



Minutes

Retirement Pension Committee
Tuesday, February 25th, 2025
10:30 am

The Retirement Pension Committee met on Tuesday, February 25, 2025, 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
Steve Rapson, County Manager

Staff Present:

Kennya Carter, Human Resources Benefits Manager

Retirement Representatives Present:

Alice Davis, OneDigital – via Teams
David Griffin, OneDigital – via Teams
Lola Triplett, OneDigital – via Teams
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 10:39am.

Approval of Minutes – Jeff Hill made motion to approve meeting minutes for 12/03/2024. Meeting minutes were approved by Sheryl Weinmann and seconded by Michelle Walker. Motion was approved.

Old Business:

N/A

New Business:

Putnam Stable Value Rate

The Putnam Stable Value Rate is 3.81%. Reviewed by David Griffin, OneDigital.

Investment Performance Review

David Griffin reviewed the 4QT24 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.

The U.S. stock market had another strong year, with the S&P 500 gaining more than 20% for the second consecutive year. The Federal Reserve began their cutting cycle by cutting the Fed funds rate 3 times for a total of 1% in 2024. However, expectations for the number of cuts in 2025 have decreased. Consumer spending remained strong while the labor market gained steam after looking like it was slowing over the summer. Gross Domestic Product (GDP) for 2024 will likely be 2.7%, continuing the above trend growth compared to other developed countries.

Strengths

- **GDP Growth:** The U.S. saw consistent, strong GDP growth in 2024, especially when compared to the rest of the developed world. Estimates for the full-year GDP growth in the U.S. are 2.7%, while the United Kingdom, Eurozone, and Japan are all on pace for growth of less than 1%.
- **Easing Monetary Policy:** The Federal Reserve reduced the fed funds rate by 0.50% in September and cut an additional 0.25% at each meeting in November and December. Lowering rates shows that the Fed is confident that inflation is normalizing, and they want to boost economic growth.
- **U.S. Job Market:** The unemployment rate ended the year at 4.1%, much lower than the long-term average of 5.7%.

Risks

- **Reignition of Inflation:** Unknown policies, the threat of tariffs, stubborn shelter inflation, and the potential for more government deficit spending could factor into inflation that is higher for longer than anticipated.
- **High Valuations:** After two consecutive years of 20%+ returns, stocks are expensive by some metrics, while corporate bond spreads remain tight. Strong returns for 2025 aren't off the table, but it will likely be muted compared to the past 2 years.
- **Geopolitical Tension:** Ongoing conflicts, particularly in regions critical to global food and energy supplies, pose significant risks. Escalations could disrupt supply chains and increase commodity prices, leading to higher inflation and reduced economic growth.

Outlook

- Higher Volatility: Elevated valuations continued geopolitical conflicts, and the complex nature of policies expected from a new administration, led us to prepare for more overall volatility in the markets this year.
- Sticker Inflation & Higher Rates: There is certain uncertainty on whether inflation will continue towards the Fed's 2% target; the Fed will be locked in a constant tug-of-war between achieving price stability and low unemployment.
- Artificial Intelligence: After the huge leaps that we saw in 2024 surrounding AI, we expect continued innovation and growth in Artificial Intelligence, which will lead to greater efficiencies and productivity in the U.S.

Performance Summary

David Griffin reviewed the performance summary with the committee.

ACCG 4th Qtr. 2024 Performance Report

Paul Bates gave an update of ACCG Retirement Services. Paul Bates discussed administration.

Ray Vuicich discussed Quarterly Performance Report. No changes recommended.

Additional Items:

Adjournment:

Motion was made to adjourn the meeting by Lewis Patterson and seconded by Sheryl Weinmann. 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, May 27, 2025.

Lola Triplett, Client Relationship Manager – OneDigital