

Minutes

DeKalb County Pension Board

March 2, 2017

The DeKalb County Pension Board held a meeting on March 2, 2017 in the Board of Commissioners Conference Room. The following members were present: James Hendrix, David Littlefield, John McMullan, Dianne McNabb, Benita Ransom, Robert Robertson (via telephone), Edmund Wall, and Cornelius Yarbrow. Others present: Patricia Keesler of Benefits Law Group, Todd Carabasi and Weston Lewis of Callan Associates, Rocky Joyner of Segal Consulting, Cory Bush, and Paul Wright.

The Board then listened to comments from Les Schneider regarding Deborah Schneider's pension benefit. The Board took no action.

James Hendrix motioned, John McMullan seconded, and the Board approved the January 12, 2017 Pension Board meeting minutes.

James Hendrix motioned, David Littlefield seconded, and the Board approved payment of the following invoices:

Vendor	Service	Period	Amount
Advent Capital Management	Investment Management	4Q 2016	\$62,518.01
Denver Investments	Investment Management	4Q 2016	76,688.84
Earnest Partners	Investment Management	4Q 2016	114,699.65
The Edgar Lomax Company	Investment Management	4Q 2016	36,894.11
Frontier Capital Mgt.	Investment Management	4Q 2016	131,329.25
Gabelli Asset Mgt.	Investment Management	4Q 2016	210,800.00
Income Research + Mgt.	Investment Management	4Q 2016	17,443.14
Jennison Associates	Investment Management	4Q 2016	137,105.52
JP Morgan	Investment Management	4Q 2016	22,293.06
Montag & Caldwell	Investment Management	4Q 2016	95,073.81
Southeastern Asset Mgt.	Investment Management	4Q 2016	192,890.00
Waddell & Reed	Investment Management	4Q 2016	51,953.53
Subtotal			\$1,149,688.92
ASM Consulting	Website Maintenance	January 2017	\$225.00
Benefits Law Group	Legal Consulting	January 2017	4,207.50
DeKalb County Finance Dept.	Pension Administration	2Q-4Q 2016	275,674.40
Elarbee, Thompson, et al.	Legal Consulting – S	June 2016	3,056.00
Elarbee, Thompson, et al.	Legal Consulting – S	December 2016	12,589.37
Robinson, Sheila A., MD	Disability Examination	April 26, 2016	602.00
State Street Bank	Custodial Services	3Q 2016	39,074.67
State Street Bank	Custodial Services	4Q 2016	38,899.50
Subtotal			\$374,328.44
Total			\$1,524,017.36

DeKalb County Pension Board

Minutes – March 2, 2017

Page 2

The Board then elected their Board officers. Robert Robertson recommended reappointing Ed Wall as Pension Board chairman. David Littlefield motioned, Cornelius Yarbro seconded, and the Board approved to reappoint Ed Wall as Pension Board chairman. David Littlefield motioned, Cornelius Yarbro seconded, and the Board reappointed Robert Robertson as Vice-Chairman. David Littlefield motioned, Cornelius Yarbro seconded, and the Board appointed James Hendrix as Secretary.

The Board then listened to Weston Lewis discuss the 4th quarter investment results. Large cap managers underperformed for the quarter. Large cap for the year was 8.89% vs. the 11.96% index. Both Jennison and Montag & Caldwell have struggled for the year. For the last year the fund ranked in the 27th percentile among its peers. The total fund benchmark is in the top 1% over the last five years. The total fund was up 1.46% for the quarter. Earnest Partners underperformed their benchmark for the year. Advent Capital Management underperformed for the year as well. Ed Wall advised Weston Lewis he would like to schedule an Investment Committee meeting with Advent Capital Management.

James Hendrix motioned, David Littlefield seconded, and the Board approved to take \$3.5 million from Montag & Caldwell for benefit payment funding for April-May 2017.

John McMullan motioned, Cornelius Yarbro seconded, and the Board approved the 2017 Pension Board budget.

The Board then discussed the discount rate assumption. Changing the discount rate to 7.25% would increase the county's contribution requirement. Ed Wall requested to table this discussion until the next Board meeting.

The Board then discussed a cost of living increase for retirees. It was not included in the CEO's budget. Robert Robertson recommended a home rule amendment to grant retirees a 1% raise every year and present to the Board of Commissioners to adopt. Ed Wall asked Rocky Joyner to calculate the cost and to present it at the next meeting. He also asked Patricia Kessler to prepare a home rule amendment to effect an automatic 1% COLA, as well as adopting a one-third/two-thirds split of pension contributions between employees and the County, respectively.

James Hendrix motioned, David Littlefield seconded, and the Board approved requests from the following employees to repay contributions withdrawn from the pension plan, so as to receive accredited service for prior employment.

- Scott M. Clemens, an employee of the District Attorney
- Carol A. Pounds, an employee of Probate Court
- Quinterius Reid, an employee of Watershed Management

James Hendrix motioned, Cornelius Yarbro seconded, and the Board approved permanent disability status for retirees Richard Joseph and James Leonard.

The Board then discussed a review of pending re-evaluations for disability retirees. Paul Wright advised that staff were unable to schedule re-evaluations for three upcoming retirees as the doctor offices advised of no openings; however, they will be ready for review in May 2017.

The Board then listened to comments from the Board. Robert Robertson advised there are several mistakes on the pension website. The Pension Board meeting information was still showing the January 12, 2017 meeting and the minutes have not been posted since September 2016. Paul Wright advised he will speak to the administrator and relay the Board's displeasure. Robert Robertson requested a motion to update the contract with the website administrator that changes be made within ten days. James Hendrix motioned, Cornelius Yarbrow seconded, and the Board approved a ten business days' turnaround time.

James Hendrix motioned, Cornelius Yarbrow seconded, and the Board approved entering executive session.

Upon returning from executive session, because there was no further business, the Board adjourned the meeting.



Paul Wright
Clerk, The DeKalb County Pension Board