

**MEETING OF THE TRUSTEES**  
**CITY OF CHATTANOOGA GENERAL PENSION PLAN**

**December 13, 2024**

This called meeting of the City of Chattanooga General Pension Plan Board of Trustees was held on December 13, 2024 at 8:30 a.m. in the J. B. Collins Conference Room, City Council Building. Trustees present were Daisy Madison, Jeffrey Wilson, Katie Reinsmidt, Collin Thul and Javaid Majid. Others in attendance at the meeting were Phillip Noblett, Office of the City Attorney; Daniel Harrigan, Dessalyn Sammons, Jason Silvers and Cheryl Powell, City Human Resources Department.

Definitions in the document: GPP is General Pension Plan, OPEB is Other Post-Employment Benefits

The meeting was called to order by Chair Daisy Madison.  
A quorum was present at the beginning of the meeting.

**Participant Complaint**

Mr. Gary Rudolph was invited to address the Board and given a seat at the table to make his statements. He first thanked the Board for the meeting and stated that his comments were not to be taken as an indictment of any person. He left employment on 4/12/2024 and assumed that his pension would begin automatically shortly after that. In July, he realized he had not received any income from his pension. He mentioned that retirement has been difficult due to some personal and medical issues. He was busy with other activities and did not pay attention. He assumed that the City had his personal email address and phone number.

*Cheryl mentioned that she did not have either of these items at the time he left employment.*

He mentioned that he received a letter in June. His thought was that this was late.

*Cheryl's note: This letter concerns the vested benefits an ex-employee has available after leaving employment, usually for those not yet eligible but it is also used when the ex-employee is eligible and did not commence benefits. He did not mention the summary letter sent to him in March concerning pension benefits as of 4/1/2024, assuming his original expected separation on 3/29/2024, and information about commencing pension benefits.*

He said he came to the office in August wanting to find out about his pension. Cheryl spoke with him and set up a meeting with him at that time to come to the office to sign his pension paperwork. He did keep the appointment in August. The paperwork Cheryl originally presented in August was dated June; however, Cheryl did correct this since he was signing the form to commence his pension in August.

*This paperwork includes the "benefit election form" where the retiring employee indicates the election of the form of payment of the pension. This form must be completed, signed and witnessed before any pension payments can be made. Payments commence after the signing of the election form.*

He did mention that someone else was in the room at the time he signed his paperwork besides Cheryl.

He mentioned payments related to his PTO time; however, this is not an issue within the jurisdiction of General Pension Board.

Phil Noblett mentioned that there was no personal email address on the documents. He saw only the home mailing address and City email address. There was no email traffic after 4/12/2024. There were letters mailed to his home address. Mr. Noblett mentioned that a letter was sent on March 18 in response to the inquiry he made by email on March 12 and on June 6 outlining his vested benefits to the home address. Mr. Noblett also asked if Mr. Rudolph had placed his contact information on file with the City. Mr. Rudolph does suffer from vision problems resulting from his health issues.

The Board discussion included questions about the process of commencing pension payments, including the timeline and communications made to employees. Mr. Rudolph also had questioned the lack of a 'default' payment determination at retirement without the participant signature. During this discussion Cheryl also recounted the

communications made 2022 (projection letter), 2023 (department presentation and projection letter) and those beginning in January 2024 (emails and letters).

The Board also asked him what he is asking for. There were more comments about his health issues, outside of the pension issues which is the focus of the Board. He stated he wanted the three payments retroactive to May (May, June, and July).

Additional discussion from the Board included documentation of the process for employees to understand what is expected of them. Another point was made about the mail and if there is “proof of delivery”. Generally, letters providing information about the participant’s pension are not sent as certified mail. The question was whether the individual sent correspondence receives it, reads it and understands it. The recipient sent a certified letter must sign as “proof of delivery” and return a card to the sender.

*Note: This does not provide information about whether the recipient reads and understands the mail.*

It was also mentioned that not everyone retiring from the City is ready to begin their pension benefit right away. Participants have the right to defer their pension benefits to a later date. Thus, there can be no ‘default’ pension benefit payment.

Phil Noblett also made some comments to the Board to establish the process to follow when a participant files a grievance and needs to make their case to the Board.

The Board suggested sending structured emails to the participants so that they can acknowledge receipt of any mailed communications. They are willing to make an exception in this case based on the comments of Mr. Rudolph that he did not receive the instruction he thought he should have received at the appropriate time to commence his pension benefit.

Mr. Rudolph was allowed to make closing comments.

***Jeffrey Wilson made a motion to pay Mr. Rudolph the three payments for May, June and July in the total amount of \$3,101.74. Katie Reinsmidt seconded the motion. The motion carried.***

***Katie Reinsmidt made a motion for the City attorney to draft a certified letter to Mr. Gary Rudolph for acknowledgement and release of all claims after the payment of \$3,101.74. Javaid Majid seconded the motion. The motion carried.***

Cheryl said she would make the arrangements for the payment with First Horizon as a special payment. Mr. Rudolph’s pension commencement effective date would not be changed because his election form was dated in August.

## **RFQ Update**

Cheryl provided a brief update on the status of the RFQ for Actuarial Audit evaluation and scoring of the four firms that responded to the RFQ. The process to enter into a contract would begin with the top rated firm in the list of respondents.

***Katie Reinsmidt made a motion to accept the results of the evaluation and scoring of the RFQ and begin negotiating a contract first with the highest scoring firm Foster and Foster. Collin Thul seconded the motion. The motion carried.***

## **Redemption from Pointer – document provided by CBIZ**

Daisy added this item to the agenda. It was not advertised for the called meeting. CBIZ provided a document that addressed the issue of the approved \$2 million OPEB funding and the overweight status of Pointer in the GPP asset allocation. To rebalance the GPP and raise cash for benefit payments, CBIZ

discussed with Pointer a transaction to redeem \$2 million from the Pointer asset allocation in the GPP for cash concurrent with the \$2 million allocation to Pointer the Board approved from cash in the OPEB allocation. Pointer agreed to do this during the 12/31/2024 time frame since the amounts were the same. Additionally, Pointer is waiving their normal requirement that the funds be in an illiquid share class for the GPP so that they can be allocated to cash.

***Katie Reinsmidt made the motion to authorize signing the documents for the \$2 million allocation of OPEB cash to Pointer. Collin Thul seconded the motion. The motion carried.***

***Katie Reinsmidt made the motion to authorize signing the documents for the \$2 million redemption from GPP to be allocated to cash for benefit payments. Collin Thul seconded the motion. The motion carried.***

Pointer

### **Report from Counsel**

This item was added to the agenda.  
Phil Noblett reminded the board that:

- there was discussion about creating additions to the bylaws regarding the procedures for public comment by visitors and a process for participant grievances with limits for time allotted.
- additionally, there was discussion about a formal request for the development of purchasing policy for the Board including the CFO and the Office of the City Attorney
- lastly, Daisy and he recommended that HR develop a document outlining the procedures for a retiring participant for commencing the participant's pension payments.

### **Public Comment**

There were no comments.

There was no other business to discuss.

***Javaid Majid made a motion to adjourn. Collin Thul seconded the motion. Daisy Madison adjourned the meeting.***

**After Adjournment the meeting was reopened**

***Daisy Madison made a motion to restart the meeting to address one other item of business. Katie Reinsmidt seconded the motion. The motion carried***

Daisy reopened the meeting to address one item of business. She asked for a motion that a document of procedures be drafted for employees, vested ex-employees, and for the Board of Trustees to follow pertaining to the commencement of pension benefits.

***Javaid Majid made a motion to request HR Administration to draft a document of procedures for commencement of pension benefits for communication to employees and vested ex-employees and included in procedures for the Board of Trustees. Katie Reinsmidt seconded the motion. The motion carried.***

***The meeting was adjourned.***

APPROVED:

  
Chairman

  
Secretary