BOARD MEMBERS PRESENT:	Tommy Hunt, Frank Hooper, Jason Justice, Danny Ingram, Denise Jordan, Margaret Johnson
BOARD MEMBERS ABSENT:	Gary Clark
EX-OFFICIO MEMBERS PRESENT:	Jeremy Perry, Janeann Allison
EX-OFFICIO MEMBERS ABSENT:	Bryan Lackey
OTHERS PRESENT:	Karen Rojas, Jordan Green

Board Chairman Tommy Hunt called the meeting to order at 10:00 AM and served as the presiding officer.

ORGANIZATIONAL MEETING:

RPA Fire Department Representative Oath of Office
City Clerk Denise Jordan administered the Oath of Office to newly elected Fire Department Retirement Plan A Representative Jordan Green.

REPORTS:

Fourth Quarter 2019 Investment Report
Consultant Jeff Swanson of Southeastern Advisory Services provided an overview of the performance analysis. The portfolio summary indicated the following:

For the quarter ending December 31, 2019, total plan assets (including R&D) were $111,101,165. As of December 31, 2019, the investment portfolio consisted of 62.7% equity, 28.3% fixed income and absolute return strategies, 9.0% real estate, and 0.0% in cash equivalents. For the quarter, the total plan (including the R&D account) earned a rate of return of 5.8%. For the trailing one-year and three-year periods, the plan earned 21.8% and 12.2%, respectively (including the R&D account)

Mr. Swanson also commented that the capital market assumptions are coming down due to the current bull market, one of the longest in history. The next few years will have lower returns than what we have experienced in the past. He recommends lowering the assumed rate of return to 6.5% for the next decade. Mr. Swanson mentioned that the proposed rate of return is a conservative number and an excellent message to outside parties. The new rate of return is suggested now, in preparation for a bear market.

Wells Fargo Quarterly Executive Summary
Relationship Manager Marsha Petzel provided a brief overview of key statistics, success metrics, expenses as of 12/31/2019, and the quarterly Decedent Monitoring report. Ms. Petzel also mentioned that the Institutional Retirement Trust acquisition by Principal has been completed. Principal will build the same program as Wells Fargo in an effort to minimize changes to the current processes, accounts, and set-up. Conversion of all Trust and Custody business is scheduled for President's Day weekend of 2021.

EXECUTIVE SESSION:

Chairman Tommy Hunt requested an Executive Session to discuss personnel matters.

Motion to close the meeting to enter an Executive Session to discuss personnel matters at 10:43 AM.

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

BOARD MEMBERS PRESENT: Tommy Hunt, Denise Jordan, Frank Hooper, Danny Ingram, Jason Justice, Margaret Johnson
BOARD MEMBERS ABSENT: Gary Clark
EX-OFFICIO MEMBERS PRESENT: Jeremy Perry, Janeann Allison
EX-OFFICIO MEMBERS ABSENT: Bryan Lackey
OTHERS PRESENT: Karen Rojas, Jordan Green

Motion to close the Executive Session and to continue the meeting at 10:46 AM.

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

REGULAR BUSINESS:

Executive Session Minutes: January 14, 2020 Meeting

Motion to adopt the minutes accepting edits as presented.

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

Minutes: January 14, 2020 Board Meeting

Motion to adopt the minutes accepting edits as presented.

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

New Disbursements
Retirement Manager Karen Rojas provided a report referencing (3) three new disbursements totaling $65,836.85. The disbursements were made to or on behalf of the following:

NAME	DEPARTMENT	TERMINATION DATE	PROCESSED
Anderson, Alex C.	GPD	11/13/2019	1/07/2020
Ehrenborg, Kevin J.	GPD	1/06/2020	1/27/2020
Hamilton, Melissa R.	DWR	1/08/2020	1/27/2020

Motion to accept the disbursement report as presented.

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

New Benefits
Retirement Manager Karen Rojas presented the report as follows:

RETIREE	BENEFIT	EFFECTIVE DATE	START DATE	SPOUSAL OPTION
Chandler, Darren	Normal	1/02/2020	2/01/2020	No
O'Neill, Van B.	Normal	12/20/2019	1/01/2020	No
Montecalvo, Jr., Donald	Vested	12/05/2019	7/01/2026	No
Smith, Donna	Spousal	12/28/2019	1/01/2020	No

Motion to approve new benefits as presented.

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

OTHER BUSINESS:

February 11, 2020 Work Session
Chairman Tommy Hunt informed the board that he will prepare the RPA 2021 Budget and will submit it for processing. The proposed FY2021 Budget will be emailed to all board members for review and will be presented for approval at the April 2020 meeting.

A Retirement Plan A work session was held to discuss possible changes to the A2G and A2PS retirement plans and current retirees. The following items were considered and will be sent to Actuary Malichi Waterman, Segal Consulting, to be analyzed:

Plan A1:
1. No Change – No Proposals

Plan A2 and A2PS:
1. Move all A2 participants back to Plan A1
2. Move A2 participants to the Rules of A1 with the exception of leaving their annual accrual amount at 2.5%.
3. Reduce the Early Retirement Penalty
   - Revisit the options provided to us in 2017
4. Reduce the Age requirements on General Fund Employees
   - Revisit the options provided to us in 2017
5. Address the 25\65 Rule for Public Safety Employees – Allowing them to retire without penalty if the employee reaches ten (10) years for service and age of 55. A1 is five (5) years of service and sixty (60) years of age regardless of department.
6. Address the 25\65 Rule for All Employees - – Allowing them to retire without penalty if the employee reaches ten (10) years for service and sixty (60) years of age. A1 is five (5) years of service and sixty (60) years of age regardless of department.
7. (From Segal) Make a rule that you cannot be penalized to less than 40% of your best five (5) years salary if you have completed twenty (20) years of service.
8. Move annual accrual to 3% and reduce the early retirement penalty to 3% per year

Current Retirees:
1. Provide Annual COLA that uses CPI to indicate the amount of the COLA
2. (From Segal) Provide retirees with a 13th Check. This would be voted on annually by the board.
3. (From Segal) Provide retirees with a 13th Check if their monthly disbursement does not exceed (undetermined) amount. This would be voted on annually by the board.
4. Give each retiree a $200 per month across the board for all retirees.

ADJOURNMENT: **1:08 PM**

/kr