

TRS Board of Trustees  
Minutes of Bi-monthly Meeting  
November 16, 2016

The Board of Trustees of the Teachers Retirement System of Georgia met in its bi-monthly meeting on November 16, 2016 at 10:30 a.m. in the 1<sup>st</sup> floor conference room, Two Northside 75, Atlanta, Georgia. Trustees present were Mr. J. Alvin Wilbanks, Chair, Ms. Anne S. Cardella, Dr. Wanda G. Creel, Ms. Marion R. Fedrick, Mr. Greg S. Griffin, Mr. Thomas W. Norwood, Ms. Deborah K. Simonds, and Dr. William G. Sloan.

TRS staff members present were Dr. L. C. Evans, Mr. Stephen J. Boyers, Mr. C. William Cary, Ms. K. Paige Donaldson, Ms. Lisa M. Hajj, Ms. Dina N. Jones, Ms. Laura L. Lanier, Mr. J. Gregory McQueen, and Ms. Alice R. Rafferty.

Ms. Annette Cowart and Ms. Shelley Seinberg were present as legal counsel.

Visitors in attendance were Mr. Rod Chatham, Mr. Sean DeVetter, Mr. Harold Grindle, Ms. Dawn Hamer, Mr. Jim Hayes, Ms. Mary Lester, Mr. Charlie Roberts, and Mr. Don Splinter.

Mr. Wilbanks called the meeting to order and thanked Mr. Norwood for his leadership at the September meeting.

Item 1

A motion was made by Dr. Creel to adopt the September 28, 2016, Board of Trustees meeting minutes and the Investment Committee meeting minutes for September 28, 2016, and October 26, 2016. Ms. Simonds seconded the motion. The motion was unanimously adopted.

Item 2

Dr. Evans introduced a new operational status report. The report was designed to show possible trends in the System. New retirements processed fiscal year-to-date were 1,772, which was very comparable to the 2016 fiscal-year-to-date total of 1,760. The November 1, 2016, benefit payroll had 119,038 retirees who received \$365,223,824 in benefit payments, with 98.3% of payments delivered via EFT. The November 1, 2016, benefit payroll had an economic impact of \$526 million. Membership statistics showed accounts in active status continued to increase. Dr. Evans presented information on web portal activity and internal workflow highlights for the months of September and October, 2016. Dr. Evans reported that Call Center operations showed incoming calls decreased from 17,715 in July, to 12,294 in October, and call wait times were reduced to approximately one minute.

Dr. Evans highlighted a few organizational initiatives for FY 2017. With the prior approval of the Board, the Call Center increased staffing by two additional employees. TRS successfully launched its social media presence on Facebook, Twitter and LinkedIn. Dr. Evans proudly announced TRS employees had contributed over \$3,000 to the State Charitable Contributions Program. The Storage Area Network (SAN) replacement project is scheduled for completion in December, 2016. TRS' network intrusion system detected over 2.2 million malicious scans to the network and 46 actual attempts to breach system defenses.

Item 3

Dr. Evans requested Mr. Boyers present the financial statements and expense fund. Mr. Boyers stated that as of October 31, 2016, assets restricted for pensions were \$66 billion. Contributions received during

September and October were less than the amounts paid each month for benefit payments. Mr. Boyers noted the importance of the investment income. The expense fund remains under budget. Year-to-date with 33.3% of the year completed, TRS has expended 30.2%. Ms. Simonds made a motion to approve the expense fund. Ms. Fedrick and Dr. Sloan seconded the motion. The motion was unanimously adopted.

Item 4

Mr. Griffin reported that the Audit Committee met and accepted the Independent Auditors' Report as of June 30, 2016. The System received a clean audit opinion. There were no errors, fraud or illegal acts and no significant deficiencies or material weaknesses in internal controls. The System's net position at June 30, 2016, was \$65.5 billion. The System's net pension liability was 76.06%, which was calculated using the fair market value of assets. Mr. Griffin complimented and thanked the staff for their excellent work on the System's financial statements. Dr. Evans recognized Ms. Lanier for her hard work on the yearly audit.

Item 5

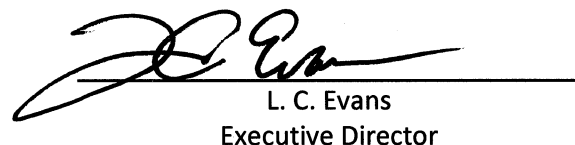
Mr. Wilbanks presented the proposed 2017 meeting schedule for adoption. The proposed meeting dates for May, July, November, and December were scheduled to accommodate year-end school activities, the NCTR Trustee Education Workshop, and the applicable holiday seasons. Dr. Creel made a motion to adopt the proposed 2017 meeting schedule. Mr. Griffin seconded the motion. The motion was unanimously adopted.

Other Business

1. Mr. Wilbanks congratulated Ms. Simonds on her appointment to the NCTR Executive Committee and welcomed Ms. Cardella to the Board.
2. Ms. Simonds provided an overview of the NCTR annual conference.
3. Mr. Wilbanks wished everyone a Happy Thanksgiving.
4. Dr. Sloan mentioned a situation with the State Health Benefit Plan where a retiree was coded deceased, but remained alive. Dr. Sloan inquired as to how TRS monitors retiree deaths and complimented the TRS Call Center on job well done responding to callers.

There being no further business to discuss, Mr. Wilbanks adjourned the meeting.

  
J. Alvin Wilbanks  
Chair

  
L. C. Evans  
Executive Director