

General Employees' Retirement System  
Board Meeting  
July 25, 2018  
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Commissioner Travis Woods called the meeting to order. In attendance were Trustee Terry Anderson, Pension Attorney Brent Chudachek, David Kelly representing Bowen Hanes, Trustee John-Paul Ledford, Larry Wilson representing GRS and Commissioner Travis Woods. Commissioner Danny Nugent and Chairman Scott Roberts were absent.

Commissioner Woods entertained a motion to accept the minutes from the April 25, 2018 Meeting. Trustee Anderson made a motion to accept the minutes. It was seconded by Trustee Ledford. The motion passed 3-0.

Commissioner Woods entertained a motion to approve the warrants for April 2018, May 2018 and June 2018. Trustee Ledford made a motion to approve the warrants. It was seconded by Trustee Anderson. The motion passed 3-0.

Commissioner Woods asked if there was any citizen participation. There was none.

Commissioner Woods asked Mr. Kelly representing Bowen Hanes to present the Quarterly Performance Report. Mr. Kelly said the portfolio is up 8.3 percent. He said the economy is doing well but the things to be concerned about are interest rates, tariffs and trades. Mr. Kelly said the portfolio has \$997,811.64 in cash which is high because some bonds have recently matured. Common stock is at \$7,012,365.35 and the total portfolio is at \$9,316,226.02. Mr. Kelly said capital appreciation is up \$577,017.33 for the current fiscal year. Income received is at \$145,532.64 and securities withdrawn is at \$358,501.31. Mr. Kelly said Bowen Hanes took over the plan on October 24, 2007 with a beginning market value of \$7,155,773.20. After \$3,718,121.84 in withdrawals our July 20, 2018 ending market value is \$9,316,226.02. Mr. Kelly asked if there were any questions. There were none. Commissioner Woods entertained a motion to approve the Quarterly Performance Report. Trustee Anderson made a motion to accept the report. It was seconded by Trustee Ledford. The motion passed 3-0.

Commissioner Woods asked Mr. Wilson representing GRS for the Actuarial Valuation Report. Mr. Wilson said the contribution is \$534,141.00 which is 53.6 percent of covered payroll. Last year it was \$542,000.00 which was 47.3 percent of covered payroll. He said covered payroll for this year is \$995,886.00. Last year it was \$947,085.00. The bottom line for the city is the contribution of \$474,388.00. Last year it was \$485,783.00. As a percent of pay we are at 47.6 percent for this year. Last year it was 51.3%. Mr. Wilson said plan membership is growing so the contribution to the plan will need to increase. He said the vested benefit security ratio is 76.2 percent. Last year it was 70.6 percent. Mr. Wilson said the actuarial loss was \$2,946.00. He said the compensation increase was 12.1 percent. Mr. Wilson said the receipts for the year were \$599,372.00

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and the disbursements were \$1,215,815.00 so our assets need to be more liquid. He said the DROP balance on October 1, 2016 was \$632,627.00 and \$670,420.00 on September 30, 2017. Mr. Wilson said our total market value return for 2017 was 1,303,328.00. If our immediate recognition had been 7.5 percent it would have been \$663,392.00. Mr. Wilson asked if there were any questions. There were none. Commissioner Woods entertained a motion to accept the Actuarial Valuation Report. Trustee Ledford made a motion to accept the valuation. It was seconded by Trustee Anderson. The motion passed 3-0.

Commissioner Woods asked for the Attorney Report. Attorney Chudachek had nothing to report.

Commissioner Woods asked for new business. There was none.

There being no further business Trustee Anderson made a motion to adjourn. The motion was seconded by Trustee Ledford. The motion passed 3-0.