

AN ORDINANCE BY FINANCE/EXECUTIVE COMMITTEE TO AMEND THE COMPOSITION OF THE CONSOLIDATED CITY OF ATLANTA DEFINED BENEFIT PENSION INVESTMENT BOARD AS OUTLINED IN ORDINANCE NO. 17-R-4757; AND FOR OTHER PURPOSES.

►(HELD 7/11/18 AT THE REQUEST OF THE DEPARTMENT.)

WHEREAS, the City of Atlanta (the “City”) provides a defined benefit pension (“Pension”) to eligible sworn members of the Atlanta Police Department, eligible sworn members of the Atlanta Fire Rescue Department, and certain other eligible City employees; and

WHEREAS, the City’s Pension retirement program is divided into three different plans (collectively, the “Plans”): the Police Officers’ Pension Plan, the Firefighters’ Pension Plan and the General Employees’ Pension Plan; and

WHEREAS, through Ordinance No. 17-O-1589 the City of Atlanta implemented industry best practices to consolidate the Boards and establishing minimum qualifications for Board trustees to enable more effective leveraging of investment assets in the external market, enhanced investment performance and decreased administrative costs; and

WHEREAS, implementing these best practices did not result in comingling of the assets of the three separate Pension Plans, and did not alter each Plan’s determination process for pension awards; and

WHEREAS, consolidating the three Pension Boards was a governance change only, and did not raise employees’ pension contributions or decrease their pension benefits at retirement; and

WHEREAS, the pension governance structure affects all active employees, because the performance of pension investments affects the availability of funds for current operational costs, including salaries; and

WHEREAS, income generated from Pension investments is used to pay retirees’ Pension income. To the extent that the Plans’ annual investment income is insufficient to finance the Pension benefits owed to retirees in the upcoming fiscal year, the difference must be financed by the City in an annual amount entitled the “Actuarially Determined Contribution” or “ADC”, formerly known as the “Annual Required Contribution” or “ARC”; and

WHEREAS, industry best practices provide that consolidating the Boards, and establishing minimum qualifications for Board trustees, will result in more effective leveraging of investment assets in the external market, enhanced investment performance and decreased administrative costs; and

WHEREAS, implementing best practices for Board governance will reduce the City’s Actuarially Determined Contribution for Pension, and will increase funds available for pay raises, new hires and enhanced equipment; and

WHEREAS, the Atlanta City Council expressed its desire in 17-R-4757 to amend the composition of the consolidated City of Atlanta Defined Benefit Pension Board to more closely reflect the representation of pension participants that existed across the previous three separate pension boards and to add additional requirements for transparency, reporting, audit and review of the new consolidated board structure; and

WHEREAS, all requirements of Section 3-507 of the City of Atlanta Charter for modification of pension laws have been met.

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA AS FOLLOWS:

SECTION 1: That Part I, Subpart B, Chapter 6, Article II, Division 2 (Board of Trustees), Sections 6-141 through 6-144 of the Code of Ordinances of the City of Atlanta, Georgia, Georgia Laws 1927, p. 265, be amended as follows (with permanent additions underlined in bold font and permanent deletions in strikeout font):

Sec. 6-141. - Board of trustees; constituted, membership, duties.

- (a) There is hereby established one board of trustees whose duty it shall be to implement the provisions of this act with respect to the City of Atlanta's General Employees' Pension Fund, Police Officers' Pension Fund and Firefighters' Pension Fund and to ensure that the funds of each pension fund are maintained and accounted for separately, except as provided in Section 6-37(r), Section 6-222(q) and Section 6-367(q). The board of trustees shall be authorized to adopt such rules, procedures and policies that it deems necessary to perform its duties; provided, however, that any such rules, procedures and policies are consistent with the provisions of this act and with all other applicable laws. The board of trustees shall be authorized to retain a third-party administrator, an independent attorney, and an independent actuary.
- (b) The board of trustees shall be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the "Investment Board") and shall be comprised of thirteen (13) members with representation from the City of Atlanta and pension participants as follows:
 - (1) Chair. The Investment Board shall have an independent chair who shall be appointed by the Mayor of the City of Atlanta and confirmed by the Atlanta City Council to one (1) term of five (5) years beginning on the date of confirmation. The Investment Board Chair shall have relevant financial industry experience, preferably in the area of investments, and shall have no familial or business ties to the City of Atlanta or the Atlanta Public Schools.
 - (2) Vice Chair. The vice chair of the Investment Board shall be the Mayor of the City of Atlanta or her/his designee.
 - (3) The Chief Financial Officer of the City of Atlanta.
 - (4) The Commissioner of the Department of Human Resources of the City of Atlanta.
 - (5) One (1) member of the Atlanta City Council, appointed annually by the Atlanta City Council.
 - (6) One (1) member, appointed annually by the Atlanta Board of Education.

- (7) One (1) member, elected every three (3) years by the active and retired participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Plan (the "Atlanta Public Schools trustee").
- (8) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta General Employees' Pension Plan (the "General Employees' trustee").
- (9) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta Firefighters' Pension Plan (the "Firefighters' trustee").
- (10) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta Police Officers' Pension Plan (the "Police Officers' trustee").
- (c) Trustee qualifications. To qualify as a Trustee, a candidate must demonstrate no less than twenty-four (24) hours of training in a recognized or accredited program, education, experience, or a combination of the three, regarding the following core competencies:
- (1) Understanding of governance and administration of a public pension fund, including benefits administration and disability.
 - (2) Basic knowledge of fiduciary responsibility and liability.
 - (3) Basic understanding of investment structures and strategies.
 - (4) Basic understanding of financial controls and audits.
 - (5) Understanding of ethical standards of behavior, including conflicts of interest and disclosures.
 - (6) Basic knowledge of applicable Georgia Law, including the Open Records Act and Open Meetings Act.
- (d) Committees. The Board shall create the following committees:
- (1) Administration Committee. There shall be three (3) separate Administration Committees to manage the administrative duties, ~~including the selection of a third party administrator~~, and make all pension award decisions for each of the three separate pension plans. The three (3) committees shall be as follows:
 - A. The City of Atlanta and Atlanta Public Schools General Employees' Administration Committee shall be comprised of:
 - i. The two (2) General Employees' Pension Plan elected representatives to the Investment Board.
 - ii. The Atlanta Public Schools' Pension Plan elected representative to the Investment Board.
 - iii. One (1) member elected every three (3) years by active City of Atlanta participants in the City of Atlanta General Employees' Pension Fund.
 - iv. One (1) member elected every three (3) years by retired City of Atlanta participants in the City of Atlanta General Employees' Pension Fund.
 - v. One (1) member elected every three (3) years by active participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Fund.
 - vi. One (1) member elected every three (3) years by retired participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Fund.
 - vii. The Chief Financial Officer or her/his designee.
 - viii. The Commissioner of the Department of Human Resources or her/his designee.
 - B. The Police Officers' Administration Committee shall be comprised of:
 - i. The two (2) Police Officers' Pension Plan elected representatives to the Investment Board.

- ii. One (1) member elected every three (3) years by active participants in the City of Atlanta Police Officers' Pension Fund.
 - iii. One (1) member elected every three (3) years by retired participants in the City of Atlanta Police Officers' Pension Fund.
 - iv. The Chief Financial Officer or her/his designee.
 - v. The Commissioner of the Department of Human Resources or her/his designee.
- C. The Firefighters' Administration Committee shall be comprised of:
- i. The two (2) Firefighters' Pension Plan elected representatives to the Investment Board.
 - ii. One (1) member elected every three (3) years by active participants in the City of Atlanta Firefighters' Pension Fund.
 - iii. One (1) member elected every three (3) years by retired participants in the City of Atlanta Firefighters' Pension Fund.
 - iv. The Chief Financial Officer or her/his designee.
 - v. The Commissioner of the Department of Human Resources or her/his designee.
- (2) Governance Committee. The Governance Committee shall be responsible for implementation of the qualification requirements listed in paragraph (c) above. The Governance Committee shall also review and address conflicts of interest and compliance issues related to trustees and investment managers. The Governance Committee shall be comprised of:
- A. The Chair of the Investment Board
 - B. Three Administration Committee members, each appointed from one of the three Administration Committees. Such appointees may be a member of the respective Administration Committee or an individual selected by the members of that Administration Committee.
 - C. The Commissioner of the Department of Human Resources or her/his designee.
- (3) Audit Committee. The Audit Committee shall oversee audits of the three pension plans, as required by Sections 6-144, 6-285 and 6-426 of Chapter 6 (Pensions) of the Atlanta City Code, and review the financial statements for each pension plan. The Audit Committee shall ensure an experience audit of all three pension funds is performed at least every three years and an actuarial study of all three pension funds is performed by an independent actuary every three to five years. The Audit Committee shall be comprised as follows:
- A. The Chair of the Investment Board
 - B. Three members elected by the combined membership of the three Administration Committees. Such members shall be elected from the active and retired participants of all three pension plans.
 - C. The Chief Financial Officer or her/his designee.
- (e) Transparency. The Investment Board and each of its Committees shall comply with the requirements of the Georgia Open Meetings Act and the Georgia Open Records Act. All meetings of the Investment Board and any of its committees shall be televised on City Channel 26 or its equivalent. The Investment Board shall create and maintain a website where, at a minimum, the following shall be available online: the names and resumes of all trustees and committee members, the terms of each of their appointments, notices of all regularly scheduled meetings, approved minutes of all meetings, quarterly investment reports, and bylaws.

- (f) Reporting. The Investment Board shall report quarterly to the Finance and Executive Committee of the Atlanta City Council.

Sec. 6-142. - Appeals ~~from the board of trustees~~; procedure.

- (a) A majority of the Investment Board ~~board of trustees~~ shall control on all disputed questions before that board.
- (b) A decision of an Administration Committee to award or deny a service pension or a disability pension must be appealed to the ~~board of trustees~~ Administration Committee that issued the decision in writing within 14 days of the decision being appealed. Upon the receipt of a written appeal, the ~~board of trustees~~ Administration Committee will schedule a hearing to receive testimony from the appealing party or parties. Such hearing shall be conducted informally by the examination of witnesses who may be represented by legal counsel if they so desire. The ~~board of trustees~~ Administration 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. The decision of the ~~board of trustees~~ Administration Committee after the hearing shall be final and shall be provided to the individual appealing in writing; provided, however, that such final decision shall be subject to review by writ of certiorari to the Superior Court of Fulton County. ~~The secretary of the board of trustees shall be authorized to acknowledge service of any such writ and shall, within the time provided by law, certify and cause to be filed with the clerk of the Fulton County Superior Court, a record of the proceedings before the board of trustees, including a copy of the pension application, the decision of the board and the notice of the board's action as provided to the pension applicant. Where appeals are taken by a pension applicant as provided herein, the board of trustees shall be the respondent and the city shall be the defendant.~~
- (c) The method of appeal as provided ~~herein~~ in paragraph (b) above shall also serve as the method by which all other disputed pension ~~award questions~~ shall be appealed. Disputed decisions of the Investment Board, the Governance Committee and the Audit Committee shall be appealed to the Investment Board.

Sec. 6-143. - Investment of excess funds.

In the event there should accumulate more funds than are needed for immediate use, the board of trustees are empowered to invest such excess funds as authorized by applicable laws, including but not limited to, the provisions of this act and the Georgia Investment Authority Law, §47-20, Article 7, et seq.

Sec. 6-144. - Actuarial investigation.

The board of trustees of this retirement system shall have the system's actuary make an actuarial investigation every three (3) years or more often as the board, in its discretion may deem proper. Such actuarial investigation shall include the results of any actuarial investigation into the then current assumptions as to rates of interest, mortality, disability, withdrawal and retirement. The actuarial investigation shall also include consideration of the experience of the retirement system under its assumptions and a comparison of results with the previous actuarial investigations and may also include such other studies as may be necessary or desirable for the completeness and accuracy of the actuarial

investigation. The actuarial investigation shall also include a valuation of the contingent assets and liabilities of the retirement system and a determination of the payment necessary to amortize over a stated period any unfunded accrued liability disclosed. As an exhibit to the actuarial investigation, the retirement system board of trustees shall attach a copy of all the provisions of the plan for the retirement system, including the requirements and conditions for qualifying to participate, the nature of benefits under the plan, and the manner in which the local retirement system is funded. The board of trustees of the retirement system shall file with the state auditor a copy of each actuarial investigation.

Secs. 6-145-6-170. - Reserved.

SECTION 2: That Part I, Subpart B, Chapter 6, Article III, Division 2 (Board of Trustees), Sections 6-281 through 6-289 of the Code of Ordinances of the City of Atlanta, Georgia, Georgia Laws 1927, p. 265, be amended as follows (with permanent additions underlined in bold font and permanent deletions in ~~strikeout~~ font):

Sec. 6-281. - Board of trustees; constituted, membership, duties.

- (a) There is hereby established one board of trustees whose duty it shall be to implement the provisions of this act with respect to the City of Atlanta's General Employees' Pension Fund, Police Officers' Pension Fund and Firefighters' Pension Fund and to ensure that the funds of each pension fund are maintained and accounted for separately, except as provided in Section 6-37(r), Section 6-222(q) and Section 6-367(q). The board of trustees shall be authorized to adopt such rules, procedures and policies that it deems necessary to perform its duties; provided, however, that any such rules, procedures and policies are consistent with the provisions of this act and with all other applicable laws. The board of trustees shall be authorized to retain a third-party administrator, an independent attorney, and an independent actuary.
- (b) The board of trustees shall be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the "Investment Board") and shall be comprised of thirteen (13) members with representation from the City of Atlanta and pension participants as follows:
- 1) Chair. The Investment Board shall have an independent chair who shall be appointed by the Mayor of the City of Atlanta and confirmed by the Atlanta City Council to one (1) term of five (5) years beginning on the date of confirmation. The Investment Board Chair shall have relevant financial industry experience, preferably in the area of investments, and shall have no familial or business ties to the City of Atlanta or the Atlanta Public Schools.
 - 2) Vice Chair. The vice chair of the Investment Board shall be the Mayor of the City of Atlanta or her/his designee.
 - 3) The Chief Financial Officer of the City of Atlanta.
 - 4) The Commissioner of the Department of Human Resources of the City of Atlanta.
 - 5) One (1) member of the Atlanta City Council, appointed annually by the Atlanta City Council.
 - 6) One (1) member, appointed annually by the Atlanta Board of Education.
 - 7) One (1) member, elected every three (3) years by the active and retired participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Plan (the "Atlanta Public Schools trustee").

- 8) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta General Employees' Pension Plan (the "General Employees' trustees").
- 9) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta Firefighters' Pension Plan (the "Firefighters' trustees").
- 10) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta Police Officers' Pension Plan (the "Police Officers' trustees").

c) Trustee qualifications. To qualify as a Trustee, a candidate must demonstrate no less than twenty-four (24) hours of training in a recognized or accredited program, education, experience, or a combination of the three, regarding the following core competencies:

- (1) Understanding of governance and administration of a public pension fund, including benefits administration and disability.
- (2) Basic knowledge of fiduciary responsibility and liability.
- (3) Basic understanding of investment structures and strategies.
- (4) Basic understanding of financial controls and audits.
- (5) Understanding of ethical standards of behavior, including conflicts of interest and disclosures.
- (6) Basic knowledge of applicable Georgia Law, including the Open Records Act and Open Meetings Act.

d) Committees. The Board shall create the following committees:

(1) Administration Committee. There shall be three (3) separate Administration Committees to manage the administrative duties, ~~including the selection of a third party administrator~~, and make all pension award decisions for each of the three separate pension plans. The three (3) committees shall be as follows:

A. The City of Atlanta and Atlanta Public Schools General Employees' Administration Committee shall be comprised of:

- i. The two (2) General Employees' Pension Plan elected representatives to the Investment Board.
- ii. The Atlanta Public Schools' Pension Plan elected representative to the Investment Board.
- iii. One (1) member elected every three (3) years by active City of Atlanta participants in the City of Atlanta General Employees' Pension Fund.
- iv. One (1) member elected every three (3) years by retired City of Atlanta participants in the City of Atlanta General Employees' Pension Fund.
- v. One (1) member elected every three (3) years by active participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Fund.
- vi. One (1) member elected every three (3) years by retired participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Fund.
- vii. The Chief Financial Officer or her/his designee.
- viii. The Commissioner of the Department of Human Resources or her/his designee.

B. The Police Officers' Administration Committee shall be comprised of:

- i. The two (2) Police Officers' Pension Plan elected representatives to the Investment Board.

- ii. One (1) member elected every three (3) years by active participants in the City of Atlanta Police Officers' Pension Fund.
 - iii. One (1) member elected every three (3) years by retired participants in the City of Atlanta Police Officers' Pension Fund.
 - iv. The Chief Financial Officer or her/his designee.
 - v. The Commissioner of the Department of Human Resources or her/his designee.
- C. The Firefighters' Administration Committee shall be comprised of:
- i. The two (2) Firefighters' Pension Plan elected representatives to the Investment Board.
 - ii. One (1) member elected every three (3) years by active participants in the City of Atlanta Firefighters' Pension Fund.
 - iii. One (1) member elected every three (3) years by retired participants in the City of Atlanta Firefighters' Pension Fund.
 - iv. The Chief Financial Officer or her/his designee.
 - v. The Commissioner of the Department of Human Resources or her/his designee.
- (2) Governance Committee. The Governance Committee shall be responsible for implementation of the qualification requirements listed in paragraph (c) above. The Governance Committee shall also review and address conflicts of interest and compliance issues related to trustees and investment managers. The Governance Committee shall be comprised of:
- A. The Chair of the Investment Board
 - B. Three Administration Committee members, each appointed from one of the three Administration Committees. Such appointees may be a member of the respective Administration Committee or an individual selected by the members of that Administration Committee.
 - C. The Commissioner of the Department of Human Resources or her/his designee.
- (3) Audit Committee. The Audit Committee shall oversee audits of the three pension plans, as required by Sections 6-144, 6-285 and 6-426 of Chapter 6 (Pensions) of the Atlanta City Code, and review the financial statements for each pension plan. The Audit Committee shall ensure an experience audit of all three pension funds is performed at least every three years and an actuarial study of all three pension funds is performed by an independent actuary every three to five years. The Audit Committee shall be comprised as follows:
- A. The Chair of the Investment Board
 - B. Three members elected by the combined membership of the three Administration Committees. Such members shall be elected from the active and retired participants of all three pension plans.
 - C. The Chief Financial Officer or her/his designee.
- e) Transparency. The Investment Board and each of its Committees shall comply with the requirements of the Georgia Open Meetings Act and the Georgia Open Records Act. All meetings of the Investment Board and any of its committees shall be televised on City Channel 26 or its equivalent. The Investment Board shall create and maintain a website where, at a minimum, the following shall be available online: the names and resumes of all trustees and committee members, the terms of each of their appointments, notices of all regularly scheduled meetings, approved minutes of all meetings, quarterly investment reports, and bylaws.

- f) Reporting. The Investment Board shall report quarterly to the Finance and Executive Committee of the Atlanta City Council.

Sec. 6-282. - Appeals ~~from decisions of the board of trustees~~; procedure.

- (a) A majority of the Investment Board ~~board of trustees~~ shall control on all disputed questions before that board.
- (b) A decision of an Administration Committee to award or deny a service pension or a disability pension must be appealed to the ~~board of trustees~~ Administration Committee that issued the decision in writing within 14 days of the decision being appealed. Upon the receipt of a written appeal, the ~~board of trustees~~ Administration Committee will schedule a hearing to receive testimony from the appealing party or parties. Such hearing shall be conducted informally by the examination of witnesses who may be represented by legal counsel if they so desire. The ~~board of trustees~~ Administration 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. The decision of the ~~board of trustees~~ Administration Committee after the hearing shall be final and shall be provided to the individual appealing in writing; provided, however, that such final decision shall be subject to review by writ of certiorari to the Superior Court of Fulton County. ~~The secretary of the board of trustees shall be authorized to acknowledge service of any such writ and shall, within the time provided by law, certify and cause to be filed with the clerk of the Fulton County Superior Court, a record of the proceedings before the board of trustees, including a copy of the pension application, the decision of the board and the notice of the board's action as provided to the pension applicant. Where appeals are taken by a pension applicant as provided herein, the board of trustees shall be the respondent and the city shall be the defendant.~~
- (c) The method of appeal as provided ~~herein~~ in paragraph (b) above shall also serve as the method by which all other disputed pension ~~award questions~~ shall be appealed. Disputed decisions of the Investment Board, the Governance Committee and the Audit Committee shall be appealed to the Investment Board.

Sec. 6-283. -Investment of excess funds.

In the event there should accumulate more funds than are needed for immediate use, the board of trustees is empowered to invest such excess funds as authorized by applicable laws, including but not limited to, the provisions of this act and the Georgia Investment Authority Law, §47-20, Article 7, et seq.

6-284. - City attorney; function, compensation.

The city attorney shall, without extra compensation render such legal service as the board of trustees created by this act shall require.

6-285. - Actuarial investigations.

The board of trustees of this retirement system shall have the system's actuary make an actuarial investigation every three (3) years or more often as the board, in its discretion, may deem proper. Such actuarial investigation shall include the results of any actuarial investigation into the then current assumptions as to rates of interest, mortality, disability, withdrawal and retirement system under its assumptions and a comparison of results with the previous actuarial investigations and may also include such other studies as may be necessary or desirable for the completeness and accuracy of the actuarial investigation. The actuarial investigation shall also include a valuation of the contingent assets and liabilities of the retirement system and a determination of the payment necessary to amortize over a stated period any unfunded accrued liability disclosed. As an exhibit to the actuarial investigation, the retirement system board of trustees shall attach a copy of all the provisions of the plan for the retirement system, including the requirements and conditions for qualifying to participate, the nature of benefits under the plan, and the manner in which the local retirement system is funded. The board of trustees of the retirement system shall file with the state auditor a copy of each actuarial investigation.

SECTION 3: That Part I, Subpart B, Chapter 6, Article IV, Division 2, Sections 6-421 through 6-430 of the Code of Ordinances of the City of Atlanta, Georgia, Georgia Laws 1927, p. 265, be amended as follows (with permanent additions underlined in bold font and permanent deletions in strikeout font):

Sec. 6-421. - Board of trustees; constituted, membership, duties.

- (a) There is hereby established one board of trustees whose duty it shall be to implement the provisions of this act with respect to the City of Atlanta's General Employees' Pension Fund, Police Officers' Pension Fund and Firefighters' Pension Fund and to ensure that the funds of each pension fund are maintained and accounted for separately, except as provided in Section 6-37(r), Section 6-222(q) and Section 6-367(q). The board of trustees shall be authorized to adopt such rules, procedures and policies that it deems necessary to perform its duties; provided, however, that any such rules, procedures and policies are consistent with the provisions of this act and with all other applicable laws. The board of trustees shall be authorized to retain a third-party administrator, an independent attorney, and an independent actuary.
- (b) The board of trustees shall be known as the City of Atlanta Defined Benefit Pension Plan Investment Board (the "Investment Board") and shall be comprised of thirteen (13) members with representation from the City of Atlanta and pension participants as follows:
 - 1) Chair. The Investment Board shall have an independent chair who shall be appointed by the Mayor of the City of Atlanta and confirmed by the Atlanta City Council to one (1) term of five (5) years beginning on the date of confirmation. The Investment Board Chair shall have relevant financial industry experience, preferably in the area of investments, and shall have no familial or business ties to the City of Atlanta or the Atlanta Public Schools.
 - 2) Vice Chair. The vice chair of the Investment Board shall be the Mayor of the City of Atlanta or her/his designee.
 - 3) The Chief Financial Officer of the City of Atlanta.
 - 4) The Commissioner of the Department of Human Resources of the City of Atlanta.

- 5) One (1) member of the Atlanta City Council, appointed annually by the Atlanta City Council.
- 6) One (1) member, appointed annually by the Atlanta Board of Education.
- 7) One (1) member, elected every three (3) years by the active and retired participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Plan (the "Atlanta Public Schools trustee").
- 8) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta General Employees' Pension Plan (the "General Employees' trustees").
- 9) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta Firefighters' Pension Plan (the "Firefighters' trustees").
- 10) Two (2) members elected every three (3) years by the active and retired participants in the City of Atlanta Police Officers' Pension Plan (the "Police Officers' trustees").

(c) Trustee qualifications. To qualify as a Trustee, a candidate must demonstrate no less than twenty-four (24) hours of training in a recognized or accredited program, education, experience, or a combination of the three, regarding the following core competencies:

- (1) Understanding of governance and administration of a public pension fund, including benefits administration and disability.
- (2) Basic knowledge of fiduciary responsibility and liability.
- (3) Basic understanding of investment structures and strategies.
- (4) Basic understanding of financial controls and audits.
- (5) Understanding of ethical standards of behavior, including conflicts of interest and disclosures.
- (6) Basic knowledge of applicable Georgia Law, including the Open Records Act and Open Meetings Act.

(d) Committees. The Board shall create the following committees:

- (1) Administration Committee. There shall be three (3) separate Administration Committees to manage the administrative duties, ~~including the selection of a third party administrator~~, and make all pension award decisions for each of the three separate pension plans. The three (3) committees shall be as follows:
 - A. The City of Atlanta and Atlanta Public Schools General Employees' Administration Committee shall be comprised of:
 - i. The two (2) General Employees' Pension Plan elected representatives to the Investment Board.
 - ii. The Atlanta Public Schools' Pension Plan elected representative to the Investment Board.
 - iii. One (1) member elected every three (3) years by active City of Atlanta participants in the City of Atlanta General Employees' Pension Fund.
 - iv. One (1) member elected every three (3) years by retired City of Atlanta participants in the City of Atlanta General Employees' Pension Fund.
 - v. One (1) member elected every three (3) years by active participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Fund.
 - vi. One (1) member elected every three (3) years by retired participants in the Atlanta Public Schools portion of the City of Atlanta General Employees' Pension Fund.
 - vii. The Chief Financial Officer or her/his designee.

- viii. The Commissioner of the Department of Human Resources or her/his designee.
- B. The Police Officers' Administration Committee shall be comprised of:
 - i. The two (2) Police Officers' Pension Plan elected representatives to the Investment Board.
 - ii. One (1) member elected every three (3) years by active participants in the City of Atlanta Police Officers' Pension Fund.
 - iii. One (1) member elected every three (3) years by retired participants in the City of Atlanta Police Officers' Pension Fund.
 - iv. The Chief Financial Officer or her/his designee.
 - v. The Commissioner of the Department of Human Resources or her/his designee.
- C. The Firefighters' Administration Committee shall be comprised of:
 - i. The two (2) Firefighters' Pension Plan elected representatives to the Investment Board.
 - ii. One (1) member elected every three (3) years by active participants in the City of Atlanta Firefighters' Pension Fund.
 - iii. One (1) member elected every three (3) years by retired participants in the City of Atlanta Firefighters' Pension Fund.
 - iv. The Chief Financial Officer or her/his designee.
 - v. The Commissioner of the Department of Human Resources or her/his designee.
- (2) Governance Committee. The Governance Committee shall be responsible for implementation of the qualification requirements listed in paragraph (c) above. The Governance Committee shall also review and address conflicts of interest and compliance issues related to trustees and investment managers. The Governance Committee shall be comprised of:
 - A. The Chair of the Investment Board
 - B. Three Administration Committee members, each appointed from one of the three Administration Committees. Such appointees may be a member of the respective Administration Committee or an individual selected by the members of that Administration Committee.
 - C. The Commissioner of the Department of Human Resources or her/his designee.
- (3) Audit Committee. The Audit Committee shall oversee audits of the three pension plans, as required by Sections 6-144, 6-285 and 6-426 of Chapter 6 (Pensions) of the Atlanta City Code, and review the financial statements for each pension plan. The Audit Committee shall ensure an experience audit of all three pension funds is performed at least every three years and an actuarial study of all three pension funds is performed by an independent actuary every three to five years. The Audit Committee shall be comprised as follows:
 - A. The Chair of the Investment Board
 - B. Three members elected by the combined membership of the three Administration Committees. Such members shall be elected from the active and retired participants of all three pension plans.
 - C. The Chief Financial Officer or her/his designee.
- (e) Transparency. The Investment Board and each of its Committees shall comply with the requirements of the Georgia Open Meetings Act and the Georgia Open Records Act. All meetings of the Investment Board and any of its committees shall be televised on City Channel 26 or its equivalent. The Investment Board shall create and maintain a website where, at a minimum, the following shall be available online:

the names and resumes of all trustees and committee members, the terms of each of their appointments, notices of all regularly scheduled meetings, approved minutes of all meetings, quarterly investment reports, and bylaws.

- (f) Reporting. The Investment Board shall report quarterly to the Finance and Executive Committee of the Atlanta City Council.

Sec. 6-422. - Appeals ~~from decisions of the board of trustees~~; procedure.

- (a) A majority of the Investment Board ~~board of trustees~~ shall control on all disputed questions before that board.
- (b) A decision of an Administration Committee to award or deny a service pension or a disability pension must be appealed to the ~~board of trustees~~ Administration Committee that issued the decision in writing within 14 days of the decision being appealed. Upon the receipt of a written appeal, the ~~board of trustees~~ Administration Committee will schedule a hearing to receive testimony from the appealing party or parties. Such hearing shall be conducted informally by the examination of witnesses who may be represented by legal counsel if they so desire. The ~~board of trustees~~ Administration 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. The decision of the ~~board of trustees~~ Administration Committee after the hearing shall be final and shall be provided to the individual appealing in writing; provided, however, that such final decision shall be subject to review by writ of certiorari to the Superior Court of Fulton County. ~~The secretary of the board of trustees shall be authorized to acknowledge service of any such writ and shall, within the time provided by law, certify and cause to be filed with the clerk of the Fulton County Superior Court, a record of the proceedings before the board of trustees, including a copy of the pension application, the decision of the board and the notice of the board's action as provided to the pension applicant. Where appeals are taken by a pension applicant as provided herein, the board of trustees shall be the respondent and the city shall be the defendant.~~
- (c) The method of appeal as provided ~~herein~~ in paragraph (b) above shall also serve as the method by which all other disputed pension ~~award questions~~ shall be appealed. Disputed decisions of the Investment Board, the Governance Committee and the Audit Committee shall be appealed to the Investment Board.

Sec. 6-423. -Investment of excess funds.

In the event there should accumulate more funds than are needed for immediate use, the board of trustees is empowered to invest such excess funds as authorized by applicable laws, including but not limited, to the provisions of this act and the Georgia Investment Authority Law, §47-20, Article 7, et seq.

Sec. 6-424. - Court review of decisions of board of trustees.

The decision of said board of trustees granting or refusing a pension shall be subject to review by the superior court in an action at law, suit in equity, writ of certiorari as provided by general law for such

writs or other proper proceeding, upon petition of such city or any other person who may have an interest in the funds provided by this Act, as amended.

Editor's note- The provisions compiled in the above section were repealed by 1978 Ga. Laws, page 4508 but have been retained at the request of the city due to their applicability to certain individuals.

Sec. 6-425. - City attorney; function, compensation.

The city attorney shall without extra compensation render such legal service as such board of trustees shall require.

Sec. 6-426. - Actuarial investigations.

The board of trustees of this retirement system shall have the system's actuary make an actuarial investigation every three (3) years or more often as the board, in its discretion, may deem proper. Such actuarial investigation shall include the results of any actuarial investigation into the then current assumptions as to rates of interest, mortality, disability, withdrawal and retirement. The actuarial investigation shall also include consideration of the experience of the retirement system under its assumptions and a comparison of results with the previous actuarial investigations and may also include such other studies as may be necessary or desirable for the completeness and accuracy of the actuarial investigation. The actuarial investigation shall also include a valuation of the contingent assets and liabilities of the retirement system and a determination of the payment necessary to amortize over a stated period any unfunded accrued liability disclosed. As an exhibit to the actuarial investigation, the retirement system board of trustees shall attach a copy of all the provisions of the plan for the retirement system, including the requirements and conditions for qualifying to participate, the nature of benefits under the plan, and the manner in which the local retirement system is funded. The board of trustees of the retirement system shall file with the state auditor a copy of each actuarial investigation.

SECTION 4: That the Chief Financial Officer and the Commissioner of the Department of Human Resources shall conduct a review of the effect of the new pension governance structure and report their findings to the Finance and Executive Committee of the Atlanta City Council no later than twelve (12) months following the implementation of this Ordinance No. 18-O-(____).

SECTION 5: That the Commissioner of the Department of Human Resources is directed to begin the election processes for the two (2) General Employees' trustees, two (2) Firefighters' trustees, and two (2) Police Officers' trustees immediately upon approval of this legislation.

SECTION 6: That, in order to allow the Investment Board to continue to function pending the election of new trustees, the amendments in this ordinance shall become ninety (90) days after approved by the Mayor.

SECTION 7: That all existing Investment Board positions that are not eliminated by this Ordinance shall continue without a break in any applicable term of office.

SECTION 8: That all ordinances and parts of ordinances in conflict herewith are hereby waived to the extent of the conflict only.

SECTION 9: That the Municipal Clerk is instructed to retain all legislative history references in the codified version of Part I (Charter and Related Laws), Chapter 6 (Pensions), including Editor's notes, and shall not delete any such references, but shall amend them to include this ordinance.

**CITY COUNCIL
ATLANTA, GEORGIA**

18-O-1410

AN ORDINANCE BY FINANCE/EXECUTIVE COMMITTEE TO AMEND THE COMPOSITION OF THE CONSOLIDATED CITY OF ATLANTA DEFINED BENEFIT PENSION INVESTMENT BOARD AS OUTLINED IN ORDINANCE NO. 17-R-4757; AND FOR OTHER PURPOSES.►(HELD 7/11/18 AT THE REQUEST OF THE DEPARTMENT.)

Workflow List:

Office of Research and Policy Analysis	Completed	06/27/2018 11:01 AM
Finance/Executive Committee	Completed	06/27/2018 1:00 PM
Atlanta City Council	Completed	07/02/2018 1:00 PM
Finance/Executive Committee	Completed	07/11/2018 1:00 PM
Atlanta City Council	Completed	08/06/2018 1:00 PM
Finance/Executive Committee	Completed	08/15/2018 1:00 PM
Atlanta City Council	Completed	08/20/2018 1:00 PM
Finance/Executive Committee	Completed	08/29/2018 1:00 PM
Atlanta City Council	Completed	09/04/2018 1:00 PM
Finance/Executive Committee	Completed	09/12/2018 1:00 PM
Atlanta City Council	Completed	09/17/2018 1:00 PM
Finance/Executive Committee	Completed	09/26/2018 1:00 PM
Atlanta City Council	Completed	10/01/2018 1:00 PM
Finance/Executive Committee	Completed	10/10/2018 1:00 PM
Atlanta City Council	Completed	10/15/2018 1:00 PM
Finance/Executive Committee	Completed	10/24/2018 1:00 PM
Atlanta City Council	Completed	11/05/2018 1:00 PM
Finance/Executive Committee	Completed	11/14/2018 1:00 PM
Atlanta City Council	Completed	11/19/2018 1:00 PM
Finance/Executive Committee	Completed	11/28/2018 1:00 PM
Atlanta City Council	Completed	12/03/2018 1:00 PM
Finance/Executive Committee	Completed	12/12/2018 1:00 PM
Atlanta City Council	Completed	01/07/2019 1:00 PM
Finance/Executive Committee	Completed	01/16/2019 1:00 PM
Atlanta City Council	Completed	01/22/2019 1:00 PM
Finance/Executive Committee	Completed	01/30/2019 1:00 PM
Atlanta City Council	Completed	02/04/2019 1:00 PM
Finance/Executive Committee	Completed	02/13/2019 1:00 PM
Atlanta City Council	Completed	02/18/2019 1:00 PM
Finance/Executive Committee	Pending	02/27/2019 1:00 PM
Atlanta City Council	Completed	07/02/2018 1:00 PM
Mayor's Office	Pending	

HISTORY:

06/27/18	Finance/Executive Committee	ACCEPTED
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RESULT: ACCEPTED [UNANIMOUS] **Next: 7/2/2018 1:00 PM**
MOVER: Howard Shook, Chair
SECONDER: Matt Westmoreland, Post 2 At Large
AYES: Shook, Boone, Dickens, Ide, Matzigkeit, Westmoreland
ABSENT: Natalyn Mosby Archibong

07/02/18 Atlanta City Council REFERRED TO COMMITTEE

REFERRED TO FINANCE/EXECUTIVE COMMITTEE BY A ROLL CALL VOTE OF 13 YEAS; 0 NAYS

RESULT: REFERRED TO COMMITTEE [UNANIMOUS] **Next: 7/11/2018 1:00 PM**
MOVER: Dustin Hillis, Councilmember, District 9
SECONDER: Amir R Farokhi, Councilmember, District 2
AYES: Bond, Westmoreland, Dickens, Smith, Farokhi, Young Jr., Winslow, Archibong, Shook, Hillis, Boone, Overstreet, Sheperd
ABSENT: Jennifer N Ide, JP Matzigkeit

07/11/18 Finance/Executive Committee HELD IN COMMITTEE

RESULT: HELD IN COMMITTEE [4 TO 0] **Next: 8/6/2018 1:00 PM**
MOVER: Matt Westmoreland, Post 2 At Large
SECONDER: Andrea L Boone, District 10
AYES: Howard Shook, Andrea L Boone, JP Matzigkeit, Matt Westmoreland
ABSENT: Andre Dickens, Jennifer N Ide
AWAY: Natalyn Mosby Archibong

08/06/18 Atlanta City Council RETURNED AS HELD

RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION

RESULT: RETURNED AS HELD **Next: 8/15/2018 1:00 PM**

08/15/18 Finance/Executive Committee HELD IN COMMITTEE

RESULT: HELD IN COMMITTEE **Next: 8/20/2018 1:00 PM**

08/20/18 Atlanta City Council RETURNED AS HELD

RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION

RESULT: RETURNED AS HELD **Next: 8/29/2018 1:00 PM**

08/29/18 Finance/Executive Committee HELD IN COMMITTEE

RESULT: HELD IN COMMITTEE **Next: 9/4/2018 1:00 PM**

09/04/18 Atlanta City Council RETURNED AS HELD

RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION

RESULT: RETURNED AS HELD **Next: 9/12/2018 1:00 PM**

09/12/18 Finance/Executive Committee HELD IN COMMITTEE

RESULT: HELD IN COMMITTEE **Next: 9/17/2018 1:00 PM**

09/17/18 Atlanta City Council RETURNED AS HELD

RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION

RESULT:	RETURNED AS HELD	Next: 9/26/2018 1:00 PM
09/26/18	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 10/1/2018 1:00 PM
10/01/18	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 10/10/2018 1:00 PM
10/10/18	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 10/15/2018 1:00 PM
10/15/18	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 10/24/2018 1:00 PM
10/24/18	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 11/5/2018 1:00 PM
11/05/18	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 11/14/2018 1:00 PM
11/14/18	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 11/19/2018 1:00 PM
11/19/18	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 11/28/2018 1:00 PM
11/28/18	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 12/3/2018 1:00 PM
12/03/18	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 12/12/2018 1:00 PM
12/12/18	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 1/7/2019 1:00 PM
01/07/19	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		

RESULT:	RETURNED AS HELD	Next: 1/16/2019 1:00 PM
01/16/19	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 1/22/2019 1:00 PM
01/22/19	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 1/30/2019 1:00 PM
01/30/19	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 2/4/2019 1:00 PM
02/04/19	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 2/13/2019 1:00 PM
02/13/19	Finance/Executive Committee	HELD IN COMMITTEE
RESULT:	HELD IN COMMITTEE	Next: 2/18/2019 1:00 PM
02/18/19	Atlanta City Council	RETURNED AS HELD
<u>RETURNED AS HELD TO FINANCE/EXECUTIVE COMMITTEE WITHOUT OBJECTION</u>		
RESULT:	RETURNED AS HELD	Next: 2/27/2019 1:00 PM

18-O-1410

AN ORDINANCE BY FINANCE/EXECUTIVE COMMITTEE TO AMEND THE COMPOSITION OF THE CONSOLIDATED CITY OF ATLANTA DEFINED BENEFIT PENSION INVESTMENT BOARD AS OUTLINED IN ORDINANCE NO. 17-R-4757; AND FOR OTHER PURPOSES.

Certified by Presiding Officer	Certified by Clerk
<p>Mayor's Action</p> <p><i>See Authentication Page Attachment</i></p>	