overpayments

Mr. Emerson informed the Committee that the previous discussion with Ms. Cooper is what he wanted to discuss.

Summary Plan Description (SPD)

Mr. Emerson noted that he is working on finalizing the SPD and will distribute to the Committee for review.

Fiduciary Liability Policy

Mr. Christie advised the Committee that the new Fiduciary Liability Insurance Policy has been adopted. He advised the Committee members the policy has a \$3 million dollar limit. Ms. Green asked Mr. Christie if the fund has cyber insurance. Mr. Christie advised the Board that he has requested a quote.

VII. OLD BUSINESS

Mr. Shea reviewed with the Committee members the action items from the previous meeting.

**City of Atlanta General Employees' Defined Benefit Pension
Administrative Committee Meeting
Minutes October 8, 2020**

VIII. NEW BUSINESS

Ms. Carr informed the Board that KPMG is finalizing the City of Atlanta Financial audit and will present their findings to the Committee.

Mr. Shea informed the Committee that Zenith American Solutions is working with Strategic Benefit Advisors on the transition to Northern Trust.

Chairman Berry requested Strategic Benefit Advisors work on providing electronic access to pensioners.

Ms. Green asked if members are receiving statements from the fund. Mr. Shea informed the Committee that he will have to provide an update at the next Committee meeting. Ms. Shah informed the Committee that they will be issuing a benefit statement when they take over administration. She advised the Committee that they plan on rolling out online benefit access to participants next year.

Mr. Strachan asked the Committee asked if there was a way to review those participants who are receiving disability pensions to ensure they are still totally disabled. He informed the Committee that they have a Fiduciary responsibility to ensure participants are actually still entitled to a disability pension benefit. Chairman Berry asked Mr. Strachan to put his request in writing and submit to Ms. Shah.

Ms. Green informed the Committee that she believes we are supposed to do a review process to determine if they are still entitled to the benefit. Chairman Berry asked Mr. Christie to review the City of Atlanta Ordinances and provide an update to the Committee.

Mr. Strachan asked if the Committee can be provided the total amount of disability pensions that are being paid each month. Chairman Berry asked Mr. Shea to provide the amount at the next Committee meeting.

IX. QUESTIONS AND COMMENTS FROM AUDIENCE

Chairman Berry asked if anyone is invited to the Committee meeting. Mr. Shea informed Chairman Berry that the meeting notice is posted on the City of Atlanta Website and there could be members from the public attending the Committee meeting.

Chairman Berry asked Mr. Emerson if Investment Managers could attend Committee meetings. Mr. Emerson informed the Committee that Investment Managers could attend.

X. DATE OF NEXT MEETING

Mr. Shea informed the Committee members that the next meeting is scheduled for November 12, 2020.

XI. ADJOURNMENT

There being no further business to be brought before the Committee at this time, Chairman Berry called for adjournment at 11:58 a.m.

**City of Atlanta General Employees' Defined Benefit Pension
Administrative Committee Meeting
Minutes October 8, 2020**

Respectfully Submitted,

Alfred Berry, Jr., Chairman

These Minutes were adopted on _____, 2020.