

The Board of Trustees of the Teachers Retirement System of Georgia met in its annual meeting on May 12, 2021, at 10:30 a.m. via in person and Webex Video/Audio Conference. Trustees present in person were Ms. Deborah K. Simonds, Chair, Mr. Kenneth Dyer and Mr. Thomas W. Norwood. Trustees participating via Webex were Dr. Jason L. Branch, Ms. Marion R. Fedrick, Mr. Steven N. McCoy, Ms. Miriam M. Shook and Mr. Christopher M. Swanson.

TRS staff members present were: Dr. L. C. Evans, Ms. Laura L. Lanier, Mr. Winston C. Buckley, Mr. R. Cory Buice, Ms. K. Paige Donaldson, Mr. Eddy A. Hicks, Ms. Dina N. Jones, Ms. Sonya M. Kinley, 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. Stephanie Bezuidenhout, Mr. Sean DeVetter, Mr. Cyril Espanol, Mr. John Garrett, Mr. David Harris, Ms. Natalie Heath, Ms. Emily Jones, Mr. Ed Koebel, Mr. Dan Powers, Ms. Toni Smith, Ms. Karen Solheim and Mr. Don Splinter.

Ms. Simonds called the meeting to order and welcomed board members, staff and visitors to the meeting. Ms. Simonds welcomed new Trustee Ms. Miriam M. Shook from Oconee County Schools to the Board and congratulated Ms. Fedrick and Mr. Swanson on their reappointments.

Item 1

Mr. Norwood made a motion to adopt the March 24, 2021, Board of Trustees meeting minutes and the Investment Committee meeting minutes for March 24, 2021, and April 28, 2021. Mr. Dyer seconded the motion. The motion was unanimously adopted.

Item 2

Dr. Evans presented an operational update. Information Technology provided data on number of staff working remotely and peak connection times. Communications Division conducted 37 events reaching 44 counties with 5,528 attendees and also released podcast episodes 12 and 13. Human Resources Division registered and assigned divisional agency board training to all trustees using the Learning Management System (LMS). The May 1, 2021, benefit payroll showed there were 137,034 service retirees who received an average monthly benefit of \$3,425, with a monthly total benefit payroll of \$451 million. The Maximum Plan remained the most elected by retirees at 58%. Work items processed, detailed statistical information and updates for each division were reviewed.

Item 3

Ms. Lanier reported on the financial statements and expense fund as follows:

- 3.1 Assets restricted for pensions were \$100.5, a \$23.4 billion (30.4%) increase from April 2020.
- 3.2 Total contributions recognized year-to-date as of April 30, 2020, were \$2.8 billion while benefit payments made were \$4.5 billion.
- 3.3 The expense fund remained on target with normal operations. Year-to-date with 83.0% of the year completed, TRS has expended 76.9%. Mr. Norwood made a motion to approve the expense fund. Mr. Dyer seconded the motion. The motion was unanimously adopted.

Item 4

Dr. Evans highlighted a few bills seen during this legislative session that may return in future sessions. The legislative report was provided for information.

Item 5

Dr. Evans presented the FY 2022 maximum percentage increase allowed for the two-year salary calculation. Based on the information received from the Board of Regents and the Department of Education and 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 2022 be set as follows:

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

Mr. Norwood made a motion to adopt the recommended maximum percentage salary increase for FY 2022. Mr. Dyer seconded the motion. The motion was unanimously adopted.

Item 6

Mr. John Garrett from Cavanaugh Macdonald Consulting presented the results of the June 30, 2020, actuarial valuation. The market value investment return was 5.42% for FY 2020, which is 1.83% below the assumed rate of return. The funded ratio was 76.2%. The increase in unfunded actuarial accrued liability (UAAL) is primarily due to salary increases more than anticipated and valuation asset growth less than expected. There was a 2.1% increase in active membership and 7.2% increase in payroll.

The actuarial valuation indicated FY 2023 contribution rates of 6.00% for the employee rate and 19.98% for the employer rate would be sufficient to support the benefit of the System in accordance with the Board's funding policy. Mr. Dyer made a motion to accept the June 30, 2020, actuarial valuation. Mr. Norwood seconded the motion. The motion was unanimously adopted.

Item 7

Ms. Simonds called for a motion to adopt the FY 2023 employer contribution rate of 19.98% and the employee contribution rate of 6.00%. Mr. Dyer made a motion to adopt the rates. Mr. Norwood seconded the motion. The motion was unanimously adopted.

Item 8

Ms. Simonds announced the current term for the position of a retiree of the Teachers Retirement System held by Ms. Deborah K. Simonds would expire on June 30, 2021. Ms. Simonds presented information on the position and called for a motion. Dr. Branch made a motion to re-elect Ms. Deborah K. Simonds to the Board of Trustees. Mr. Norwood seconded the motion. The motion was unanimously adopted.

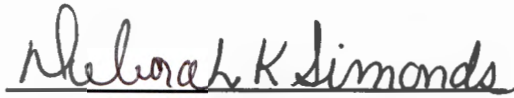
Item 9

- 9.1 The Trustees voted by ballot. Ms. Simonds was re-elected as Chair.
- 9.2 The Trustees voted by ballot. Mr. Norwood was re-elected as Vice-Chair.
- 9.3 The Trustees voted by ballot. The following Trustees were elected to the Investment Committee: Branch, Fedrick, Griffin, Norwood, Simonds and Sloan.

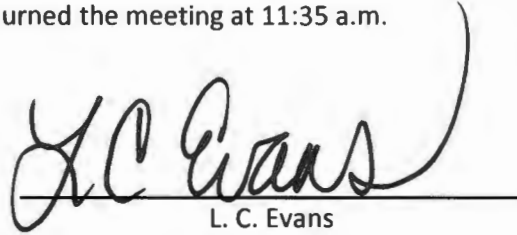
Item 10

Ms. Simonds presented the FY 2022 committee assignments for adoption. Mr. Norwood made a motion to adopt the committee assignments as presented. Mr. Dyer seconded the motion. The motion was unanimously adopted.

There being no further business to discuss, Ms. Simonds adjourned the meeting at 11:35 a.m.



Deborah K. Simonds
Chair



L. C. Evans
Executive Director