

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

February 11, 2021
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
QUENTIN HUTCHINS	APS, City of Atlanta
JOE HOOD	Active, Atlanta Public Schools

OTHERS PRESENT

MARY SHAH	Strategic Benefit Advisors
STEPHANIE ATLI	Strategic Benefit Advisors
LORI POCOCK	Strategic Benefit Advisors
ED EMERSON	Morris, Manning & Martin
RAY ADAMS	Retiree, City of Atlanta
CARL CHRISTIE	City of Atlanta Law Department
ALICIA THOMPSON	City of Atlanta Law Department
ROSIE WOODS	City of Atlanta Pension Department
AMANDA ROUSER	City of Atlanta Pension Department
KAREN SUTTON	City of Atlanta Finance Department

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

Ms. Shah noted an addition to the agenda under the Administrative Managers' report—four additional service pension applications.

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

III. MINUTES

The Committee Members reviewed the Minutes of the January 14, 2021 General Employees' Defined Benefit Administrative Committee Meeting, which were distributed in advance and reviewed by Counsel. Chairman Berry provided minor changes to the minutes. Ms. Shah will make the changes Chairman Berry raised in the January 14, 2021 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. Hood. The Minutes were unanimously approved.**

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IV. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

Service Pension Applications

The Committee reviewed Service Pensions number 1 through 20 on the attached spreadsheet. Ms. Shah pointed out that most applications were for unreduced retirements except for Reggie Smith and Sonia Perryman. Neither of those applicants were near the 30-year threshold for unreduced retirement. Ms. Shah noted that SBA is having conversations with those submitting new applications to ensure they know the appropriate retirement date so their benefit is unreduced. Mr. Strachan asked if the two with reduced pension had a conversation with SBA and Ms. Shah noted that they left the City in December prior to SBA taking over pension administration. SBA is trying to have conversations with people before they terminate to ensure they understand the potential consequences of their termination date on their retirement benefit. Mr. Strachan asked if there could be an explicit statement on the pension estimate if the benefit would be reduced and Ms. Shah stated that that had been done.

Chairman Berry brought Robert Caput to the Committee's attention. He was a City Attorney who waited until age 60 to start his pension so it was unreduced. Ms. Shah pointed out Eugene Tuggle was in a similar situation--he is over age 65 so will go out as 100% vested even though he only had 6 years of service. Normally when someone goes out with 6 years of service, the benefit is multiplied by 25% since he would only be partially vested. By waiting until age 65, there is no vesting penalty.

Following this review, a motion was made by Mr. Strachan and seconded by Mr. Mitchell to approve service pension applications Nos. 1-20 as listed on the attached spreadsheet dated February 11, 2021. The motion to approve was passed unanimously.

Disability Applications

Chairman Berry noted that SBA made a change to Craig Reed to be 'In Line of Duty' instead of 'Not In Line' and asked why. Ms. Shah stated the initial classification of 'Not In Line' was in error. Chairman Berry agreed that based on the information provided to the Committee by the independent medical examiner Mr. Reed had indeed been disabled in the line of duty.

A motion was made by Ms. Carr and seconded by Mr. Hutchins to approve Craig Reed's and Reginald White's application for disability. The motion to approve was passed unanimously.

Beneficiary Applications

The Committee reviewed the 20 Beneficiary Applications. Chairman Berry noted that 4 applications had been removed from the original list of 24. Ms. Shah answered that SBA had not yet been able to verify these 4 beneficiaries so they had been removed from the list. Chairman Berry asked for clarification on the notation "ppt" on the packet and Ms. Shah informed the committee this was an abbreviation for "participant".

Following this review, a motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve beneficiary applications Nos. 1-20 as listed on the attached spreadsheet dated February 11, 2021. The motion to approve was passed unanimously.

Lump Sum Applications

The Committee reviewed Lump Sum Applications 1-8 as informational only. Mr. Mitchell asked what the maximum contribution was each year since one of the applicants had a \$10,000 refund due after working only 3 years. Ms. Shah noted there was no set yearly maximum as with a

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401(k); rather the contribution amount is based on salary and which amendment covered the employee.

Cash Financial Statement

Ms. Shah reviewed with the Committee members the unaudited December 2020 Financials. Chairman Berry asked Ms. Carr if the asterisk on page 13 could be removed and Ms. Carr agreed it should be removed. Ms. Carr stated that she and Ms. Shah had met after the last committee meeting and agreed that SBA would send invoices to the Finance Department for review and approval prior to sending out to the Committee. Mr. Strachan asked if the invoices had been approved and Ms. Carr stated they had.

A motion was made by Mr. Strachan and seconded by Mr. Hood to approve the financials based on review and input from the Finance Department. This motion was carried. Ms. Green abstained.

Payable Listing Check Register

Ms. Shah reviewed with the Committee members the payable listing. Chairman Berry asked about the invoice for Southern Actuarial being presented since they had approved one last month and Ms. Shah noted that the company had done two calculations: the first was for the 1% COLA limitation for the prior invoice and the second presented this month was for the 2021 COLA amount. Chairman Berry questioned the Union Heritage payment and the lack of an invoice. Ms. Shah stated that there was an invoice and that the notation referred to a lack of an invoice number. Chairman Berry requested that in the future, the second page of the Union Heritage invoice be provided with the calculation details. Chairman Berry asked Ms. Shah to walk through the SBA invoice for \$54k. Ms. Shah noted that for the line items under the Out-of-Pocket category there is a separate invoice detailing the amount. There is also a separate School Board invoice for \$19k which is a part of the total amount of \$54k. Ms. Shah also stated that the amounts for the City General Plan and the School Board could be totaled separately in the future to clarify the charges to each area and match the invoices. Chairman Berry asked what services Deloitte is providing. Ms. Carr stated that Deloitte is working with HR and Mr. Amis's Pension team. Ms. Shah stated that the Deloitte invoices were forwarded from Mr. Hullender and were part of the implementation support approved by himself and Mr. Williams on behalf of the Investment Board. The work included the process review as well as changing the payroll and insurance files and providing general implementation support.

Mr. Strachan raised the issue of discounts from the Investment Managers and Chairman Berry stated that this is coordinated through Marquette to ensure the fees are as low as possible for all plans.

A motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve the invoices based on review and input from the Finance Department. This motion was carried. Ms. Green abstained.

V. ATTORNEY'S REPORT

Mr. Christie presented an ordinance introduced by Councilmember Archibong to revert the appeals process back to the way it was before the Shook legislation took effect in April 2020. Originally, if someone disagreed with a finding from the Administrative Committee for their plan, the initial decision was made by that Committee and any appeal was reviewed by the Investment Board. In April, a change was made so that the Administrative Committee made the initial decision and also heard any appeals. This legislation will change the appeal process so that appeals are heard by the Investment Board. It would give a "fresh set of eyes" to an appeal. The actuary did a cost analysis and there would be no cost to make the change. The legislation will

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come before the Finance Executive Committee on February 24, 2021. Per the charter, each Administrative Committee needs to provide a non-binding vote for or against the change.

Following discussion, a motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve the legislation. The motion to approve was passed unanimously.

VI. OLD BUSINESS

Chairman Berry asked if the check for \$10,000 that was recovered from an estate had cleared and Ms. Shah confirmed that occurred.

VII. NEW BUSINESS

Chairman Berry asked if there was any new business. Ms. Green requested that a forensic audit be completed for the benefit packages that are received for both active and retired employees. Chairman Berry asked Mr. Emerson about the RFI for security monitoring. Mr. Emerson stated he had sent the RFI information via email to Mr. Hullender in January so a meeting could be set up. He will resend the information via secure email.

Ms. Green asked about the situation with the pension files at Iron Mountain. Ms. Shah responded that there is an issue getting the scanning contract finalized, but once the contract is completed SBA and the City will have electronic access to all files. Chairman Berry added that when the administration moved from the City to GEM Group, the files were supposed to have been scanned at that time, but it never happened.

Ms. Green raised the issue of the complaints she had received from retirees that their bank statement did not show the pension check came from the City of Atlanta and only Northern Trust was listed. Chairman Berry stated that his earnings statement showed both Northern Trust and the plan name. Ms. Shah brought up that SBA has been working with retirees as they have questions. Chairman Berry asked about a spike in participant calls this month and Ms. Shah responded that there were a variety of different issues. Calls were related to the change in TPA and custodial bank (Northern Trust) as well as pent up demand. The first check in January also had the new insurance deduction amounts as well as the COLA so there were several changes on that check and SBA is expecting the call volume to normalize in the coming months.

Chairman Berry asked Ms. Shah about going paperless with regard to check advices. Ms. Shah brought up that allowing retirees to opt out of paper advices on the Northern Trust website is tied to allowing retirees to change their own direct deposit information and SBA is working through that process with Northern Trust and the City. Ms. Atli added that retirees can call SBA and SBA can opt retirees out of paperless statements.

Ms. Woods brought up that it is difficult for the pension staff to get historical data from the 2000 to 2008 time period. Ms. Carr concurred that access had been taken away, but it was something the pension team needed to respond to participant and auditor questions. Chairman Berry asked that Ms. Shah set up a meeting with AIM to coordinate access to historical information as soon as possible. The goal of the meeting is to allow all parties to have easy access to all of the data. Ms. Shah brought up that all SBA's information is stored electronically and that SBA will be responsible for responding to the auditors when the auditors request backup information for calculations.

Ms. Green requested that the meeting minutes be a verbatim transcription of the meeting so there can be no dispute of what was said. Chairman Berry stated that we have a recording of each meeting that would satisfy that need.

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VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

Chairman Berry asked if there were any questions or comments from the audience. No comments were received.

IX. DATE OF NEXT MEETING

Chairman Berry informed the Committee members that the next meeting is scheduled for March 11, 2021.

X. ADJOURNMENT

There being no further business to be brought before the Committee at this time, Mr. Strachan called for adjournment at 12:30 p.m.

Respectfully Submitted,

Alfred Berry, Jr., Chairman

These Minutes were adopted on _____, 2021.