

**CITY OF ATLANTA DEFINED BENEFIT
ADMINISTRATIVE COMMITTEE
GENERAL EMPLOYEES' PLAN
MEETING**

January 14, 2021
Webex Teleconference
11:00 A.M. – 12:00 P.M.

COMMITTEE MEMBERS PRESENT

**ALFRED BERRY JR.
ANGELA GREEN
DOUG STRACHAN
BRYANT MITCHELL
YOULANDA CARR
LOUIS AMIS
QUENTIN HUTCHINS
JOE HOOD**

**Retiree, City of Atlanta
Retiree, City of Atlanta
Active, City of Atlanta
Retiree, Atlanta Public Schools
CFO – City of Atlanta, Designee
HR – City of Atlanta, Designee
APS, City of Atlanta
Active, Atlanta Public Schools**

OTHERS PRESENT

**MARY SHAH
STEPHANIE ATLI
MATT PERINI
ED EMERSON
AARON MOODY
CARL CHRISTIE
ALICIA THOMPSON
ROSIE WOODS
AMANDA ROUSER
KAREN SUTTON
DELISHA ROBINSON**

**Strategic Benefit Advisors
Strategic Benefit Advisors
Strategic Benefit Advisors
Morris, Manning & Martin
Morris, Manning & Martin
City of Atlanta Law Department
City of Atlanta Law Department
City of Atlanta Pension Department
City of Atlanta Pension Department
City of Atlanta Finance Department
City of Atlanta Finance Department**

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.

II. ADOPTION OF THE AGENDA

Chairman Berry noted an addition to the agenda under the Administrative Managers' report—a disability application.

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

III. MINUTES

The Committee Members reviewed the Minutes of the December 10, 2020 General Employees' Defined Benefit Administrative Committee Meeting, which were distributed in advance. Chairman Berry asked when he would be able to sign past meeting minutes. Chairman Berry stated that he wanted to sign the minutes to memorialize the final version. Ms. Shah will mail all of the approved meeting minutes to Chairman Berry for signature.

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Ms. Green joined the meeting at 11:11 a.m.

Chairman Berry provided minor changes to the minutes. Mr. Emerson requested that the attorneys receive the minutes before the meeting. Ms. Shah will submit the minutes to the attorneys ahead of the next meeting and will make the changes Chairman Berry raised in the December 10, 2020 minutes. Following this discussion and review, a **motion was made to adopt the minutes as amended by Mr. Strachan. This motion was seconded by Mr. Mitchell. The Minutes were unanimously approved.**

IV. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

Service Pension Applications

The Committee reviewed Service Pensions number 1 through 10 on the attached spreadsheet. Chairman Berry pointed out that although service application #4 Tracy Gary was retiring with over 30 years, the applicant was subject to an age penalty. Ms. Shah stated that these calculations were performed by Zenith and are currently under review by Strategic Benefits Advisors ("SBA", new Plan Administrator as of January 4, 2021) to make sure everything is in order before beginning payments.

Ms. Shah raised a question about service application #1 Susan Pease-Langford asking if the Committee was in agreement with the way a particular plan provision has been applied. The provision is such that if a terminated vested participant waits until age 65 to commence their benefits, the person ages into being 100% vested. It is not something that is seen in the ordinance but rather administrative practice. Chairman Berry is aware of the situation and deferred to Mr. Emerson and Mr. Christie. Mr. Christie responded that it is being researched but that this practice was based on the 1962 law. Chairman Berry advised Ms. Shah that he is aware of the practice and the particular situation with Ms. Pease-Langford and believes Ms. Pease-Langford is within her rights under the law and if SBA wants to change the provision, SBA would need to make a recommendation to City Council. Mr. Christie pointed out that the 1962 law is actually a state law so changes would not be raised to the City Council. Ms. Shah advised that since SBA cannot find this provision in the ordinance SBA wanted confirmation that the administrative practice should continue. The Committee confirmed the practice should continue. Based on Mr. Christie's research and the Committee's agreement, Ms. Shah confirmed that SBA will continue to grant 100% vesting to a terminated partially-vested participant if said participant waits until age 65 to commence their pension benefit.

Regarding the service pension application for Tracy Gary, Ms. Shah advised the Committee that to the extent employees contact SBA in advance of retiring, SBA will try to make sure anyone attempting to reach an eligibility milestone is coached on when to terminate employment once that milestone is met. Mr. Berry asked Ms. Shah if someone can reach the 30-year milestone with sick leave. Ms. Shah responded that unused sick leave does not count toward the 30-year milestone. Mr. Berry advised Ms. Shah that it is important for people to understand what they are giving up when they leave prior to their Normal Retirement Date and without 30 years of service.

Ms. Woods confirmed that Tracy Gary was two months short of the 30 years. Chairman Berry reiterated that he wants to make sure people know they are only x# months away from having no age penalty.

Following this review, a **motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve service pension applications Nos. 1-10 as listed on the attached spreadsheet dated January 14, 2021. The motion to approve was passed unanimously.**

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Lump Sum Applications

The Committee reviewed Lump Sum Applications 1-13 as informational only. Chairman Berry noted that he still does not understand the final columns of the lump sum list on the attached spreadsheet. Ms. Shah advised that going forward SBA will display the gross amounts of the lump sums as opposed to the net amounts which should make the display more easily understood.

Disability Applications

Chairman Berry noted that there was an addition to the agenda—a disability application—and asked Ms. Shah to provide an overview. Ms. Shah asked Ms. Atli to provide the details to the Committee. Ms. Atli informed the Committee that Reginald White started the disability application process with Zenith but was not able to finish and he reached out to SBA this week. SBA found that he had already obtained statements from his own physician and also from the City's physician stating that he is totally and permanently disabled. Chairman Berry asked Ms. Atli if Mr. White is able to perform any light duty work. Ms. Atli responded that it is unknown what type of work he would be able to do but that both doctors confirmed he is totally and permanently disabled and not able to perform his current duties. Mr. Berry asked what his current duties are and how old he is. Ms. Atli responded that he works in janitorial services. Ms. Woods noted that he is 51 years old.

A motion was made by Mr. Mitchell and seconded by Mr. Hood to approve Reginald White's application for disability not in the line of duty. The motion to approve was passed unanimously.

Cash Financial Statement

Ms. Shah reviewed with the Committee members the unaudited November 2020 Financials. There were no questions on the unaudited financials.

A motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve the financials as informational only. This motion was carried. Ms. Green abstained.

Payable Listing Check Register

Ms. Shah reviewed with the Committee members the payable listing. Chairman Berry stated that he is very uncomfortable with 'Other services' for Wells Fargo and Zenith's postage fees. Chairman Berry also noted that there are no check numbers on the payables listing. Chairman Berry asked why the Committee is approving September postage costs now. Ms. Shah stated that it could have been related to Zenith mailing annual statements. Chairman Berry stated that someone needs to explain the postage jumps he is seeing on the payables listing. Chairman Berry asked why SBA is charging to General something that was done for the Fire plan. Ms. Shah responded that it was a fee for data review that was divided amongst the plans and that the same label was used for all three plans but should have been made unique for each plan. SBA will be sure to provide unique labels on the invoice in the future when charges are split across plans.

Ms. Carr informed the Committee that the City's Finance department will work out a process with SBA to ensure all invoices are reviewed and scrutinized appropriately prior to the Committee meeting.

Ms. Robinson informed the Committee that the Finance department at the City has all of the check numbers that correspond to the payables listing. Ms. Shah stated the financials were provided to SBA by Zenith and that future payables listings will include the check numbers.

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Mr. Mitchell asked the Finance Department if the Finance Department ever refutes an invoice. Ms. Carr stated that the Finance Department has asked Zenith to clarify charges that did not seem reasonable. Ms. Robinson added that the Finance Department has questioned investment manager fees (as an example of something Finance has clarified with Zenith).

Ms. Carr reiterated that Finance will discuss the process of reviewing and approving invoices with SBA. Ms. Sutton added that her team has a call with SBA on a weekly basis and both parties agreed on a past call that SBA would be the first line of defense in reviewing invoices, that SBA would send invoices to Karen's team one week ahead, and that Karen's team would monitor trends and question anything off-trend. Ms. Carr asked to be included on that call.

Mr. Amis made a motion seconded by Mr. Hood to table the approval of the payables listing until SBA and Finance can review and present at the next meeting of the Committee. This motion to table the approval of the payables listing was passed unanimously.

Chairman Berry exited the meeting at 12:00pm for an appointment of which he had previously made the Committee aware. Mr. Hutchins assumed the responsibility of chairing the meeting in Mr. Berry's absence.

Ms. Green asked Ms. Shah if the Investment Board looks at the payables listing before or after the Committee approves it. Ms. Shah explained that the Investment Board does not review the payables listing but that the Investment Board is advised about the reasonableness of investment manager fees by the Investment Consultant (Marquette).

Mr. Mitchell emphasized that he and Ms. Green would like to be able to rely on the Finance Department to properly scrutinize invoices so that they as Committee members can confidently approve the payables listing when it is presented to them.

V. ATTORNEY'S REPORT

Mr. Emerson informed the Committee that the Investment Board did not approve the draft by-laws that were presented to the Committee at the December meeting. The Investment Board tabled the approval, pending resolution of the appropriate body to hear pension appeals. Mr. Christie elaborated that City Councilmember and Investment Board Member Natalyn Archibong made a motion to move appeals back to the Investment Board. He explained that a summary of the legislation would be provided to the Committee and that the Committee would be asked to make a non-binding recommendation to City Council. Mr. Strachan asked Mr. Christie to explain the history behind the changes. Mr. Christie responded that he does not have the background on why City Councilmember and Investment Board Member Howard Shook wanted to move appeals to the Committees but Mr. Christie does know that Councilmember Shook is not opposed to moving appeals back to the Investment Board. Mr. Christie will update the Committee at the next meeting with any further developments. Mr. Emerson will revise the by-laws as needed once this matter is settled.

VI. OLD BUSINESS

Mr. Hutchins asked Ms. Shah if there was any old business. Ms. Shah shared that SBA is working through all of the open items that Zenith was working on at transition in addition to handling new matters that have arisen from callers these first two weeks. Mr. Hutchins asked the Committee if there were any questions for Ms. Shah. Mr. Mitchell shared that some retirees have mentioned to him that no health insurance deductions were taken from their December pension check. Ms. Shah explained that for APS there was one deduction that went to \$0 and no special communication went out regarding that change. Therefore, some people think that since they don't see a deduction on their pay stub, they do not have coverage. SBA has resolved the

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questions of the retirees that have reached out to SBA

Ms. Green asked if Mr. Emerson had any update on the overpayments. Mr. Emerson stated that \$10,000 has been recently recovered from an estate. He will provide an update at the next meeting. Mr. Emerson asked Ms. Shah to confirm that the \$10,000 check to the Plan had cleared.

VII. NEW BUSINESS

Mr. Hutchins asked if there was any new business. Ms. Carr announced that KPMG will be presenting the audited financial statements to the Investment Board at the January 20th meeting. Ms. Shah will forward the KPMG presentation after the Investment Board meeting.

VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

Mr. Hutchins asked if there were any questions or comments from the audience. No comments were received.

IX. DATE OF NEXT MEETING

Ms. Shah informed the Committee members that the next meeting is scheduled for February 11, 2021.

X. ADJOURNMENT

There being no further business to be brought before the Committee at this time, Mr. Hutchins called for adjournment at 12:15 p.m.

Respectfully Submitted,

Alfred Berry, Jr., Chairman

These Minutes were adopted on _____, 2021.