

**Fulton County Schools Employees' Pension Fund
Pension Board
Minutes
September 12, 2018**

The Fulton County Schools Employees' Pension Fund Pension Board ("Pension Board") met in regular monthly meeting on September 12, 2018 at 2:03pm at North Learning Center, 450 Northridge Parkway, Sandy Springs, GA 30350.

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

Absent Pension Board members: none

Dr. Jeff Rose, 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; John Hagan, SEI Investments; Mr. Jevon Thompson, Tech Support and Ms. Rachel Hardy, Videographer.

Call to Order

The Chair called the meeting to order and, at his request, Mr. Ferman Estrada 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 September 12, 2018 meeting was made by, Dr. Natalie Lambright, seconded by Mr. Stuart Berry, and unanimously approved.

b. Approval of minutes of July 12, 2018 meeting

The Chair noted that the Pension Board members had been provided with a copy of the minutes of the July 12, 2018 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 July 12, 2018 minutes was made by Mr. Ferman Estrada, 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 consolidated pension payment report for the months of July and August 2018.

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 June 30, 2018, and the Balance Sheet as of June 30, 2018. The actual net income of \$21.5 million is favorable compared to the budget of \$15.9 million. Revenues totaled \$55.6 million which represents 100% employer contributions received and investment returns of \$31.2 million. Investment returns are generating majority of the plan's funding. Although benefit payroll payments were higher than projected, the total administrative fees of \$1.7 million were slightly below budget of \$2.5 million. She also noted the plan has an expected negative cash flow when comparing revenue from pension contributions to the plan (excluding investment returns) against benefit payments to pensioners. The shape of the plan is expected to continue to change. 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 2018 Investment Portfolio Review of Fulton County School Employees Pension Fund which included a report of the plan's investment performance for the periods ended June 30, 2018 and July 31, 2018. As of July 31, 2018, the 1 year return was 8.41 against the 7.98 blended benchmark. He noted that SEI conducted a study to re-evaluate existing target allocations and will present recommendations prior to the end of the year. He provided SEI administrative updates, SEI's view of the recent market volatility and responded to any questions raised by the Pension Board members and Greta Tinaglia, Executive Director of Accounting and Retirement Services.

Executive Session

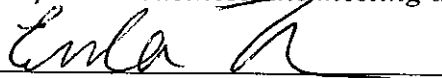
A motion to adjourn to Executive Session to discuss investment securities and portfolios, personnel and other matters as permitted by law and to return to public session at the conclusion of the Executive Session was made by Mr. Robert Sam Ham, seconded by Dr. Natalie Lambright and unanimously approved.

The Pension Board adjourned to Executive Session at 2:32 pm and returned to public session at 2:42pm.

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 2:42pm.



Ersula May ~~for Robert Morales~~, Pension Board Secretary

**Exhibits to Minutes:
Investment Portfolio Review as of July 31, 2018**

Next scheduled meeting: October 11, 2018 | North Learning Center School, 450 Northridge Parkway, Sandy Springs, GA 30350