

**Fulton County Schools Employees' Pension Fund  
Pension Board  
Minutes  
May 12, 2021**

The Fulton County Schools Employees' Pension Fund Pension Board ("Pension Board") met in regular quarterly meeting on May 12, 2021 at 2:01pm at South Learning Center, 4025 Flat Shoals Rd., Union City, GA 30291.

Pension Board members present: Mr. Marvin L. Dereef Jr., Ms. Lisa Sutton, Mr. Ronnie Wade, Mr. Ferman Estrada, Mr. Stuart Berry, Mr. John Anderson & Dr. Looney.

Absent Pension Board members: Mr. Robert (Sam) Ham

Dr. Looney served as Chair of the meeting. Mr. Marvin L. Dereef, Chief Financial Officer served as secretary of the meeting.

Absent ex officio: Ms. Suzanne Hatfield, Executive Director of Accounting & Retirement Services.

Also present were: Ms. Kathy Solley & Ms. Cheryl Shaw, Nelson Mullins Riley & Scarborough, LLP; Mr. Rierre Robinson, Retirement Coordinator; Mr. Maurice Roebuck, Financial Analyst for Retirement Services; Mr. Andrius Maddox, Financial Analyst for Retirement Services; Mr. Calvin Datrice, Retirement Services Specialist; Ms. Fredrica Jones, Retirement Services Specialist; Mr. John Hagan, SEI Private Trust Company Mr. Randy Stewart, Communications Manager; Mr. Mohammad Jomaa, Communications Specialist.

**Call to Order**

The Chair called meeting to order and, at the Chair's request, Mr. John Anderson 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 May 12, 2021 meeting was made by Mr. Ronnie Wade, seconded by Mr. Stuart Berry, and was unanimously approved.*

**b. Approval of February 11, 2021 Meeting Minutes**

The Chair noted that Pension Board members had been provided a copy of the minutes of the February 11, 2021 meeting in advance of this meeting. He also noted that all approved minutes will be available for public view on the Retirement Services website.

*A motion to approve the February 11, 2021 minutes was made by Mr. Ferman Estrada, seconded by Mr. Stuart Berry and unanimously approved.*

**c. Approval of the FY 2022 Pension Board Meeting Schedule**

*A motion to approve the FY 2022 Pension Board Meeting Schedule was made by Mr. Ronnie Wade, seconded by Mr. John Anderson, and unanimously approved.*

**d. Approval of recommendation to adopt and formalize plan amendments and interpretations into a single restated document**

At the request of the Chair, Ms. Kathy Solley of Nelson Mullins Riley & Scarborough, LLP presented this information. She reviewed the history of plan interpretations and how the proposed plan amendment formally incorporated the interpretations into the plan document for the ease of administrators and participants. Ms. Solley responded to all inquiries from Board members.

*A motion to recommend to the Board of Education approval of the Second Amendment to the Plan was made by Mr. Ferman Estrada, seconded by Mr. John Anderson, and unanimously approved.*

**Reports**

**e. Pension Payroll Report**

At the request of the Chair, Mr. Maurice Roebuck, Fiscal & Community Services Analyst for Retirement Services, presented the monthly pension payroll report for February, March, and April 2021.

**f. Treasurer's Report**

At the request of the Chair, Mr. Marvin Dereef, Chief Executive Officer, presented the Treasurer's Report for the period ending March 31, 2021.

**g. Investment Performance Review**

At the request of the Chair, Mr. John Hagan of SEI Investments presented the 1st Quarter 2021 Portfolio Review of Fulton County School Employees' Pension Fund which included a report of the Plan's investment performance for the period ending March 31, 2021. The 1<sup>st</sup> Quarter reflected total assets of \$513,990,081. As of the close of the market on May 11, 2021, the assets increased to \$528,000,000. The 1<sup>st</sup> quarter return was 2.6%. The Fiscal year to date return (July 01, 2021, through March 31, 2021) was 21%. The 1-year return was up 40% recovering from the economic downturn in 2020. The plan has appreciated 10% per year since inception, performing above the expected return set by the Pension Board and Plan

Actuary. Mr. Hagan noted that a previously identified concentration risk resulting from the performance of 5 major stocks -- Tesla, Amazon, Microsoft, Facebook, Netflix--, has since been reduced due to an increase in performance in a broader number of stocks in the portfolio and US equities index. Plan assets increased \$25 million since the February Pension Board meeting. Mr. Hagan noted that the underlying managers that execute the investment strategies for the Plan are continuously evaluated and upgraded as needed. Mr. Hagan further explained that 60% of the Plans portfolio is in equities that performed well in the 1<sup>st</sup> quarter. He continued the review by providing SEI's review of the world. SEI is optimistic the COVID Vaccine will increase participation in US economy in industries that remain in operation in a reduced capacity, such as hospitality. Economic growth will continue to remain strong, and is currently at 6.5%, partly due to the stimulus legislation. Mr. Hagan noted that there is some concern that the Federal Reserve may keep rates too low for too long and, that will force them to raise rates to smooth the economic growth. Lastly, Mr. Hagan discussed the asset allocation rings, and stated that the Plan is within 2% of the specified asset allocation with the exception of the Alternative Investments. Mr. Hagan responded to all inquiries from Board members and Ms. Greta Tinaglia, the Executive Director of Risk Management.

### **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. Ronnie Wade and unanimously approved.*

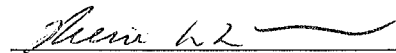
The Pension Board adjourned to Executive Session at 2:40pm and returned to public session 3:15pm.

*A motion to approve the recommendation to the Board of Education to appoint Mr. Stuart Berry for serving on the Pension Board effective June 1, 2021 discussed in Executive Session was made by Mr. Ferman Estrada seconded by Ms. Lisa Sutton and unanimously approved.*

### **Adjournment**

*With no further business, the meeting was adjourned at 3:20pm.*

Pension Board meeting schedule along with links to the Pension Board Meeting video will be available on the Retirement Services Website.



Rierre Robinson for Marvin L. Dereef Jr., Pension Board Secretary

Exhibits to Minutes:

March 31, 2021 Investment Performance Review

March 31, 2021 Treasurer's Report

Pension Payroll Report (February, March, & April 2021)

Plan Amendment No. 2, 2020 Annual Financial Review

FY 2022 Pen

Next scheduled meeting: August 18, 2021 South Learning Center, 4025 Flat Shoals Rd. Union City, Ga. 30291