

**CITY OF ATLANTA DEFINED
BENEFIT ADMINISTRATIVE
COMMITTEE GENERAL EMPLOYEES'
PLAN MEETING
December 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
CHUKWUFUMNANYA JOHNSON	CFO – City of Atlanta, Designee
QUENTIN HUTCHINS	APS, City of Atlanta

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
ROSIE WOODS	Pension Administrator, City of Atlanta
AMANDA ROUSER	City of Atlanta
CLAUDIU BESOAGA	Northern Trust

I. CALL TO ORDER

Chairman Alfred Berry, Jr. called the meeting to order at 11:06 a.m. It was noted the meeting was being held by Webex Teleconference. It was noted Investment Managers were in attendance.

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. Shah from Strategic Benefit Advisors would like to review the 2021 Cola Calculation with the Committee. Ms. Shah advised informed the Committee that she also wanted to discuss a banking question from Northern Trust.

Chairman Berry asked going forward if any additional last minute items are to be added to the agenda that he receive a call prior to the Committee Meeting.

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

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III. MINUTES

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

Chairman Berry asked Mr. Shea to update the percentage amount listed from 11% under the payable listing check register to 12%. Mr. Shea informed Chairman Berry he would make the change.

Ms. Shah advised the Committee that she had additional notes under New Business next to the last paragraph where the minutes indicate "After a lengthy discussion." Chairman Berry asked Mr. Shea and Ms. Shah to review and update accordingly.

Ms. Green asked Chairman Berry if the meetings are recorded. Chairman Berry informed the Committee that the meetings are recorded.

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

IV. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

Chairman Berry informed the Committee members that they will be reviewing Pension applications for the meeting date of December 10, 2020.

Service Pensions

The Committee reviewed Service Pensions number 1-10. Chairman Berry asked if the Department listed as DEAM is the same as OEAM. Ms. Rouser verified it is the same Department.

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

Disabilities Converting to Normal Applications

The Committee reviewed Disability Converting to Normal Pension Application number 1.

Following this review, **a motion was made Mr. Strachan and seconded by Mr. Hutchins to approve Disability Converting to Normal Pension Application No. 1 as listed on the attached spreadsheet dated December 10, 2020. The motion to approve was passed unanimously.**

Beneficiary Pension Applications

The Committee reviewed Beneficiary Pension Applications 1-2.

Following this review, **a motion was made Mr. Strachan and seconded by Mr. Hutchins to approve beneficiary pension applications Nos. 1-2 as listed on the attached spreadsheet dated December 10, 2020. The motion to approve was passed unanimously.**

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Lump Sum Applications

The Committee reviewed Lump Sum Applications 1-27. Chairman Berry asked Mr. Shea to review the calculations of Employee Contributions, Interest and Lump Sum Amount due to the participant. Chairman Berry stated when adding Employee Contributions and Interest participants are receiving just a little more in their total lump sum.

Ms. Woods informed the Committee that the Lump Sum amount would be the net amount received after Federal and State Taxes have been withheld. Mr. Shea confirmed Ms. Woods comments but advised the Committee that he will review and provide an update on the action items.

Ms. Shah advised the Committee to cause less confusion, SBA can provide just a gross amount that was owed to the participants.

Chairman Berry asked Mr. Shea to verify the names listed for Application #8 and if Applications 13 and 14 are the same individual working for both the City and School. Mr. Shea informed the Committee he will review and provide an update.

Chairman Berry informed the Committee these are for informational purposes only.

V. Cash Financial Statement

Mr. Shea reviewed with the Committee members the unaudited October 2020 Financials.

Mr. Shea informed the Committee at the last Committee meeting a question was asked concerning the Factor update of 0.88103793279 and 0.11896206721 that is being used. Mr. Shea advised the Committee that the factors have been used since 2010 and is used to determine the total Fund equity amount for the City and School plan based on total assets.

Chairman Berry asked Mr. Shea to send an email to City of Atlanta Finance Department to review the history of the calculations. Mr. Shea informed the Committee that he would send an email and include Chairman Berry.

Mr. Shea informed the Committee that last month Chairman Berry asked Mr. Shea to separate out the Strategic Benefit fees. Mr. Shea advised the Committee that Strategic Benefit fees are listed under the audit fee column.

Chairman Berry asked Mr. Shea about the reversal of postage that was supposed to be reversed due to the double billing. Mr. Shea informed the Committee that on the current financials the total for October shows \$0.00 as fees were reversed.

Following a review of the financials, a **motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve the financials as informational only pending review of the City of Atlanta Finance Department. This motion was carried, Ms. Green abstained.**

Payable Listing Check Register

Mr. Shea reviewed with the Committee members the payable listing. Mr. Shea informed the Committee that the invoice backup was added to the meeting packet per the Committee's request last month.

Mr. Shea informed the Committee at the last Committee meeting he was asked about the 90/10 allocation of expenses. Mr. Shea informed the Committee that the allocation has been used for a long time and he is unsure of the history of how the allocation was determined. Mr. Shea advised the Committee that the payables are reviewed by the City

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of Atlanta and approved before payment is made.

Chairman Berry asked Mr. Shea to inquire with the City of Atlanta to determine if the allocation should be 90/10 or 88/12. Mr. Shea informed the Committee that he would send an email and include Chairman Berry.

Chairman Berry asked Mr. Emerson about charges that were made to the plan concerning the RFI. Chairman Berry asked if the charges are charged to all three plans. Mr. Emerson advised the Committee that the total charges are allocated equally to all three plans.

Chairman Berry asked Mr. Emerson about the website charges. Mr. Emerson informed the Committee that with the new Ordinance and the transparency requirements, the website needed to be updated. He advised Chairman Berry that SBA has been involved with the website update.

Chairman Berry asked if the City of Atlanta is required to provide a website. Mr. Emerson advised the Committee that in accordance with the Ordinance, it states the Investment Board should create and maintain a website.

Ms. Shah informed the Committee that it is common practice for a public pension plan to maintain a public website. Ms. Shah advised the Committee that there will be links on the City of Atlanta to Strategic Benefit Advisors website.

Ms. Green informed the Committee that the plan has always discussed having a separate website from the City of Atlanta but the information should be on the City of Atlanta website. Chairman Berry informed the Committee that he hopes the information that Strategic Benefit Advisors provides would be updated to the City of Atlanta website. Mr. Strachan informed the Committee that the plan also has a website and was included in the Administrators contract. Chairman Berry informed the Board that they were working on including language in Strategic Benefit Advisors Administrative Agreement.

Ms. Shah informed the Committee that they are having conversations with the Attorney and City of Atlanta to ensure all aspects of the new Ordinance is complied with.

Following a complete review of the disbursements, a **motion was made by Mr. Strachan and seconded by Ms. Johnson to approve the disbursements for the meeting date of December 10, 2020. This motion was carried, Ms. Green abstained.**

VI. ATTORNEY'S REPORT

Bylaws - Draft

Mr. Emerson informed the Committee the ordinance for the Investment Board has been updated which affected the Committees. Mr. Emerson informed the Committee that he has updated the By Laws that will be submitted to the Investment Board.

Mr. Emerson advised the Committee that he updated the language regarding virtual meetings. He advised the Committee that he updated Section 4.13 in regards to Transparency and Website. Mr. Emerson advised the Committee that the meetings must be televised on the City Channel 26 or its equivalent.

Chairman Berry asked how this will be accomplished during this time. Mr. Emerson advised the Committee that during this time the Webex meetings are ok but when in person meetings resume at the City of Atlanta they will be required to be broadcasted.

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Chairman Berry asked who is going to be responsible for ensuring the meetings are broadcasted. Mr. Emerson informed the Committee that it would be Strategic Benefit Advisors responsibility. Mr. Emerson informed the Committee that Ms. Shah has been involved and is aware of this responsibility.

Mr. Emerson informed the Committee that the names of the Committee members and their resumes must be posted along with meeting dates, approved minutes and by laws of the Committee must be included.

Mr. Emerson informed the Committee that Section 5.5 of the Ordinance changed the appeals to be heard by the Committee instead of the Investment Board. Chairman Berry asked Mr. Emerson about the quasi-judicial language that was included in the original document. Mr. Emerson informed the Committee that the Ordinance changed the language and he is not aware of why it was removed.

Chairman Berry informed Mr. Emerson he is concerned about the bylaws stating that the Committee shall be authorized to promulgate reasonable rules and procedures, not inconsistent with general legal principles, governing the manner in which such hearings shall be conducted. Chairman Berry asked Mr. Emerson is Legal Counsel will be providing the guidance. Mr. Emerson informed the Committee that Legal Counsel would provide guidance. Chairman Berry asked Mr. Emerson to change the language to state in conjunction with Legal Counsel. Mr. Emerson advised the Committee he will update the language.

Ms. Green asked if the Committee continues to handle reviewing the pensions being put into pay status. Mr. Emerson stated yes and the Committee will now handle pension appeals.

Mr. Hutchins asked Mr. Emerson if any current appeals will be heard by the Investment Board or will they be sent to the Committee. Mr. Emerson stated the current appeals will be handled by the Investment Board.

Following a review of the bylaws, a **motion was made by Mr. Strachan and seconded by Mr. Hutchins to recommend approval of the bylaws to the Investment Board with the changed identified as above. This motion was carried unanimously.**

VII. OLD BUSINESS

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

VIII. NEW BUSINESS

Ms. Shah reviewed with the Committee the 2021 COLA rates that were received from Southern Actuarial Services. Chairman Berry asked Ms. Shah if these rates should come from Segal, Ms. Cooper. Ms. Shah advised the Committee that Southern Actuarial Services has provided in the past and Ms. Cooper approves. Ms. Shah advised the Committee that Ms. Cooper has approved the COLA rates.

Ms. Shah advised the Committee that she had the COLA rates split by both 3% and 1% based on plan rules.

Chairman Berry asked Ms. Shah to provide a copy of the letter to the Committee members. Ms. Shah informed the Committee that she will send out a copy of the COLA letter to the Committee members.

Chairman Berry asked if the COLA rates need to be approved. Mr. Emerson informed the Committee that he believes in the past they have approved the COLA rates. Chairman Berry

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asked Ms. Shah if she was making a recommendation to the Committee to approve the 2021 COLA rates. Ms. Shah informed the Committee that she would recommend approving.

Following a review of the 2021 COLA rate, a **motion was made by Mr. Mitchell and seconded by Mr. Hutchins to recommend approval of the 2021 COLA rates as presented. This motion was carried unanimously.**

Ms. Shah informed the Committee that a question has been asked by Northern Trust. She advised the Committee that attached to the Investment Account is a Cash Investment Account and Operating Account. She advised the Committee today that the Operating Account is currently used to pay invoices and pensioner benefits.

Ms. Shah asked which account employee and employer contributions should be made to. She advised the Committee today the contributions go to the Cash Investment Account. She advised the Committee for Fire and Police it is made to the Operating Account.

Chairman Berry asked Ms. Shah to ask City of Atlanta Finance Department for guidance. Ms. Shah advised the Committee that she will reach out to the City of Atlanta Finance Department for guidance.

Ms. Shah advised the Committee that Strategic Benefit Advisors is prepared to take over Administrative duties effective January 4, 2021. Ms. Shah advised the Committee that she currently has four (4) Committee members receiving paper meeting books. Ms. Shah advised the Committee that Zenith will provide the financials and some pension approvals for the January 14, 2021 meeting.

Ms. Shah advised the Committee that she will be reaching out to everyone regarding their bios for the website.

Mr. Mitchell asked the Committee does anyone else besides the Committee review the monthly expenses that are paid. Mr. Shea and Ms. Shah informed the Committee that all invoices are sent to the City of Atlanta for approval.

Ms. Green asked Chairman Berry if Zenith American Solutions provided the off-boarding document that he requested at the last Committee meeting. Chairman Berry informed Ms. Green that he did receive the agreement and that he hoped that the Attorney's received and reviewed the agreement. Mr. Shea informed Chairman Berry that the Plan Attorney's did review the agreement before Chairman Sims signed the agreement.

Mr. Emerson informed the Committee that the Investment Board did provide authority to Mr. Joshua Williams to work on any agreements to ensure a smooth transition. Chairman Berry advised Mr. Emerson that he sits on the Investment Board and has not missed a meeting and does not recall the approval. Mr. Emerson informed the Committee that he and Mr. Shea will review the minutes and provide a copy of the minutes to the Committee members.

Ms. Green asked Mr. Emerson if the Committee members should be made aware of any decision by the Investment Board before entering into any agreement. Mr. Emerson informed the Committee that no individual Trustee has the power to enter into an agreement.

IX. QUESTIONS AND COMMENTS FROM AUDIENCE

Chairman Berry asked if anyone is invited to the Committee meeting. Mr. Strachan informed the Committee that he is looking forward with working Strategic Benefit Advisors but wanted to thank Zenith American Solutions for their service to the plan.

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X. DATE OF NEXT MEETING

Mr. Shea informed the Committee members that the next meeting is scheduled for January 14, 2021.

XI. ADJOURNMENT

There being no further business to be brought before the Committee at this time, Chairman Berry called for adjournment at 12:25 p.m.

Respectfully Submitted,

Alfred Berry, Jr., Chairman

These Minutes were adopted on _____, 2020.