



FCERS: Pension Board

NOVEMBER 9, 2022

Submitted by:

Wanda Messina, Retiree Trustee, Position # 10
E.A. (Skip) Platt, Retiree Trustee, Position # 6
Gary Stiles, Retiree Trustee, Position # 7
Andrew Stephens, Active Trustee, Position # 8
Elaine Greer, Retiree Trustee, Position # 9

Pension Board meetings continue to be teleconferenced via Zoom. The next meeting will be December 14, 2022.

- Minutes of the October 12, 2022, meeting were ratified.
- The Board approved **6** new pension applications:

Dream: Minnie Manuel
Mental Health: Parrish Surry
Sheriff: Barron Ross
Superior Court: Tammie Brooks,
Beneficiaries: Brenda Broadwell, Marguerite Copeland, Simmie Thrower

- Andrew Stephens, Active Trustee in Position # 8, was sworn in. He had no opposition in his election, so will continue to serve. His term will end June 30, 2025.
- A report was given that it is the period of time that employees can transfer their funds from the Defined Benefit Plan to the Defined Contribution Plan, and one employee has elected to make this transfer. The value calculation was completed by Segal and funds for the employee will be transferred.
- Disability certification letters have been mailed to all retirees receiving disability pensions. All certifications must be returned in order for the disability pension to continue.
- John McCarthy, Chair of the Investment Committee, reported that the Committee heard a presentation from one of our U. S. Large Cap Growth Fund money managers. Their returns have been in the negative this year, but their 3-year, 5-year, and 10-year returns have been significant positive returns. The company reviewed with the Committee the decisive action they have taken to position the portfolio for future return potential. NEPC also gave their flash report, which is further outlined below.
- Keith Stronkowsky, NEPC, presented the quarterly report on our Plan. As of September 30, 2022, the assets totaled **\$1.22 billion**. Our equity allocation is 65.7% which is slightly below the target of 68%. The fixed income allocation is 28.5%, which is above our target of 27%. The asset return performance was **-5.6%**. The fund was at a **-19.4%** for the one-year period ending September 30, 2022. For the three-year period through September 30, 2022, the returns were **2.4%**, and the five-year period returns were at **4%**. Our strongest returns came from bank loans, which returned **1.2%** for the quarter. The weakest returns came from all our international equity composites.

- Bryce Riddle reported a fund balance of **\$1,240,760,904** as of **September 30, 2022**. Fulton County has contributed **\$50,566,517** as of the same date.
- Bryce Riddle reported that there are currently **3,085** retirees, and **101** active employees in the Defined Benefit plan (**14** of those are fully vested).
- E. A. "Skip" Platt reported that an election will take place between the dates of March 27 to April 14, 2023 for Trustee Position # 10 (Retired Employee) and Trustee Position # 7 (Retired Peace Officer). Both these positions expired June 30, 2022, but the election delay has occurred in order to set a time compliant with the needs of the Pension Office and their ability to deal with paperwork associated with conducting the election.
- The following **5** retirees were reported as deceased since the last meeting:

<u>Dream:</u>	James Knight
<u>Family & Children Services:</u>	Mary Powell
<u>Library:</u>	Annie Cook
<u>Sheriff:</u>	Veronica Frazier
<u>Superior Court:</u>	Jack Thompson

- As previously discussed, the Fulton County Employees' Retirement System has completed a compliance audit to ensure proper calculations of pension payments. As a result of the audit completion, a motion was made to proceed with notifying applicable retirees of the recalculation of their pension amount. Approval was given to process payrolls for January 1, 2023, with the revised calculations. Any retiree that has been **underpaid** will receive payment of the difference due to them, plus interest, for a period going back six years, as provided in State Law, and in compliance with how this type of issue has been handled in the past. Any retiree that has been **overpaid** will receive the recalculated amount in their January check, and they **will not be expected** to pay back any of the overpayments. Letters will be mailed to each retiree which will reflect the information about any change in pay.

Meeting adjourned.