BOARD MEMBERS PRESENT: David Frazier, Denise Jordan, Gary Clark, Tommy Hunt, Danny Ingram and Margaret Johnson
BOARD MEMBERS ABSENT: Matt Hamby
EX-OFFICIO MEMBERS ABSENT: Janeann Allison, Bryan Lackey, and Jeremy Perry
OTHERS PRESENT: Alisa Grayson

Chairman David Frazier called the meeting to order at 10:00 AM and served as the presiding officer.

REPORTS:

Fourth Quarter 2017 Investment Report
Consultant Jeff Swanson, Southeastern Advisory Services, began his report by commenting on the current market noting he was pleased with how the portfolio has performed through the recent volatility. The portfolio summary indicated the total Plan (including Receipts and Disbursements) had a market value of $97,916,970 as of December 31, 2017. For the quarter, the fund's net withdrawals were -$711,714 and the total investment gains were $4,638,050 for a total increase in value of $3,926,336 from the previous quarter end. As of December 31, 2017, 65.3% of the Plan (including Receipts & Disbursements) was invested in equities, 29.4% in fixed income/absolute return funds and 4.3% in real estate. For the quarter ending December 31, 2017, the portfolio was up 4.9%; up 18.6% for the one year period; and up 8.7% for the three year period. Other notable comments from the report were as follows:

- The Plan has benefited from the risk assets and diversification over the past five (5) years.
- The Fiscal Year Return was above 7% for the quarter to date.
- The rebalancing actions over the past three (3) years have had a positive effect. At close of the day on February 12, 2018, the Plans total assets was $96.7 million.
- The total fund performance ranked number 2 in the country for the last quarter and for the one year period with the Wilshire Public Fund Ranking.
- All the fund managers performed above average for the year.
- JP Morgan real estate fund has done well for the quarter. As of today, the Plan is still in the queue for the second fund.
- In terms of the investment guidelines, the Plan met all the goals for fiscal year 2017 and 2018; one of three of the goals for fiscal year 2015 and 2016; and all while staying in compliance with the Georgia code.

Chairman Frazier commented on the Plans performance meeting the benchmarks.

NOTE: Board Member Gary Clark joined the meeting at 10:18 AM.

Multi-Sector Bond Manager Search
Consultant Jeff Swanson, Southeastern Advisory Services, shared information regarding the Multi-Sector Bond Manager search. With the volatility of the market and interest rates going up, he felt a Multi-Sector Bond fund, a completely unconstrained bond fund, could help the Plan perform better in the next three years by adding an extra level of diversification. He summarized the five best candidates noting PIMCO Income Fund was the best and the manager of choice. Upon inquiry, Mr. Swanson recommended splitting the investment grade allocations by funding PIMCO Income Fund with $6 million coming from the PIMCO Investment Grade Fund.

Motion to accept the consultant's recommendation to sell $6 million of the PIMCO Investment Grade Fund and to purchase $6 million of the PIMCO Income Fund.

Motion made by Board Member Johnson
Motion seconded by Board Member Hunt
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

Mr. Swanson stated he will proceed with the process for funding with the JP Morgan Special Situation Fund once called upon.

News Release: Wells Fargo Commits to Satisfying Consent Order with Federal Reserve
Relationship Manager Marsha Petzel, Wells Fargo, shared details about the news release which states the Federal Reserve issued a consent order requiring banks to follow certain procedures of correction. There was no adverse effects to the Trust side of the institution. She was happy to address any questions/concerns regarding the information.

Wells Fargo Quarterly Report dated February 2018
Relationship Manager Marsha Petzel presented key statistics, the success metrics as of December 31, 2017 and expenses for quarter end December 31, 2017. It was noted the expense report will be included in the reporting going forward.

Ms. Petzel provided an update on the decedent monitoring reports indicating there was a delay in finding a reliable vendor to provide this type of service. She stated the search was ongoing and an update will be provided on a quarterly basis.

OLD BUSINESS:

Actuarial Request for Information Review
Chairman David Frazier stated information had been compiled into a summary format and forwarded to the Board for review. The Board shared their views on the results of the information received. After some discussion, the Board felt Segal Consulting Services outranked the other quotes.

Motion to continue with Segal Consulting for actuarial services and to not proceed with the RFP (Request for Proposal) based on the results of the RFQ (Request for Qualifications).

Motion made by Board Member Hunt
Motion seconded by Board Member Ingram
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

Mr. Frazier commented on the current contract with Segal noting it referenced the fee schedule for the next five years with an increase. Board Member Tommy Hunt felt it would be beneficial to propose a new contract to lock in the rates for the next five years.

Professional Services Vendor Review Policy
Chairman David Frazier presented a draft policy for Professional Services Vendor Review which establishes guidelines for reviewing contracts every five years. Board Member Tommy Hunt commented on the city's purchasing policy for contracts. Upon inquiry, there was a brief discussion as to whether or

not Finance had any concerns with the policy. It was noted any issues or modifications to the policy could be addressed at a later date.

Motion to accept the Professional Services Vendor Review Policy as presented.

Motion made by Board Member Hunt
Motion seconded by Board Member Johnson
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

Parliamentary Procedure

Chairman David Frazier stated questions were raised at a previous meeting as to whether the Plan Document should be amended to reference parliamentary procedures. The request was submitted to the attorney for an opinion. The attorney's recommendation indicated parliamentary procedure should not be referenced in the Plan Document. An alternative option would be to place it in a policy or bylaws. A copy of the Georgia Municipal Association (GMA) and Association County Commissioners of Georgia (ACCG) guides for parliamentary procedure was provided.

Board Member Margaret Johnson felt a discussion with the attorney was in order.

Board Member Tommy Hunt stated he needed more time to review the information.

There was consensus to postpone the matter until a later date.

Mr. Frazier commented on the purpose of parliamentary procedure and the different types.

Early Retirement Penalty

Chairman David Frazier reported Segal Consulting would charge $3,400 to evaluate the cost of changing the early retirement penalty in relation to information presented at the last meeting. There was some discussion regarding the penalties and the effects on participants that retire early. Mr. Frazier was confident there would be a cost to the Plan causing contributions to increase. Other Board Members felt an evaluation to modify the early retirement penalty was due diligence.

Motion to authorize the expenditure of $3,400 for the actuary to evaluate and provide a recommendation as it pertains to the proposed early retirement penalty options.

Motion made by Board Member Hunt
Motion seconded by Board Member Johnson

DISCUSSION:

Board Member Denise Jordan felt the amount was higher than expected but felt the purpose was to evaluate the options.

Votes favoring the motion: Jordan, Clark, Hunt, Ingram, Johnson
Votes opposing the motion: Frazier
Absent: Hamby

Retirement Manager Position

Board Member Gary Clark commented on the new position noting several employees expressed displeasure with the funding coming from the Plan. He stated an explanation was provided indicating the position was primarily for the administration of the Retirement Plan A.

EXECUTIVE SESSION:

Chairman David Frazier requested an Executive Session to discuss personnel matters.

Motion to close the meeting to enter an Executive Session to discuss personnel matters at 11:30 AM.

Motion made by Board Member Hunt
Motion seconded by Board Member Ingram
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

BOARD MEMBERS PRESENT:	David Frazier, Denise Jordan, Gary Clark, Tommy Hunt, Danny Ingram, Margaret Johnson
BOARD MEMBERS ABSENT:	Matt Hamby
EX-OFFICIO MEMBERS ABSENT:	Bryan Lackey, Janeann Allison, Jeremy Perry
OTHERS PRESENT:	Alisa Grayson

Motion to close the Executive Session at 11:31 AM.

Motion made by Board Member Johnson
Motion seconded by Board Member Hunt
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

REGULAR BUSINESS:

Minutes: January 16, 2018 Executive Session

Motion to adopt the minutes accepting edits as present.

Motion made by Board Member Hunt
Motion seconded by Board Member Clark
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

Minutes: January 16, 2018 Board Meeting

Motion to adopt the minutes accepting edits as present.

Motion made by Board Member Hunt
Motion seconded by Board Member Johnson
Votes favoring the motion: Frazier, Jordan, Clark, Hunt, Ingram, Johnson
Absent: Hamby

OTHER BUSINESS:

Georgia Association of Public Pension Trustees (GAPPT) Trustee School
Deputy City Clerk Alisa Grayson stated the travel information for the upcoming GAPPT Trustee School had been completed and was available for approval. She briefly reviewed the information and asked that the fully executed travel authorization form be returned to her for further processing.

Pop Up Option for Divorce
Chairman David Frazier reported the question to allow changes to a survivor beneficiary option after they get a divorce was submitted to the actuary. The actuary's response indicated this was an option with minimal cost to the Plan and recommended submitting this matter to the Plan's attorney for legal review. He was awaiting a response.

Goals
Chairman David Frazier stated goals are established on a fiscal year basis and asked everyone to be prepared to discuss at the scheduled meeting in May.

Board Member Denise Jordan distributed a handout regarding retirement plan providers for informational purposes.

ADJOURNMENT: **11:40 AM**

/ag

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David Frazier, Chairman

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Denise O. Jordan, Secretary to the Board