

The Board of Trustees of the Teachers Retirement System of Georgia met in its bimonthly meeting on September 25, 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, Ms. Marion R. Fedrick, Mr. Greg S. Griffin, Ms. Deborah K. Simonds, Dr. William G. Sloan and Mr. Christopher M. Swanson. Ms. Lynnette T. Riley participated via conference call.

TRS staff members present were Dr. L. C. (Buster) Evans, Mr. T. Randall Dennis, Mr. C. William Cary, Ms. Jennifer Alridge, Ms. Genethia Beasley, Ms. K. Paige Donaldson, Mr. Tim Gant, Ms. Candice Giles-Ussery, Ms. Lisa M. Hajj, Mr. Pierceman Hansberry, Ms. Surbrena Johnson, Ms. Dina N. Jones, Ms. Laura L. Lanier, Mr. Tyler Lanza, Mr. John Linskey, Ms. Ruby Lowe, Mr. Carlos Marshall, Mr. J. Gregory McQueen, Mr. Raj Modi, Ms. Tori Placona, Ms. Vonnie B. Stewart and Ms. Lisa Watry.

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

Visitors in attendance were Mr. Rod Chatham, Mr. Sean DeVetter, Ms. Natalie Heath, Mr. Jesse Hunter Mr. Dan Powers, Ms. Mary Sandberg, Ms. Karen Solheim, Mr. Don Splinter and Ms. Toni Smith.

Mr. Norwood called the meeting to order.

Item 1

Mr. Norwood announced the election of Chair and one Investment Committee member for FY 2020. The trustees voted by secret ballot. Dr. Evans counted the ballots and announced:

- 1.1 Ms. Simonds was elected to the position of Chair.
- 1.2 Ms. Riley was elected to the Investment Committee.

Item 2

Mr. Griffin made a motion to adopt the July 24, 2019, Board of Trustees meeting minutes and the Investment Committee meeting minutes for July 24, 2019, and August 28, 2019. Dr. Sloan seconded the motion. The motion was unanimously adopted.

Item 3

Dr. Evans welcomed guests and staff to the meeting. Dr. Evans announced TRS won the Governor's Plaque for the 2018-2019 Georgia State Charitable Contributions Program (GASCCP) campaign for the donation of \$23,984.13 and recognized and thanked the campaign committee members. The Executive Director's Operational Status Update was presented. Financial Services was awarded the Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association (GFOA). Communications' staff reached almost 10,000 members and visited 49 counties from July 1 – August 31st. Over 231,500 2019 Annual Membership Statements will be available online by October 11th. The September 1, 2019, benefit payroll showed 59% of retirees elected the maximum plan. There were 119,130 service retirees who received an average monthly benefit of \$3,347. Information updates for each division were reviewed.

Item 4

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

- 4.1 Assets restricted for pensions continued to increase and were \$78.2 billion as of August 31, 2019.

- 4.2 Total contributions received fiscal year-to-date as of August 2019, were \$555,940,685, up 12.7% from August 2018. Benefit payments made were \$859,985,286. Change in net position for period ending August 30, 2019, was -\$598,249,597.
- 4.3 The expense fund remained under budget. Year-to-date with 16.6% of the year completed, TRS has expended 14.4%. Ms. Cardella made a motion to approve the expense fund. Mr. Swanson seconded the motion. The motion was unanimously adopted.

Item 5

Ms. Lisa Watry and Mr. Carlos Marshall provided an update on TRS' Strategic Plan. Strategic plan highlights included: outstanding balance of overpayments decreased by 16.81%, while outstanding annual additions reduced by 48.96%; new retiree on-time processing rate for FY 19 is 98.05%; number of online accounts for retirees increased by 30% from June 2018 to June 2019, with 49% of retirees now having online accounts; time to process online disability retirements has been cut in half; and first State of the Agency address by Dr. Evans was presented to all staff.

Item 6

Mr. McQueen demonstrated Residency Maps feature on the TRS website create to digitally demonstrate the present economic impact of TRS members and retirees in Georgia's cities, counties and legislative districts. Mr. McQueen recognized Tyler Lanza, John Linskey and Raj Modi for their hard work on this project.

Item 7

Dr. Evans presented the corrected FY 2019 maximum percentage increase allowed for the two-year salary calculation. Based on additional information received by the Department of Education, the average annual increase is 6.65% due to the \$3,000 raise granted K-12 teachers by the Governor and General Assembly. In accordance with O.C.G.A. § 47-3-120(d), Dr. Evans recommended the salary increases allowable for the calculation of retirement for FY 2019 be set as follows:

Employees of the Board of Regents	2.50% (0.00% + 2.50%)
All Others	9.15% (6.65% + 2.50%)

Dr. Sloan made a motion to adopt the corrected recommended maximum percentage salary increase for FY 2019. Dr. Branch seconded the motion. The motion was unanimously adopted.

Item 8

Dr. Evans presented the FY 2021 budget for final adoption. The budget was adopted on July 24, 2019, and submitted to the Governor's Office of Planning and Budget by the September 1, 2019, deadline. There were no changes to the budget. Mr. Swanson made a motion to adopt the FY 2021 budget. Mr. Griffin seconded the motion. The motion was unanimously adopted.

Item 9

Dr. Evans presented for approval the appointment of Dr. Quentin R. Pirkle, Jr. and Dr. Howard A. McMahan to the TRS Medical Board. Replacing Dr. Azar, Dr. Pirkle is a highly qualified Primary Care Physician with 36+ years of medical experience. TRS staff is recommending expanding the medical board to seven physicians due to the increase number of members submitting medical documentation pertaining to neck, back and spinal issues. Dr. McMahan is a board-certified orthopedic surgeon affiliated with multiple hospitals in the Atlanta area. Both physicians are currently providing service to the Employees Retirement

System of Georgia. Mr. Griffin made a motion to appoint Dr. Pirkle and Dr. McMahan to the TRS Medical Board. Ms. Cardella seconded the motion. The motion was unanimously adopted.

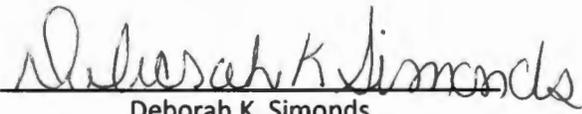
Item 10

Dr. Evans provided an update on the latest correspondence from the Attorney General's Office regarding the ORP payment to TRS.

Item 11

Ms. Simonds announced the Board would enter into executive session for a personnel discussion. Mr. Swanson made a motion to enter into executive session. Ms. Fedrick seconded the motion. Trustees Branch, Cardella, Fedrick, Griffin, Norwood, Simonds, Sloan, and Swanson unanimously adopted the motion. The Trustees entered executive session at approximately 11:20 a.m. Mr. Webb and Ms. Steinberg remained for the executive session. Ms. Simonds called Dr. Evans into the executive session at approximately 12:00 p.m.

The Board returned to open session. There being no further business to discuss, Ms. Simonds adjourned the meeting.



Deborah K. Simonds
Chair



L. C. Evans
Executive Director