

**CITY OF ATLANTA POLICE OFFICERS’
DEFINED BENEFIT PENSION
ADMINISTRATIVE COMMITTEE MEETING
April 20, 2023
Atlanta City Hall, Committee Room 2
12:00 P.M. – 1:00 P.M.**

Committee Members

Rick “Bud” Light	Chairman	Present
Ken Allen	Retiree Representative	Virtual
Clint Myers	Active Representative	Present
Youlanda Carr	CFO Designee, City of Atlanta	Present
Michael Naftaniel	HR Designee, City of Atlanta	Present

Others Present

Mary Shah	Strategic Benefits Advisors, Inc.
Lori Pocock	Strategic Benefits Advisors, Inc.
Chelsea Deppert	Morris, Manning & Martin
Ed Emerson	Morris, Manning & Martin
Eric Dec	Legal Department, City of Atlanta
Marlo Crossley	Finance Department, City of Atlanta
Fumanya Johnson	Finance Department, City of Atlanta
Delisha Robinson	Finance Department, City of Atlanta
Agatha Hector	Pension Department, City of Atlanta
Amanda Rouser	Pension Department, City of Atlanta
Rosie Woods	Pension Department, City of Atlanta
Jeanette Cooper	Segal
Brian Downey	Deloitte
Jeannie Chen	Deloitte
August Butler	

I. CALL TO ORDER

Chairman Rick ‘Bud’ Light called the meeting to order at 12:09 p.m. Chairman Light indicated that a quorum was present for the meeting. It was noted the meeting was being held both in-person and by Webex Teleconference.

II. ADOPTION OF THE AGENDA

Chairman Light asked to add discussion on a potential buyback by Michael O’Conner. Ms. Shah noted that the minutes approval listed on the Agenda should be for the February 16, 2023 meeting. Mr. Myers asked to add discussion about adding clarifying language to retirement paperwork about commencing benefits at age 55 versus age 60.

A motion was made by Mr. Myers to approve the Agenda as amended and the motion was seconded by Mr. Allen. The motion carried unanimously and the amended Agenda was approved.

III. MINUTES

The Committee Members reviewed the Minutes of the February 16, 2023 Police Officers' Defined Benefit Administrative Committee Meeting, which were distributed in advance and reviewed by Counsel.

With there being no changes or modifications, a motion was made by Mr. Myers to adopt the Minutes of the February 16, 2023 meeting as presented and the motion was seconded by Mr. Allen. The motion carried unanimously and the February Meeting Minutes were adopted.

IV. ADMINISTRATIVE MANAGERS' REPORT

Service Pension Applications

Ms. Shah presented seven (7) Service Pension Applications to the Committee for approval from the March package.

A motion was made by Mr. Myers and seconded by Mr. Allen to approve the seven (7) Service Pension Applications on the attached spreadsheet for the month of March 2023. The motion carried unanimously and the March Service Pension Applications were approved.

Ms. Shah presented four (4) Service Pension Applications to the Committee for approval from the April package.

A motion was made by Mr. Allen and seconded by Mr. Myers to approve the four (4) Service Pension Applications on the attached spreadsheet for the meeting date of April 20, 2023. The motion carried unanimously and the April Service Pension Applications were approved.

Disability Pension Application

Ms. Shah presented one (1) Disability Pension Application to the Committee for approval from the April package. Chairman Light noted the employee was currently 52 and asked if her benefit would be recalculated when she turned 55. He also asked if the pension amount would decrease at age 55. Ms. Shah noted that SBA provides information to Disability applicants that their benefit will be recalculated and may change from their disability amount. She added in this case that the amount was likely to increase. There was a question on whether the Disability amount was 50% or the greater of 50% and the accrued benefit. Ms. Shah suggested that the Committee approve the disability and note that SBA will confirm the amount of the pension to be paid.

A motion was made by Mr. Allen and seconded by Mr. Myers to approve the one (1) Disability Pension Application on the attached spreadsheet for the meeting date of April 20, 2023. The motion carried unanimously and the April Disability Pension Application was approved. It was noted that SBA will confirm the correct amount of the monthly pension prior to putting the employee into pay.

Beneficiary Pension Applications

Ms. Shah presented two (2) Beneficiary Pension Applications to the Committee for approval from the March package.

A motion was made by Mr. Allen and seconded by Mr. Myers to approve the two (2) Beneficiary Pension Applications on the attached spreadsheet for the month of March 2023. The motion carried unanimously and the March Beneficiary Pension Applications were approved.

Ms. Shah presented one (1) Beneficiary Pension Application to the Committee for approval from the April package.

A motion was made by Mr. Myers and seconded by Mr. Allen to approve the one (1) Beneficiary Pension Application on the attached spreadsheet for the meeting date of April 20, 2023. The motion carried unanimously and the April Beneficiary Pension Application was approved.

Lump Sum Applications

Ms. Shah presented six (6) lump sum applications from March and six (6) lump sum applications from April for informational purposes only. Mr. Allen noted there are several refunds paid to employees with less than one year of service and posed the question of whether hiring practices be revised.

Financial Statement

Ms. Shah presented the February 2023 unaudited financial statements prepared by SBA. Ms. Carr stated the contributions were less in February than January because January had three payrolls instead of the normal 2 payrolls. She also noted the change in unrealized gains and losses due to market volatility and that changes in Administrative expenses was due to the timing of Investment Manager fee invoices.

Invoices for Approval

Ms. Shah presented the March invoices for approval and Ms. Carr noted that finance has reviewed and approved the March invoices. She added that March was the last month for the Deloitte invoice since that project was wrapping up.

Ms. Shah presented the April invoices for approval and Ms. Pocock noted there were two Iron Mountain invoices in April because the March invoice had been held until an unexpected charge was reviewed and removed. Chairman Light asked if there was a breakdown on the charges on the Indirect Costs invoice from the City. Ms. Carr stated that many costs were personnel related to support the pension plans in the Finance and HR departments. Ms. Robinson pointed out there were credits from a prior year that were applied to this invoice to reduce the fees by \$32,783.00.

Following a complete review of the March and April disbursements, a motion was made by Mr. Allen and seconded by Mr. Myers to approve the March 2023 and April 2023 invoices. The motion carried unanimously and the March and April invoices were approved.

With no further questions or discussion, the Administrative Managers’ Report was concluded and accepted as informational.

V. ATTORNEY’S REPORT

Mr. Dec gave an update on the Celsius Security Litigation that is in progress. He noted that the case has survived a dismissal motion and is now in the Discovery phase. He also added that the case has been fast tracked and is on the “Rocket Docket” so things should move quickly.

Overpayment Policy

Mr. Dec presented a chart prepared by Mr. Emerson that compared the SECURE Act 2.0 overpayment provisions with the overpayment provisions adopted by the City Pension Plans last year. He noted that the SECURE Act 2.0 does not directly impact the City’s Defined Benefit Plans because it is specific to ERISA-covered plans. However, the Committees may want to review the updates and determine if any changes should be made to the current overpayment process. Both the Pension Plans and SECURE Act 2.0 require that as soon as an overpayment is discovered, the payment amount must be reduced to the correct amount. Also, the SECURE Act 2.0 states that interest or other collection fees may not be charged on any overpayment recoupment, which is in line with the Pension Plans’ policy. Mr. Dec pointed out the main differences between the Pension Plans’ overpayment policy and the SECURE Act 2.0 requirements are the time period to recoup overpayments and the percent that the benefit may be reduced. Mr. Dec added that at some point in time, the City may want to look to see what other municipalities are doing, if anything, in response to the SECURE Act 2.0 changes.

VI. NEW BUSINESS

Deloitte Data Clean-up Project

Mr. Downey provided an update on the data clean-up project Deloitte recently completed. He reviewed the project phases and noted that overall the project found about 200 discrepancies that were documented. He also stated that Deloitte developed a consolidated database of all data gathered during the project which would go to both the City and SBA to be used in research. Recommendations from the project include digitizing paper files currently in the City’s possession and implementation of automation to prevent people from going into the wrong plans.

Plan Design Study - Segal

Ms. Cooper stated the Investment Board has approved a study to determine the actuarial effects of changing the plan design for the 2011 Hybrid Plan, focusing attention on the COLA rate and the Plan formula. She added that right now, employees in the 2011 plan are paying 8% into the Defined Benefit Pension Plan and 3.75% to the Defined Contribution Plan. The study would look at the impact of putting all employee contributions into the Pension Plan. The three Pension Plans will initially pay \$10,000 per plan to fund the study, but they will be reimbursed by the City through additional Employer Contributions made to the Plans. Chairman Light asked if there was any thought on the timeframe to implement design changes and Ms. Carr noted the next fiscal year’s budget has already been sent to the

printer and any changes would require a legislation change so it would most likely be the next fiscal year.

VII. OLD BUSINESS

Plan for Employees hired in September and October 2011

Ms. Shah provided a list of 14 Police Officers rehired between September 1, 2011 and October 31, 2011 and who were currently in the 2011 Hybrid plan. She noted that SBA is working on a letter to send to these employees giving them a one-time option to move back to their original plan. She also stated that in order to move back to the old plan, the employee would first need to repay any outstanding loan in the DC plan.

Beneficiary Coverage for Employees with Dependents or Married

Ms. Shah reported that a cross reference has been completed that shows who is contributing at a 12% (non-beneficiary coverage) level, but is carrying some level of dependent coverage on their Health & Welfare benefits – Medical, Dental and Vision. Some employees may be carrying a dependent who has aged out as a beneficiary in the pension plan, but is still able to be covered under the Health & Welfare plans. SBA will work with the HR team to come up with a plan to reach those who need to contribute the additional 1% beneficiary coverage.

Michael O'Conner Buyback

Ms. Shah stated SBA did a buyback calculation for Mr. O'Conner in 2021 that would have been a repayment of approximately \$34,000, mostly due to interest over a 21-year period. Chairman Light asked SBA to update the buyback calculation since Mr. O'Conner is ready to send in a check prior to his retirement.

VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

There were no questions or comments from the audience at this time.

IX. DATE OF NEXT MEETING

The Committee agreed to hold the next meeting in person in Committee Room 2 at City Hall on June 15, 2023 at 12:00 p.m.

X. ADJOURNMENT

With there being no further business to be brought before the Committee at this time, **a motion was made by Mr. Myers and seconded by Mr. Allen to call for adjournment at 1:20 p.m. This motion passed unanimously and the meeting was adjourned.**

**City of Atlanta Police Officers'
Defined Benefit Pension Administrative Committee Meeting Minutes
April 20, 2023**

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Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Richard Light', is written over a horizontal line.

Richard 'Bud' Light, Chairman

These Minutes were adopted on June 15, 2023.