

MINUTES
UNIFIED GOVERNMENT OF ATHENS-CLARKE COUNTY PENSION BOARD
REGULAR MEETING
WEDNESDAY, NOVEMBER 7, 2018, 3:30 PM

The Athens-Clarke County Pension Board held a meeting on Wednesday, November 7, 2018 in the Satula Avenue Government Building Training Room. The following were in attendance:

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

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

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

Other ACCGOV Professionals: **Robert Hiss, Assistant Manager**
 John Hawkins, Assistant Chief Attorney

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

Jeff Hale moved to approve the minutes of the August 8 Pension Board meeting, seconded by Johnny Fowler. The board approved the minutes unanimously.

David Boyd moved to approve the minutes of the minutes of the October 11 Special Called Pension Board meeting. The board approved the minutes unanimously.

Representatives from Consequent Capital Management provided copies and presented the Investment Report for the period ending September 30, 2018. The plan assets were at \$246.3 million as of September 30, 2018. The plan return for the quarter was 3.5% and the return was 9.6% for the last 12 months.

Key points this quarter, according to Consequent, are that the ACC Pension has 1.8% more in assets directly attributable to active management of the fund. Asset allocation has resulted in a proper balance of risk and return.

Consequent provided a comparison of Midcap Asset Managers Champlain and Edge, noting that Edge relies less on company acquisition for higher rates of return than Champlain does. Fee for Edge is 60 basis points of the asset allocation per year compared to 85 basis points for Champlain. Consequent noted subtle differences in investment strategy between the two firms.

Mike Hamby opened the floor for discussion. David Boyd noted that Edge had the most consistent returns over a ten-year period.

Mike Hunsinger moved to accept Edge as the Midcap Asset Manager, seconded by Kevin Gentry. The board approved the motion unanimously. Blaine Williams moved to terminate Seizert as Midcap Asset Manager, seconded by Kevin Gentry. The board approved the motion unanimously.

The board discussed the pension valuation performed by actuarial Aon Hewitt. Board members reviewed the Summary of Demographic Experience and Proposed Assumptions; Financial Impact Summary of Proposed Changes; and Expected Rate of Return—Allocation and Assumptions. The Aon pension valuation indicates that the discount rate of the ACC Pension Fund should be set between 5.5% and 7.2%, and not higher than 7.5%.

Consequent left the meeting so that the board could discuss proposals for Investment Consulting Services submitted by vendors. The board agreed that David Boyd, Jeff Hale, Traci Mason, and Laura Welch would review the proposals and provide initial scoring to the board. The board will then choose interviewees.

David Boyd moved to adjourn the meeting, seconded by Mike Hunsinger.

The meeting adjourned at 4:35 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Laura Welch".

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