

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

August 12, 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

JOE HOOD

Active, Atlanta Public Schools

QUENTIN HUTCHINS

Active, Atlanta Public Schools

MOHAMED BALLA

CFO, City of Atlanta

JEFFREY NORMAN

HR Commissioner, City of Atlanta

OTHERS PRESENT

MARY SHAH

Strategic Benefits Advisors

STEPHANIE ATLI

Strategic Benefits Advisors

LORI POCOCK

Strategic Benefits Advisors

ED EMERSON

Morris, Manning & Martin

CHELSEA DEPERT

Morris, Manning & Martin

KIT JAYNE

City of Atlanta Law Department

YOULANDA CARR

City of Atlanta Finance Department

FUMNANYA JOHNSON

City of Atlanta Finance Department

PAMELA GOINS

City of Atlanta Finance Department

DELISHA ROBINSON

City of Atlanta Finance Department

KAREN SUTTON

City of Atlanta Finance Department

AMANDA ROUSER

City of Atlanta Pension Department

ROSIE WOODS

City of Atlanta Pension Department

COLTON DWYER

I. CALL TO ORDER

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

II. ADOPTION OF THE AGENDA

A motion was made by Ms. Green to approve the Agenda, the motion was seconded by Mr. Hutchins. The motion carried unanimously and the Agenda was approved.

III. MINUTES

Mr. Berry requested that the vote on the Service Pension Applications be clarified to show that he voted 'no' on Jamilah Watkins and 'yes' on the other Service Pension Applications. Mr. Berry also asked that the July 8, 2021, minutes reflect that Vice Chair Quentin Hutchins was chairing the meeting. Ms. Green asked that her questions to the Committee during the

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presentation of the financial statements be clarified. Her question was if the Committee was aware during the RFP process that SBA would not be able to write the pension checks. She also asked how much was paid to Northern Trust in February. She also asked how SBA got away with not writing the pension checks and having the City as its largest client.

The Committee Members reviewed the Minutes of the July 8, 2021 General Employees' Defined Benefit Administrative Committee Meeting, which were distributed in advance and reviewed by Counsel. Following discussion and review, a **motion was made by Mr. Strachan to adopt the Minutes as amended. This motion was seconded by Mr. Hutchins. The motion carried unanimously and the Minutes were adopted.**

IV. ADMINISTRATIVE MANAGERS' REPORT

Pension Applications

Service Pension Applications

The Committee reviewed Service Pensions numbers 1 through 12 on the attached spreadsheet.

Ms. Shah noted that Arkiethon Harden and Vincent Thomas are fully aware that they are retiring with an age penalty and that they want to move forward with an early retirement.

Following this review, a motion was made by Mr. Hutchins and seconded by Mr. Strachan to approve Service Pension Applications Nos. 1-12 as listed on the attached spreadsheet dated August 12, 2021. The motion carried unanimously and the Service Pension Applications were approved.

Disability Applications

The Committee reviewed Disability Applications numbers 1 and 2 on the attached spreadsheet.

Angela Green pointed out that Mr. Fowler's date of birth is incorrect on his application. Mr. Mitchell asked Ms. Shah to confirm that Charles Kelly was eligible to start a disability pension after only 8.7 years of service.

Following this review, a motion was made by Ms. Green and seconded by Mr. Hutchins to approve the Disability Applications as listed on the attached spreadsheet dated August 12, 2021 provided that Reginald Fowler's date of birth gets corrected on his application and Ms. Shah confirms Charles Kelly qualifies with 8.7 years of service. The motion carried unanimously and the Disability Applications were approved.

Disability Converting to Normal

The Committee reviewed the Disability Converting to Normal Application on the attached spreadsheet.

Following this review, a motion was made by Ms. Green and seconded by Mr. Hutchins to approve the Disability Converting to Normal Application as listed on the attached spreadsheet dated August 12, 2021. The motion carried unanimously and the Disability Converting to Normal Application was approved.

Beneficiary Applications

The Committee reviewed Beneficiary Applications number 1 through 7 on the attached spreadsheet.

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Mr. Strachan noted that he worked with Willie Clayton in the 1980s and wished to honor his death.

Following this review, a motion was made by Mr. Strachan and seconded by Mr. Mitchell to approve Beneficiary Applications Nos. 1-7 as listed on the attached spreadsheet dated August 12, 2021 with the caveat that John Evans did convert correctly to a service retirement at the appropriate time and that the beneficiary is being paid the correct amount. The motion carried unanimously and the Beneficiary Applications were approved.

Lump Sum Applications

The Committee reviewed Lump Sum Applications 1-22 as informational only.

Cash Financial Statement and Payables Listing Check Register

Ms. Johnson went through the unaudited financial statements with the Committee and asked if the Committee had any questions. Chairman Berry asked about the Fiduciary Responsibility line under Administrative Expenses for November 2020 and asked that Finance report back to the Committee at the next meeting to confirm what that charge represents.

Chairman Berry asked if his GAPPT registration would be paid from the City Fund and the APS registrations from the APS Fund. Ms. Shah confirmed that that is how the expenses would be allocated.

Chairman Berry requested that the hard copy meeting materials provided to him be the final version of the meeting packet and stated that it is not in line with the bylaws to add materials to the packet after it is provided to him. Ms. Shah informed the Committee that some of the invoices that were added after the hard copy meeting packets were mailed were for GAPPT conference registrations and a Fedex reimbursement for Chairman Sims.

Chairman Berry asked Mr. Emerson why there is always an outstanding balance on the MMM invoice. Ms. Pocock confirmed that the MMM invoice timing is such that there will always be an outstanding balance on their invoices and that she makes a note of that on the invoice list.

Ms. Pocock asked the Committee if General Plan invoices should be split 90/10 or 71/29. Ms. Sutton confirmed that it should be 90/10.

Ms. Goins pointed out that the City did not sign off on the SBA invoices because there were some items that Finance did not yet have the back-up documentation for. Chairman Berry disagreed with SBA's increased fixed fee being retroactive to May. Ms. Shah said that the fixed fee charges can be set aside until the effective date is determined and documents are signed by Chairman Sims. The prior month's fixed fee amount for SBA would be charged instead. Chairman Berry remembered vehemently opposing the Special Project Charges. Ms. Green asked what the Special Projects were. Chairman Berry sent the Special Projects document to Ms. Green and she confirmed she has a copy of this. Chairman Berry would like for somebody in the City of Atlanta and not a member of the Investment Board to be the one overseeing SBA and any special projects. Chairman Berry asked Mr. Balla to monitor the agreement and contract with SBA to ensure that the City's interests always come first. Mr. Balla agreed. Chairman Berry asked if Finance was in agreement with the invoices other than the SBA Fixed Fee charge, and Ms. Johnson confirmed that Finance is otherwise in agreement.

A motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve the unaudited financials based on review and input from the Finance Department. The

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motion carried and the Financials were approved. Chairman Berry and Ms. Green abstained.

A motion was made by Mr. Strachan and seconded by Mr. Hutchins to approve the Payable Listing Check Register based on review and input from the Finance Department with the caveat that the SBA Fixed Fee charge be revised to the prior month's amount. The motion carried and the Payable Listing was approved. Chairman Berry and Ms. Green abstained.

V. ATTORNEY'S REPORT

Ethical Standards

Mr. Emerson informed the Committee that the Ethical Standards for City Board Members have been provided to all of the Board and Committee members and encouraged members to review the standards. Ms. Jayne was representing the City Legal Department and asked the Committee members to reach out to City Legal if they had any questions about the Ethical Standards.

Summary Plan Description (SPD)

Chairman Berry asked about the status of the SPD. Mr. Emerson informed the Committee that Counsel is waiting on additional comments from SBA. Ms. Shah informed the Committee that SBA would provide additional comments to Counsel. Mr. Strachan asked that the SPD update be listed under Old Business.

Securities Monitoring

Mr. Emerson informed the Committee that all five securities monitoring firms that were selected have signed engagement letters and are in touch with Northern Trust to gain access to the Funds' securities information. Mr. Strachan reminded the Committee that when the Fund previously was lead plaintiff on a case it required a lot of time and energy and the Fund only recovered about \$0.10 on the dollar. He reminded the Committee that sometimes it may not be worthwhile to move forward with a case as lead plaintiff. Mr. Emerson informed the Committee that there is a policy in place that establishes a threshold for joining a case as lead plaintiff.

Overpayments

Ms. Green asked about the status of repayments. Mr. Emerson said that there has not been significant movement and that he thought one repayment had been made since the last report. Chairman Berry asked that the report on overpayments be made monthly.

VI. NEW BUSINESS

Jessie Hillard Overpayment

Ms. Atli informed the Committee that Jessie Hillard retired from APS and was subsequently rehired in 2017. His pension benefit should have been suspended upon rehire but was not suspended until July 2020. He was overpaid by the pension plan all pension payments received after he was rehired. He also was put back into the pension plan in error upon rehire, so he was making pension contributions that he should not have been making. These erroneous pension contributions have been deducted from the gross overpayment amount. APS would like to collect

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this overpayment in the amount of \$21,554.85 via a 5-year payroll deduction of \$213.15 beginning in October, provided that Mr. Hillard does not want to repay as one lump sum. Chairman Berry asked if this reduction would cause a financial hardship to Mr. Hillard. Ms. Atli informed the Committee that he is currently employed and that the deduction is less than 25% of his pay. Mr. Mitchell suggested the Committee move forward with the recoupment plan since Mr. Hillard will have the opportunity to appeal if the recoupment imposes a financial hardship.

A motion was made by Mr. Mitchell and seconded by Mr. Hutchins to pursue the recoupment of the overpayment to Jessie Hillard. The motion carried and the recoupment was approved. Chairman Berry and Ms. Green abstained.

Patricia Culpepper Overpayment

Ms. Shah informed the Committee that Patricia Culpepper has submitted an appeal that will be heard by the Investment Board. Her late husband should not have received a COLA while he was retired and that overpayment is being collected from her via a 25% reduction to her benefit.

VII. OLD BUSINESS

Mr. Strachan raised the issue to the Committee that there is \$1 million in overpayments and that they roughly follow the 80/20 rule—10 to 20% of the people are responsible for 80% of the amounts due to the Fund. He reminded the Committee that the Committee previously discussed researching quotes for collecting these overpayments. Chairman Berry emphasized that the Committee authorized Mr. Strachan to research quotes and nothing more and that the Committee did not recommend having Mr. Frankel present to the Investment Board. Mr. Strachan stated that he understood that Chairman Berry wanted to entertain other firms. Mr. Strachan also stated that he would be in favor of Mr. Frankel's firm attempting to collect one or two of the largest overpayments in order to see if the strategy was viable. Once it was determined that the strategy was viable, he would be in favor of putting out an RFP before formally engaging with any one firm. Mr. Strachan informed the Committee that the proposal to the Investment Board was for Mr. Frankel's firm to attempt to collect from a small pilot group and see how much the City was able to collect from that pilot group. Chairman Berry stated that he did not know why Mr. Frankel was allowed to present to the Committee because the Committee cannot do any hiring and if Mr. Frankel was going to have an opportunity to present to the Investment Board other firms should have been invited to present as well. Chairman Berry asked Mr. Strachan to talk with Mr. Emerson before taking any more steps with this project. Mr. Strachan stated that the Committee has a history of hearing informational presentations from potential vendors.

Ms. Green asked if Committee members can provide input on the Ethical Standards. Chairman Berry informed Ms. Green that the document is produced by the City. Ms. Green asked who Mr. Emerson reports to and who he was hired to look out for. Mr. Emerson informed the Committee that he works for the Investment Board and the Committees. Ms. Green asked how much the General Plan compared to the Police and Fire Plans has paid to SBA. Chairman Berry asked Ms. Shah to provide a year to date amount for what General has paid to SBA versus what Police and Fire have paid.

VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

There were no questions or comments from the audience.

IX. DATE OF NEXT MEETING

Chairman Berry informed the Committee members that the next meeting is scheduled for September 9, 2021. This meeting will be held virtually.

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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 12:32 p.m.

Respectfully Submitted,

Alfred Berry, Jr., Chairman

These Minutes were adopted on _____, 2021.