



Minutes

Retirement Pension Committee
Tuesday, May 28th, 2024
10:30 am

The Retirement Pension Committee met on Tuesday, May 28, 2024, in the Commissioners Conference Room of the Fayette County Administrative Complex, 140 Stonewall Avenue, Fayetteville, Georgia and virtually via Microsoft Teams.

Committee Present:

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

Staff Present:

Kennya Carter, HR Benefits Manager

Retirement Representatives Present:

Paul Bates, ACCG – via Teams
Alice Davis, OneDigital – in person
Lola Triplett, OneDigital – in person
Nathan Smith, OneDigital – in person
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 10:33am.

Approval of Minutes – Jeff made motion to approve meeting minutes for 02/27/2024. Meeting minutes were approved by Sheryl Weinmann and seconded by Lewis Patterson. Motion was approved.

Old Business:

N/A

New Business:

Putnam Stable Value Rate

The Putnam Stable Value Rate is 3.62%. Reviewed by Alice Davis, OneDigital.

Investment Performance Review

Nathan Smith reviewed the 1QT24 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

Nathan Smith provided a summary of the OneDigital Quarterly Markets in Focus provided in the investment review.

Continued Strength Yet Slower Growth: The U.S. economy maintained momentum in Q1, with a strong labor market and moderating inflation. GDP growth slowed down compared to the second half of 2023. **Market Rallies Behind AI, But...** The stock market continued its upward trend in Q1, fueled by strong earnings and investor interest in AI-related stocks. However, concerns linger about high valuations in some sectors and the impact of future Fed rate cuts. **Political and Geopolitical Gray Areas:** The upcoming 2024 election and ongoing geopolitical tensions create uncertainties that could affect the Us economy's future trajectory.

Strengths

- **Resilient Labor Market:** The unemployment rate remains low (below 4%) and job growth is strong, indicating a healthy labor market.
- **Moderating Inflation:** Inflation is still elevated but appears to be slowing down compared to earlier in 2023.
- **Continued Economic Growth:** Although slower than the second half of 2023, the GDP is still expected to grow throughout 2024, likely remaining above 2%.

Risks

- **Federal Reserve Policy:** The timing and extent of interest rate cuts by the Fed are uncertain. This can impact borrowing costs and economic growth.
- **Geopolitical Tensions:** Ongoing conflicts in various regions like Israel-Palestine, Russia-Ukraine, and China-Taiwan pose risks to global stability and could disrupt supply chains.
- **Stock Market Volatility:** While the market performed well in Q1, some high-flying tech stocks have cooled off and concerns remain about certain sectors and the market's future performance.

Outlook

- **Solid Growth and A "Relatively Soft" Landing:** The U.S. economy is expected to experience continued yet slower growth throughout 2024. Inflation will likely keep going down while the labor market remains strong, so this suggests a potential "soft landing" where the economy avoids recession.
- **Stock Market Uncertainties:** While the AI boom and positive economic data fueled a Q1 rally, concerns about high valuations and the timing of Fed rate cuts could lead to volatility in the stock market.
- **Election and Geopolitical Risks:** The upcoming election and ongoing international conflicts add uncertainties. How these factors play out will significantly impact the U.S. economy's future performance.

Performance Summary

Nathan Smith reviewed the performance summary with the committee.

ACCG 1st Qtr. 2024 Performance Report

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

Additional Items:

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

Adjournment:

Motion was made to adjourn the meeting by Vanessa Tigert and seconded by Lewis Patterson. Motion was approved.

Minutes prepared by Lola Triplett, 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 27, 2024.

Lola Triplett, Client Relationship Manager – OneDigital