

**Fulton County Schools Employees' Pension Fund
Pension Board
Minutes
February 20, 2019**

The Fulton County Schools Employees' Pension Fund Pension Board ("Pension Board") met in regular monthly meeting on February 20, 2019 at 2:00pm at North Learning Center, 450 Northridge Parkway, Sandy Springs, GA 30350.

Pension Board members present were: Mr. Robert Morales, Dr. Cynthia Loe, Mr. Robert (Sam) Ham, Mr. Ronnie Wade, Mr. Stuart Berry, Mr. Ferman Estrada and Mr. John Anderson.

Absent Pension Board members: Dr. Natalie Lambright

Dr. Cynthia Loe, *Interim* Superintendent served as Chair (non-voting) of the meeting. Mr. Robert Morales, Chief Financial Officer served as secretary of the meeting.

Present ex officio: Ms. Greta Tinaglia, Executive Director of Accounting and Retirement Services.

Also present were: Ms. Kathy Solley & Ms. Cheryl Shaw, Nelson Mullins Riley & Scarborough, LLP; Ms. Ersula May, Retirement Services Coordinator; Mr. Rierre Robinson, Financial Analyst; Mr. John Hagan, SEI Investments; Mr. Douglas Moses, Mauldin & Jenkins; Ms. Michelle Boyles, Milliman; Ms. Rachel Hardy, Videographer; Mr. Jevon Thompson, Tech Support Contractor.

Call to Order

The Chair called the meeting to order and, at his request, Mr. Robert (Sam) Ham led the Pledge of Allegiance.

Action Items

a. Approval of Agenda

The Chair noted that a copy of the Agenda had been provided to Pension Board members in advance of the meeting and was posted on the website.

A motion to approve the Pension Board Agenda for the February 20, 2019 meeting was made by, Mr. John Anderson seconded by Mr. Ferman Estrada, and unanimously approved.

b. Approval of minutes of January 10, 2019 meeting

The Chair noted that the Pension Board members had been provided with a copy of the minutes of the January 10, 2019 meeting in advance of this meeting. He also noted that when minutes are approved, they will be available for public review on the Retirement Services website.

A motion to approve the January 10, 2019 minutes was made by Mr. Ronnie Wade, seconded by Mr. Stuart Berry, and unanimously approved.

Reports

a. Pension

At the request of the Chair, Ms. Ersula May, Retirement Services Coordinator, presented the monthly pension payroll report for January 31, 2019.

b. Treasurer Report

At the request of the Chair, Ms. Greta Tinaglia, Executive Director of Accounting and Retirement Services presented the report of the Plan's Income and Expense Statement for periods ending December 31, 2018, and the Balance Sheet as of December 31, 2018. She responded to any questions raised by the Pension Board members.

c. Investment Performance

At the request of the Chair, Mr. John Hagan of SEI Investments presented the 4th Quarter 2018 Portfolio Review of Fulton County School Employees Pension Fund which included a report of the plan's investment performance for the period ended December 31, 2018. Returns for period ending December 31, 2018 were -6.18% year to date, being below the benchmark index of -5.17%. He also provided the portfolio's performance through January 31, 2019. The portfolio rebounded significantly in January 2019 with returns of 5.96% YTD compared to the benchmark of 5.82%, recouping much of the decline experienced in the 2018. Mr. Hagan answered questions from the Board members.

d. Annual Financial Report

At the request of the Chair, the 2018 auditor's discussion and analysis report was presented by Douglas Moses, CPA, of Mauldin & Jenkins. A "clean" opinion was issued on the Pension Fund's basic financial statements, which can be found in the annual audit report dated December 20, 2018. There were no significant issues that may have affected the risk of material misstatement of the financial statements or warrant a finding or management responses.

e. Actuarial Valuation

At the request of the Chair, Ms. Michelle Boyles, FSA, EA, MAAA, Consulting Actuary of Milliman presented the results of the 2018 actuarial valuation. The results of the valuation indicate an improved funded ratio of 82.5% for the fiscal year 2018 from the prior year's 80.0%, with projected achievement of a full funding level by 2024. The plan will require an annual required contribution of \$23 million during fiscal year 2019 and has actuarial assets totaling \$419.8 million on hand at end of fiscal year 2018 and an actuarial liability of \$508.8 million. Ms. Boyles responded to all questions raised by the Pension Board members and Greta Tinaglia, Executive Director of Accounting and Retirement Services.

Mr. Moses, Ms. Boyles and Mr. Robinson exited the board room.

Executive Session

A motion to adjourn to Executive Session to discuss investment securities and portfolios, personnel and other matters as permitted by law and to return to public session at the conclusion of the Executive Session was made by Mr. Ferman Estrada, seconded by Mr. John Anderson and unanimously approved.

The Pension Board adjourned to Executive Session at 2:58pm and returned to public session at 3:22pm.

No actions were taken in the Executive Session that would require approval by the Board.

Adjournment

With no further business, the meeting was adjourned at 3:22pm.



Ersula May for Robert Morales, Pension Board Secretary

Exhibits to Minutes:

FY19 2nd Quarter Treasurer Report

CY18 4th Quarter Investment Performance Review

FY18 Annual Pension Financial Audit

FY18 Actuarial Valuation Report

Next scheduled meeting: March 13, 2019 | North Learning Center School, 450 Northridge Parkway, Sandy Springs, GA 30350