



Minutes

Retirement Pension Committee
Tuesday, November 28, 2023
10:30 am

The Retirement Pension Committee met on Tuesday, November 28, 2023, in the Commissioners Conference 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
Phil Mallon, Public Works Director
Steve Rapson, County Manager
Vanessa Tigert, Water System Director
Michelle Walker, Sheriff's Office
Sheryl Weinmann, Chief Financial Officer

Staff Present:

Kennya Carter, HR Generalist

Retirement Representatives Present:

Paul Bates, ACCG – via Teams
Alice Davis, OneDigital – via Teams
David Griffin, OneDigital
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 8/22/2023 by Phil Mallon and seconded by Vanessa Tigert. Motion was approved.

Old Business:

N/A

New Business:

True-Up

Alice Davis discussed how a true-up works and David Griffin discussed the pros and cons of having a true-up.

The committee decided not to amend the plan to add a true-up.

Putnam Stable Value Rate

The Putnam Stable Value Rate is 3.07%. Reviewed by David Griffin, OneDigital.

Investment Performance Review

David Griffin reviewed the 3Q23 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

David Griffin provided a summary of the OneDigital Quarterly Markets In Focus provided in the investment review.

Review

There is little doubt that the U.S. economy will be in a fragile state in the coming months as the yield curve remains inverted and the Fed seeks to return inflation to normal. The U.S. economy is still growing, despite considerable uncertainty and indicators of struggle. The Fed is likely to keep interest rates high for longer than initially anticipated, which could impact consumer spending, corporate debt, and more.

Strengths

- Economy: the U.S. economy has proven to be unexpectedly resilient, surprising many economists who expected it to slow down this year.
- Market: Equity markets have had a great 2023 so far, despite losing ground on some of the year-to-date gains in the third quarter.
- Jobs: The healthy jobs report may indicate that more hike interest rates are necessary, despite strikes and other indications that labor-market conditions are not as rosy as they appear.

Risks

- Spending: Consumers are still spending at a high rate but have been doing so by taking on more debt and saving less.
- Government debt: The amount of publicly held debt as a percent of U.S.GDP has reached its highest point since the end of World War II and is expected to grow 2% each year for the next 10 years.
- Market: Volatility and downside fears returned during the third quarter, and fixed-income markets had a challenging quarter as interest rates rose.

Outlook

- There's uncertainty about how stronger-than-expected economic growth and potentially stabilizing inflation might influence monetary policy decisions.

- Millions of Americans will start paying for student loans again, which could cause spending and saving rates to decrease.
- It's becoming more likely that the Federal Reserve will keep interest rates high, which has ratcheted up the financial pressure on the most heavily indebted corporations.

Fund Decisions & Executive Summary

David made a recommendation to move the MM S&P 500 to the Fidelity 500 Index. This will reduce expenses. He also recommended adding a Mid Cap, Small Cap, and International Index options.

Motion was made to make the fund updates by Steve Rapson and seconded by Michelle Walker. Motion was approved.

Performance Summary

David Griffin reviewed the performance summary with the committee.

ACCG 3rd Qtr 2023 Performance Report

Paul Bates discussed ACCG administrative updates. Ray Vuicich reviewed the ACCG Quarterly Performance Report.

Additional Items:

The next meeting is scheduled Tuesday, February 27, 2024, at 10:30am.

Adjournment:

Motion was made to adjourn the meeting at 11:14am by Phil Mallon and seconded by Vanessa Tigert. 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, February 27, 2024.

Alice Davis, Senior Client Relationship Manager – OneDigital