

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

**June 12, 2019**

**TRUSTEES PRESENT:** Mayor Skip Henderson, Chairman; City Manager Isaiah Hugley, Vice Chairman; Finance Director Angelica Alexander, Secretary; Jack Kinsman, Trustee; Mike Higgins, Trustee; Drale Short, Trustee; Audrey Hollingsworth, Trustee; Fray McCormick, Trustee; Chuck Staples, Trustee; and Elizabeth Cook, Trustee

**TRUSTEES ABSENT:** Liliana McDaniel, Trustee

**OTHERS ATTENDING:** Lucy Sheftall, Assistant City Attorney; Denise Brown, Investment Officer; Reather Hollowell, HR Director; Savonne Monell, Columbus Water Works Representative, Mary Scarborough, Airport Representative; and Glendora Arrington, Recording Secretary

**ADVISORS:** Richard Swift, Raymond James

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**CALL TO ORDER**

Mayor Skip Henderson called the June 12, 2019 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 April 10, 2019 regular Pension Board Meeting were submitted for approval. A motion to accept minutes with no corrections was made by Charles Staples. Audrey Hollingsworth seconded the motion. The board voted, and the minutes were unanimously approved as submitted.

**INVESTMENT UPDATE**

**a. Performance Review**

Richard Swift briefly presented a review of this month's report. He began the presentation by letting us know that the entire month of May, the market went down. From May 1 to May 31, the S&P dropped 6.3%. It has had some recovery as of the day of this meeting.

In review, funds that are doing well are Madison Investment Advisors LLC, Clearbridge Advisors LCG, Loomis Sayles LCG, Blackrock LCV, Clarkston Capital, Lazard Asset

International, Lazard Emerging Markets, Westend Global Balanced EFTs, Karpus Investment FI, Prudential Hedged Fixed Absolute PADZX, and AEW Real Estate.

Funds that are currently underperforming are Wells Fargo Golden LCC, TCW LCV, Causeway Capital International, and Allianz Tactical Allocation AGSPX. All other funds were performing in line.

Mr. Swift stated that he would do an in depth study of TCW and Wells Fargo and their performance. Mr. Swift then opened for discussion.

**b. Asset Allocation**

Mr. Swift then presented to the board regarding asset allocation. We are currently in line with the investment policy statement in relative to the target. We are slightly underweighted relative to the target in core fixed income because what we've been trying to do is diversify. And we're slightly over weighted in nontraditional. But everything is in line with the investment policy in terms of what we have in each asset class. Mr. Swift then presented on the Client Service Plan and Mr. Swift opened for discussion.

In addition, Mr. Swift presented an Asset Allocation Study based on our current asset allocation using both the geometric mean and arithmetic mean. This gives a general consensus on what type of return we should expect based on our asset allocation. The study showed that the likelihood of this asset allocation returning 7% over a 20 year period is 42.42%. Mr. Swift noted that this is something to discuss over time.

**NEW BUSINESS**

**a. GASB 75 Census Testing Invoice**

Angelica Alexander, Finance Director, presented the board with the invoice for the required GASB (Governmental Accounting Standards Board) Census Testing. The GASB implemented a new standard that went into effect as of FY18. This new standard adds additional reporting requirements related to OPEB (Other Post-Employment Benefits). As a result of those additional reporting requirements, our external auditors have to now do additional census testing. Audrey Hollingsworth moved to approve funding to pay the invoice. Fray McCormick seconded the motion. The motion was unanimously approved by the board.

**b. November 14, 2018 Distribution Update**

Mrs. Alexander mentioned that a \$2M distribution from invested funds to meet benefit obligations has been requested as part of the \$8M that was approved by the board in the November 14, 2018 meeting. This distribution completes the \$8M transfer authorization.

## OLD BUSINESS

### a. Continuing Education

The board discussed continuing education for the board. Richard Swift suggested possibly getting a subcommittee together to come up with a plan and options for addressing Continuing Education for the board.

## OTHER BUSINESS

### a. Open Meetings Requirements

There was brief discussion regarding the Boards Open Meeting Policy. The Pension Board does keep minutes and complies with that. There are exemptions in the retirement that allows the board to discuss all of our investment advice and portfolio position in closed session. We send the material to the clerk's office when the information is open for disclosure. What we might want to consider is to complete summary minutes that can be forwarded on to the clerk's office and then the approved board minutes will be submitted when they become releasable.

### b. Investment Funds Transfer

Previously, a decision was made to move funds from Prudential Hedge Fixed Absolute PADZX to Prudential Total Return Bond Fund PDBZX. Fray McCormick made a motion with respect to increasing the investment transfer from \$4M to \$5M per month until the funds are exhausted. The motion was seconded by Charles Staples and unanimously approved by the board.

### b. Investment Policy

The board discussed the investment policy. As previously discussed, there were some inconsistencies in the investment policy as it related to restrictions and guidelines. Lucy Sheftall and Richard Swift discussed the policy and are recommending a few changes.

## ADJOURN

With there being no further business to discuss, Mayor Henderson entertained a motion to adjourn. Fray McCormick made a motion to adjourn the meeting. It was seconded by Audrey Hollingsworth and unanimously approved.

The next meeting is scheduled for August 14, 2019 at 2:00 PM in the Ground Floor Conference Room.

*Glendora Arrington*

Glendora Arrington  
Recording Secretary