Trustees for the Group Pension Plan

Retirement Board Meeting Session

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Wednesday, May 10, 2023	10:30 AM	Commission Chambers

~ Minutes ~

Call to Order

Attendee Name	Title	Status	Arrived
Michael Fouts	Chairman	Present	
Kelly Mickle	Employee Member 1	Present	
Eric Smith	Employee Member 2	Present	
Mac Tracy	Citizen Member 1	Present	
Freeman Elliott	Citizen Member 2	Present	
Shannon Zerangue	Clerk	Present	
Julie Millians	Benefits Manager	Present	
Hans Wilson	Finance Director	Present	

The Board of Trustees for the Group Pension Plan met in Regular Meeting Session on Wednesday, May 10, 2023.

Mr. Zach Walley from OneDigital was in attendance.

Chairman Fouts called the meeting to order at 10:30 a.m.

Minutes Approval

1. **Minutes of Wednesday, February 22, 2023**

The Board voted to approve the minutes from the Regular Meeting Session held on Wednesday, February 22, 2023.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Mac Tracy, Citizen Member 1
SECONDER:	Freeman Elliott, Citizen Member 2
AYES:	Fouts, Mickle, Smith, Tracy, Elliott

2. **Minutes of Tuesday, March 14, 2023**

Mr. Tracy explained that during the Called Meeting/Work Session there was discussion regarding adding a provision to the investment policy statement associated with cybersecurity. There are no issues with the minutes from that meeting, but he would like to revisit this issue during the meeting discussion.

The Board voted to approve the minutes from the Called Meeting/Work Session held on Tuesday, March 14, 2023.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Kelly Mickle, Employee Member 1
SECONDER:	Freeman Elliott, Citizen Member 2
AYES:	Fouts, Mickle, Smith, Tracy, Elliott

Action Items

3. 13753 Request Approval/Execution of an Amended Master Trust Agreement for the Group Pension Plan

Chairman Fouts explained that two (2) sections (7.1 and 7.3) of the Master Trust Agreement have been amended to update the composition and terms of the Board of Trustees. He asked the Board for any questions or comments regarding the amendments. There were none.

The Board voted to execute an amendment to the Master Trust Agreement for the Group Pension Plan associated with composition and terms of the Board members.

RESULT:	**EXECUTED [UNANIMOUS]**
MOVER:	Mac Tracy, Citizen Member 1
SECONDER:	Kelly Mickle, Employee Member 1
AYES:	Fouts, Mickle, Smith, Tracy, Elliott

4. 13721 Request Adoption of an Update to the Investment Policy Statement with OneDigital

Chairman Fouts explained that as discussed at the Called Meeting/Work Session (March 14, 2023), the Board has been asked to adopt a revised Investment Policy Statement (IPS) with OneDigital.

Ms. Mickle explained that the only changes to the IPS include updating the current Board members and the current vendor information.

Mr. Tracy requested that redlined versions of any contract/agreement/policy amendment be included in the agenda packet in the future to easily identify any proposed changes.

The Board voted to execute an update to the Investment Policy Statement (IPS) with OneDigital.

RESULT:	**EXECUTED [UNANIMOUS]**
MOVER:	Kelly Mickle, Employee Member 1
SECONDER:	Mac Tracy, Citizen Member 1
AYES:	Fouts, Mickle, Smith, Tracy, Elliott

5. 13717 Request Approval/Execution of a Policy Regarding Conflicts of Interest

Chairman Fouts explained that the Board is being asked to adopt the Conflict of Interest Policy and execute the associated Conflict of Interest Statement. He further explained that there are no changes to the policy.

Ms. Mickle explained that the Conflict of Interest Policy has not been reaffirmed since implementation of the Board in 2014.

The Board voted to execute a Conflict of Interest Policy and associated Conflict of Interest Statements as presented.

RESULT:	**EXECUTED [UNANIMOUS]**
MOVER:	Mac Tracy, Citizen Member 1
SECONDER:	Freeman Elliott, Citizen Member 2
AYES:	Fouts, Mickle, Smith, Tracy, Elliott

Information for Trustees

6. 13677 Presentation from OneDigital of the Quarterly Investment Report

Mr. Tracy explained that the recommendations regarding cybersecurity that were discussed during the Called Meeting/Work Session held on March 14, 2023 were positive. Upon review of the Investment Policy Statement (IPS), he noted that a cybersecurity provision is not incorporated into that document. He asked for thoughts about when the cybersecurity issue should be addressed with OneDigital and Truist.

Ms. Mickle explained that the investment advisory contract with OneDigital does contain cybersecurity provisions; however, the original custodial agreement from 2014 with BB&T is still in place and does not include a cybersecurity provision. Therefore, discussions with Truist (fka BB&T) are necessary to discuss amending the contract to add provisions specific to cybersecurity.

Chairman Fouts explained that staff can initiate a discussion with Truist regarding an update to the contract.

Mr. Walley explained that he will also be happy to reach out to Jeff Elliott (Vice President/Client Manager, Institutional Investment Management) with Truist.

Ms. Mickle explained that Mr. Elliott (Jeff) has provided some information regarding Truist's cybersecurity policies and practices, but no discussion has taken place regarding an amendment to the contract at this time.

Mr. Walley explained that Ms. Katrina Vaderdray (OneDigital) can also provide assistance with this issue. He further explained that should the Board wish to hear a presentation from Trusit regarding their cybersecurity practices, he's sure one can be provided.

Mr. Walley presented an overview of the asset allocations as of March 31, 2023 noting the current equities (52.69%), fixed income funds (44.49%), and cash & equivalents (2.83%) which are all within the ranges outlined in the Investment Policy Statement (IPS). He explained that as of March 31, 2023, the portfolio's ending market value was $81,692,136. He further explained that in June the County will make the annual contribution to the account. Those funds will be invested based upon the market, but a fair amount of cash will be held in the portfolio for payments to retirees.

Mr. Walley also reviewed the total portfolio performance and provided an overview of the performances of each fund noting that no fund changes are recommended at this time.

During his presentation, Mr. Walley fielded a question from Mr. Tracy regarding other disbursements (non-cash), explaining that those were most likely fees but he would confirm that and get back to the Board.

Mr. Walley also briefly provided an overview of the economy and market status (Standard & Poor's, Dow, NASDAQ, volatility, inflation, interest rates, job market/employment, wage growth, consumer confidence, household net worth, consumer debt, and home prices). He highlighted the recent bank failures of the Silicon Valley Bank (CA) and Signature Bank (NY) explaining that their focus was on private equity, venture capital, technology (Silicon Valley Bank) and crypto currency (Signature Bank). In conclusion, he explained that overall the banking sector is solid, but he feels it is prudent to keep an eye on the commercial real estate market.

In response to a question from Mr. Elliott regarding how the $3.2 million in cash is held, Mr. Walley explained that those funds are in a U.S. money market account which is the safest most stable investment.

RESULT:	**ACCOMPLISHED**

Comments

Comments

Chairman Fouts called for any questions or comments. There were none.

Schedule Next Meeting

Motion To: **Schedule Next Meeting**

The Board voted to schedule the next meeting on Wednesday, August 23, 2023 at 10:00 a.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Michael Fouts, Chairman
SECONDER:	Mac Tracy, Citizen Member 1
AYES:	Fouts, Mickle, Smith, Tracy, Elliott

Adjournment

Motion To: **Adjourn**

The Board voted to adjourn the meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Kelly Mickle, Employee Member 1
SECONDER:	Mac Tracy, Citizen Member 1
AYES:	Fouts, Mickle, Smith, Tracy, Elliott