

*MINUTES OF THE
BOARD OF TRUSTEES MEETING FOR THE COLUMBUS GEORGIA PUBLIC EMPLOYEE
RETIREMENT SYSTEMS PENSION AND BENEFIT TRUST FUND*

March 9, 2022

TRUSTEES PRESENT: Mayor Skip Henderson, Chairman; Finance Director Angelica Alexander, Secretary; Renee McAneny, Trustee; Lisa Goodwin, Trustee; Fray McCormick, Trustee; Crystal Shahid, Trustee; Elizabeth Cook, Trustee; and Dusty Wilson, Trustee

TRUSTEES ABSENT: City Manager Isaiah Hugley, Vice Chairman; Roderick Graham, Trustee; and Audrey Hollingsworth, Trustee

OTHERS ATTENDING: Pamela Hodge, DCM Finance, Planning and Development; Lucy Sheftall, Assistant City Attorney; Denise Brown, Investment Officer; Reather Hollowell, Human Resources Director; Monica Stone, Airport Representative; and Stacy Collier Devose, Columbus Water Works Representative; and Chuck Carr, Southern Actuarial Services

ADVISORS: Richard Swift, Raymond James

CALL TO ORDER

Angelica Alexander called the March 9, 2022, meeting of the Board of Trustees of the Columbus Georgia Public Employee Retirement Systems Pension Fund and Benefit Trust Fund to order.

MINUTES OF THE PREVIOUS MEETING

The minutes from the February 9, 2022, regular Pension Board Meeting were submitted for approval. A motion to accept the minutes was made by Lisa Goodwin. Fray McCormick seconded the motion. The board voted, and the minutes were unanimously approved.

ACTUARIAL VALUATION REPORT PRESENTATION

Chuck Carr presented to the board regarding the valuation reports as of July 1, 2021. He noted one plan change on the retiree increase that was effective January 1, 2021. The retirees were granted a 1.25% cost of living adjustment. The Public Safety report as well as the disability reports reflect the cost-of-living adjustment as well. There were no other plan changes reflected. His study updated our mortality table from RP2000 to PUB2010. With the mortality table is the mortality improvement scale which dictates how quickly life expectancy is expected to improve in the future over time. Mr. Carr stated for the purpose of the report, he substituted MP2020 for MP2017 which was more aggressive. This change gives a slight cost savings. He reported that the 7% assumption is a reasonable expectation. 7% may be a little bit of an uphill battle for the next ten years or so if returns fall from where they have been the last few years.

Minutes other than summary minutes will be released on a delayed schedule to protect the release of information made confidential by Official Code of Georgia Annotated Section 47-1-14(c) and (d).

The long term out look is probably still a very middle of the road / reasonable expectation for a portfolio like this.

Richard Swift advised that the board had studied the asset allocation and how it relates to the actuarial assumption and determined that at this point, it wishes to stay where it is.

Mr. Carr mentioned that the average pay increases for the actively working participants exceeded what he had previously been assuming by 2.25%. The two years prior to that, were less than had been assumed balanced the assumption out. The market value returns were stellar for General Government Plan. Mr. Carr explained the Public Safety plan. The same adjustment was made for the Public Safety Plan, but it made less of a savings for that plan. He informed the board of the recommended assumptions and contributions for the General Government and Public Safety Plans based on his reports.

Mr. Carr went on to present regarding the Death Benefit plan and Disability Plan. The cost-of-living allowance did not affect the Death Benefit plan, but it had major impact on the Disability Plan. He reminded the board that the apportioned contribution is based on payroll.

Mr. Carr then opened for discussion.

Fray McCormick made a motion to accept reports for General Government and Public Safety. Dusty Wilson seconded the motion. The board voted and it was unanimously approved. It was agreed to defer action on the Death Benefit and Disability Plans to the next meeting to allow the Board Members an opportunity to review those two documents.

INVESTMENT UPDATE

a. Performance Review

Richard Swift presented the board regarding the fund performance for the month of February 2022. He reported a really good fiscal year end last year, and that performance continued for four or five months into the end of the calendar year. Since 2022, things started to slow, and the market has experienced a pretty substantial correction. NASDAQ is down close to 20%. The S&P is down around 12%. And the Dow Jones is down maybe around 10% or so. So that's the first substantial correction in this market for two years. The correction has not been more than about 3% over the last 24 months. This is, statistically, a fairly normal pull back at this point.

The fund is slightly behind but pretty much in line. Funds that are performing well are Blackrock LCV, Westwood Management Corp, Boston Partners / Robeco, Vanguard FTSE EM VWO, Allianz Short Duration Hi Yield ASHPX, Karpus Investment FI, Federated Investment Core Plus, and Globalt Inc FI.

Funds that are slightly behind or underperforming are Atlanta Capital LC, Loomis Sayles LCG, Aligned Investors US Blue Chip Equity, Clarkston Capital, Causeway Capital Intl, and Prudential Total Return Bond Fund PDBZX. All other funds were in line.

Mr. Swift opened for discussion.

b. Asset Allocation

Mr. Swift then reviewed the asset allocation of the Pension fund. The fund is in line with the investment policy in all categories. Large growth is under weight slightly. That is in part is because that category has come down some and because we have moved money from that category. The total asset allocation 63.9% in equities and 36.1% in fixed income.

Mr. Swift opened for discussion.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

There was no new business to discuss.

OTHER BUSINESS

There was no other business to discuss.

ADJOURN

With there being no further business to discuss, Mayor Henderson declared the meeting adjourned.

The next meeting is scheduled for April 13, 2022, at 2:00 PM in the Ground Floor Conference Room.

Glendora Arrington

Glendora Arrington
Recording Secretary