

DRAFT

MINUTES
UNIFIED GOVERNMENT OF ATHENS-CLARKE COUNTY PENSION BOARD
REGULAR MEETING
WEDNESDAY, August 14, 2019, 3:30 PM

The Athens-Clarke County Pension Board held a meeting on Wednesday, February 27, 2019 in Room 301 at City Hall. The following were in attendance:

ACCGUG Pension Board Ordinance - Section 1-14-15 Members:

- 1. Mike Hamby, Commissioner and Pension Board Chair**
- 2. Blaine Williams, Manager (absent)**
- 3. David Boyd, Finance Director**
- 4. Jeff Hale, Human Resources Director**
- 5. Bob Snipes, Retiree Representative**
- 6. Kevin Gentry, General Employee Representative**
- 7. Mike Hunsinger, Public Safety Employee Representative**

Ex Officio members: **Judd Drake, Attorney**
 Laura Welch, Assistant Human Resources Director
 Traci Mason, Benefits & Wellness Administrator

Other ACCGOV Professionals: **Deborah Lonon, ACCGov Assistant Manager**
 Josh Edwards, ACCGov Assistant Manager
 Chris Caldwell, Assistant Finance Director

The meeting was called to order at 3:33 p.m.

Jeff Hale moved to approve the minutes of the May 15, 2019 Pension Board meeting, seconded by Kevin Gentry. The board approved the minutes unanimously.

Jeff Hale moved to approve the minutes of the May 22, 2019 Special Called Pension Board Meeting with the change “A motion was made by consensus...” replacing “David Boyd made a motion...” Kevin Gentry seconded the motion. The board approved the minutes of the special called meeting unanimously.

David Boyd presented the Recommended FY20 Operating Budget. Mike Hamby entertained a motion to allow up to \$8 million withdrawal from investments during FY20 to cover pension fund expenses. David Boyd moved to approve the budget as presented and allow for withdrawal of up to \$8 million to cover expenses. Jeff Hale seconded the motion, which passed unanimously.

Laura Welch provided a summary of the election results for Retiree Representative to replace the seat vacated by Johnny Fowler. Applications were solicited from 705 retirees via US Mail. Five applications were submitted and a paper ballot was distributed to the 705 retirees who were instructed to select one candidate and provide their vote by paper ballot or email to laura.welch@accgov.com. The results of the election were as follows:

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Willie C. Bolton:	10 votes	5%
John S. Culpepper:	74 votes	36%
Wanda Neislar:	18 votes	9%
Frank Platt, Jr.:	17 votes	8%
Bobby M. Snipes:	<u>85 votes</u>	<u>42%</u>
TOTAL:	204 votes	100%

The election was ratified by the Attorney's Office and Bobby Snipes was declared the new Retiree Representative and will serve a 3-year term beginning August 14, 2019.

Representative from Consequent Capital Management provided copies and presented the Investment Report for the period ending June 30, 2019. The plan assets were at \$252.4 million as of as of June 30, 2019. The plan return for the quarter was 4.0% and the return was 8.0% for the last 12 months. Beginning market value for the quarter was \$222,908,333. Withdrawal of \$5.2 million was made to cover end-of-year expenses. Net investment change totaled \$34,720,739.

ACCGov Attorney Judd Drake distributed copies of the proposed contract with PFM Investment Consulting. He explained to Pension Board members that the discretionary investment model employed by PFM and proposed in the contract is a change from the traditional model employed by Consequent. PFM will work with the board to devise an asset allocation and will then have discretion over investment of the fund. The board agreed by consensus to direct the Attorney's Office to make changes to the contract such that the board retains discretion until further action is taken by the board.

Allison Corbally and Scott Stitcher of PFM introduced themselves to the board. PFM will coordinate the transition from Consequent to PFM. Once the contract is finalized, they will work with the board to establish investment policy and strategy and will provide education to the board about the differences in traditional and discretionary investment consulting.

The board agreed that there will be special called meetings, one to select a new custodian for the Pension Fund and and one for educational workshop/transition to PFM. The dates will be announced in the coming weeks.

David Boyd moved to adjourn the meeting, seconded by Kevin Gentry.

The meeting adjourned at 5:08 p.m.

Respectfully submitted,



Laura Welch,
Assistant Human Resources Director
Secretary to the Pension Board