

The Board of Trustees of the Teachers Retirement System of Georgia met in its bimonthly meeting on July 24, 2019, at 10:30 a.m. in the TRS conference room, Two Northside 75, Atlanta, Georgia. Trustees present were Mr. Thomas W. Norwood, Vice-Chair, Dr. Jason L. Branch, Ms. Anne S. Cardella, Mr. Greg S. Griffin, Ms. Lynnette T. Riley, Ms. Deborah K. Simonds, Dr. William G. Sloan and Mr. Christopher M. Swanson. Ms. Marion R. Fedrick participated via conference call.

TRS staff members present were Dr. L. C. (Buster) Evans, Mr. T. Randall Dennis, Mr. C. William Cary, Mr. Cory R. Buice, Ms. K. Paige Donaldson, Ms. Lisa M. Hajj, Ms. Dina N. Jones, Ms. Sonya M. Kinley, Ms. Laura L. Lanier, Mr. Jerry LeBlanc, Mr. J. Gregory McQueen and Ms. Vonnie B. Stewart.

Mr. Bryan Webb and Ms. Shelley Seinberg were present as legal counsel.

Visitors in attendance were Ms. Shelia Davis, Mr. Sean DeVetter, Ms. Cathy Everidge, Ms. Danielle Fluck, Ms. Natalie Heath, Ms. Shelia McCall, Ms. Kenyatte Mitchell, Mr. Dan Powers, Ms. Toni Smith, Mr. Don Splinter and Mr. Mike Wehunt.

Mr. Norwood called the meeting to order. Mr. Norwood welcomed Ms. Riley to her first TRS Board of Trustees meeting and Mr. Jerry LeBlanc attending on behalf of the LDIP program.

Item 1

Ms. Riley requested clarification on the May 15, 2019, board minutes in regards to the following: will the written motion presented to the members of the board by Mr. McCoy be part of the public record and are the audio recordings of all board meetings preserved by the TRS for public records. Mr. Norwood stated audio recordings are retained by TRS and will research the answer to the written motion as part of the public records. Ms. Simonds made a motion to adopt the May 15, 2019, Board of Trustees meeting minutes and the Investment Committee meeting minutes for May 15, 2019, and June 26, 2019. Dr. Branch seconded the motion. The motion was unanimously adopted.

Item 2

Dr. Evans provided an operational update for FY 2019. Work items, statistical data and updates for each division were reviewed. Financial Services Division received GFOA Certificate of Achievement for Excellence in Financial Reporting for FY 18. Web portal activity for FY 2019 showed 56,129 beneficiary changes processed, 44,251 member statement downloads and 34,724 benefit estimates completed. For FY 19, Communications conducted 4,053 counseling sessions and visited 120 counties. New service retirements decreased in FY 2019 compared to FY 2018: 6,289 to 6,450. Retirement Services Division processed for FY 2019 118,449 service retirees with benefit payroll of \$4.25 billion. Overpayment balance dropped around 25% for FY 2019. Ms. Simonds inquired as to what methods are being used in lowering overpayment balance. Dr. Evans stated a combination of vendor change, collaborations with other data sources and addition of one staff member have helped contributed to lowering the balance.

Item 3

Mr. Dennis reported on the financial statements, expense fund and Beta Building as follows:

- 3.1 Assets restricted to pensions were \$78.7 billion as of June 2019. Assets have increased 4.21% during FY 2019.
- 3.2 Mr. Dennis noted there was a 7.82% increase in contributions for FY 2019. Total contributions for FY 2019 \$3.26 billion. Change in net position for FY 2019 was \$3.18 billion, compared to \$4.22 billion in FY 2018.

- 3.3 The expense fund closed under budget for FY 2019. With the end-of-the year closing, TRS expended 90.5%. Ms. Simonds made a motion to approve the expense fund. Ms. Cardella seconded the motion. The motion was unanimously adopted.
- 3.4 The Beta Building report was provided for information.

Item 4

Dr. Evans presented the amended FY 2020 and proposed FY 2021 budgets. The FY 2019 amended budget reflects current assessment of needed resource increase of \$873,764 in order to achieve mission objectives. The recommended increase is primarily in support of compensation plan and DIS incentives. Also included are increased costs for video prediction to support increased outreach efforts, replacement of computers and monitors, redesign of member Guide booklet, employee training and development, actuarial fees due to experience study and purchase of new document folding/inserting equipment. There was a decrease in postage costs due to implementation of direct deposit for new retiree payments. These enhancements will be included as the continuation budget for Fiscal Year 2020. Dr. Branch made a motion to adopt the amended FY 2019 budget and FY 2020 budget as presented. Dr. Sloan seconded the motion. The motion was unanimously adopted.

Item 5

There being no further business to discuss, Mr. Norwood thanked members and visitors for being present and adjourned the meeting at 11:10 a.m.



Deborah K. Simonds
Chair



L. C. Evans
Executive Director