



Minutes

Retirement Pension Committee
Tuesday, May 24, 2022
10:30 am

The Retirement Pension Committee met on Tuesday, May 24, 2022 in the Commissioners Conference Chambers (Public Meeting Room) of the Fayette County Administrative Complex, 140 Stonewall Avenue, Fayetteville, Georgia and also virtually via Microsoft Teams.

Committee Present:

Jeff Hill, Chief of Fire & EMS
Lewis Patterson, Human Resources Director
Vanessa Tigert, Water System Director
Michelle Walker, Sheriff's Office
Sheryl Weinmann, Chief Financial Officer

Staff Present:

Kennya Carter, HR Benefits Manager

Retirement Representatives Present:

Alice Davis, OneDigital
Paul Bates, ACCG – via Teams
Ray Vuicich, UBS Inst Consulting Group – via Teams

Call to Order:

Motion was made to call to order the Quarterly Retirement meeting by Jeff Hill at 10:30am.

Approval of Minutes – Motion was made to approve the minutes for 2/22/2022 by Lewis Patterson and seconded by Michelle Walker. Motion was approved.

Old Business:

N/A

New Business:

Putnam Stable Value Rate

The Putnam Stable Value Rate is 2.13%. Reviewed by Alice Davis, OneDigital.

Investment Performance Review

Alice Davis reviewed the 1QT22 Investment review prepared for Fayette County. The report was broken down by OneDigital Quarterly Markets In Focus, Fund Decisions, Executive Summary, Asset Allocation, and Performance Summary.

OneDigital Quarterly Markets In Focus

Alice Davis provided a summary of the OneDigital Quarterly Markets In Focus provided in the investment review.

Strengths

- The March payroll report was positive and unemployment is down to 3.6%.
- The Federal Reserve is supportive of economic growth, which helps create an environment that is positive for corporate profits and risk assets in general.
- Wage growth has now replaced government support as the primary driver for disposable income gains and average hourly earnings are up 5.6% year-over-year as of March.

Risks

- Inflation has been getting worse, with the Consumer Price Index up 8.5% year-over-year in March.
- Since inflation is driven up partly by abnormal supply-chain factors, Fed rate hikes may only exacerbate rather than resolve the problem over the short run, causing business investment to pull back and hamper supply chain issues further.
- People are talking about the yield curve again as a possible indicator of an impending recession, since it inverted temporarily on April 1 and remains fairly flat.

Outlook

- We can expect continued market and supply chain volatility in the coming months, given the uncertainty in Russia and Ukraine, and the impact of China's Zero-COVID policy.
- The Fed appears hopeful that supply disruptions will fade and inflation will lower itself naturally, instead of being forced lower.
- While it might be uncomfortable for now, interest rate hikes are likely to help curb inflation in the long run.
- The equity and fixed markets are expected to face multiple waves of volatility throughout 2022.

Fund Decisions & Executive Summary

Funds on Watch:

- Allspring Discovery – First time on watch, will continue to monitor.
- Western Asset Core Plus Bond – First time on watch, will continue to monitor.

Performance Summary

Alice Davis reviewed the performance summary with the committee.

ACCG 1st Qtr 2022 Performance Report

Paul Bates discussed administration updates to include County Actuary reviews. Ray Vuicich reviewed the ACCG Quarterly Performance Report.

Additional Items:

The next meeting is scheduled Tuesday, August 23, 2022 at 10:30am.

Adjournment:

Motion was made to adjourn the meeting by Sheryl Weinmann and seconded by Lewis Patterson. Motion was approved.

Minutes prepared by Alice Davis, Senior Client Relationship Manager – OneDigital.

The minutes were duly approved at an official meeting of the Retirement Pension Board of Fayette County, Georgia held on Tuesday, August 23, 2022.

Alice Davis, Senior Client Relationship Manager – OneDigital