

MINUTES
GWCCA FINANCE COMMITTEE MEETING
February 22, 2016
1:30 p.m.
Sales & Event Services Board Room

Finance Committee Members Present:

Steve Adams
David Allman, Chairman
Brian Daniel
Bill Jones
Andrew MacCartney
Doug Tollett

GWCC Staff Present:

Dale Aiken
Janet Arsenault
Kevin Duvall
Jennifer LeMaster
Frank Poe
Pargen Robertson
Sherrie Spinks (*by phone*)

Finance Committee Members Absent:

Lee Hunter, Ex-Officio

Chair Allman called the meeting to order at 1:34 p.m. He asked for a motion to approve the August 24, 2015 Finance Committee meeting minutes.

A motion to approve the August 24, 2015 Finance Committee meeting minutes was made by Brian Daniel, seconded by Andrew MacCartney, and unanimously approved.

OPEB TRUST FUND ADVISOR UPDATE

The Committee was reminded that during the budget review meetings in May 2014 and 2015, the Finance Committee was informed that staff would be reviewing funding options for future retiree health benefits premiums. State and local governments are required to account for the value of OPEB liabilities (retiree health benefits) accrued over an employee's working lifetime and for those values to be recorded on the audited financial statements. While the Authority is not required to fund the liability (pay as we go), it believed there are benefits to establishing a Trust Fund to cover the cost of the future liability.

The Georgia Ports Authority has a Trust Fund in place and when the Authority conducted their analysis, it used the Ports Authority as a model for evaluating best practices. In 2015, the Authority established a designated Trust Fund. It is an irrevocable trust dedicated for future retiree health care costs and is not accessible by creditors. As of July 2015, the Trust Fund contains \$3,759,193.

Investment options considered in April/May 2015 included the following.

- Georgia 1 Fund – Office of State Treasury (ultimately chose this option; currently earning .2346% which equals \$4,591 earnings YTD)
- Georgia Municipal Employee Benefit System
- Private investment firm – require minimum investments of \$10M and fee minimums of \$10K annually

In 2011, the Ports Authority issued an RFP for Investment Advisory Services for their employee pension fund. After the seven respondents were compared, scored, and ranked, FiduciaryVest was awarded the contract. FiduciaryVest is an independent, fee-only, employee owned investment advisory firm. It's only source of revenue is negotiated fixed fees from clients. They have offered the Authority a 40% discount off their minimum annual fee of \$50K, which equals \$30K/year. FiduciaryVest does not provide custodial, record keeping, or brokerage services and has no formal or informal affiliations with firms providing such services.

Staff would like the Committee to consider the following options regarding investing OPEB funds.

- Continue with current investment program through Georgia 1 Fund.
- Take advantage of the selection process utilized by Georgia Ports Authority and have Finance Committee meet with FiduciaryVest.
- Select an investment advisor through a formal procurement process.

Staff suggested scheduling a meeting between FiduciaryVest and the Committee. The Committee agreed to meet with them before making an investment decision.

METRO ATLANTA CHAMBER CLOSING UPDATE

Staff reviewed the legal requirements for the Metro Atlanta Chamber Building closing.

There being no further business, the meeting adjourned.

Respectfully submitted:

Approved:

Dale Aiken, Assistant Secretary

David Allman, Chair