



TRS Report ● March 23, 2022
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Chairperson Debbie Simonds called the meeting to order at 10:30. The chair recognized Mr. Bill Cary, the Chief Investment Officer of the Division of Investment Services for having served the TRS Board for 50 years.

The [minutes for January 26, 2022, meeting](#) were approved.

Dr. Buster Evans, TRS Executive Director, then introduced the Executive Director's Operational Status Report.

The [Financial Services Division](#) had a very busy two months with tax season reports to the IRS and the Georgia Department of Revenue (DOR). They also issued 1099 Forms where needed. The division also had recalculations to be done, annual cash flow forecasting to be sent to the Division of Investment Services and an annual review of building and property values for insurance purposes. They also were doing conversions with Suntrust Bank to Truist Bank and with Bank of America.

[Information Technology](#) reported a wide variety of self-service requests (in lieu of calling in). The greatest volume was for beneficiary changes and active member statement downloads. The IT Division also continued its vigilance in the areas of cyber security. There were over 525,000 malicious scans and over 435,000 network attacks on the TRS in the first two months of 2022. The vast majority of the attacks were generated domestically here in the United States. The website received nearly 400,00 visits in the new year. Besides logging in and visiting the home page, the greatest volume was on the pension-calculation page. Most members use a desktop computer. Geographically almost all visits were in the USA, and most of those were in Georgia, and about half were from the Atlanta metro area.

[Communications and Outreach](#) was primarily an accounting of meetings with members: 589 counseling sessions, 43 events in 34 counties, and 3257 attendees (virtual and in-person). In-person sessions are trending upward from 47 percent in October last year to 62 percent this past February.

Communications and Outreach now has podcasts and TRS videos that explain and highlight the many aspects of retirement and of TRS. The TRS Facebook page and YouTube channel are attracting more viewers each month, and they are each one of the highest viewed retirement social media outlets in the nation.

[Human Resources](#) is an internal division for TRS employees, reporting 5 new hires, 13 promotions, training classes, and an incredibly low turnover rate of a mere .66 percent this year among 152 employees. Dr. Evans also highlighted the contributions that TRS has given to the state's charitable giving program: over \$49,000 in 2021. He cited several programs that are in various stages of development.

[Contact Management](#) had a difficult two months as this is the time of year for many call-ins from members asking about retirement and pension options. The hold times were considerably elevated from late last year due to the sheer volume of calls. Dr. Evans reassured the Board

that while somewhat disappointing with a return to normal numbers of calls per month and some training, the numbers were only temporary.

Employer Services essentially accounts for employer files and member items that are reported each month.

Member Services is a bit more active. They do everything from calculating estimated benefits when requested (a little over 1300 this year) to refunds to counseling visitors in the Atlanta and Macon offices. This division also tracks the number of active members (282,230) and retired members (141,148), both figures are for February 2022.

Retirement Services had the usual statistics such as unused sick leave adjustments and total visitors. Recent retirees (58 percent) continue largely to select the Maximum Plan. The statistics were listed reflect little change from month to month. On March 1, the following were listed:

- 226,616 service retirees
- average monthly benefit of \$3487
- average years of service credit—25.63
- average age at retirement is 59
- total benefit payroll was \$473.5 million.

Overpayments continue to be reclaimed at a higher rate; the balance now stands at \$6,327,176.40. Part-time and full-time employment plummeted in February 2022. Full-time had spiked up in January to 62 from 22 in December but returned to very near the December level in February: 20. A similar drop in numbers occurred for part-time employment, going from 483 in January to 355 in February. The reason for these drops is not readily apparent. Auto approvals for return-to-work submissions continue to be very popular with employers. The mortality rates for retirees continue to drop as Covid 19 and its variants continue to be controlled through vaccinations and safe habits. A very full report was submitted as an agenda item later in the meeting, and there will be a link provided for those who would like to see the entire mortality report. There were no questions following the Operational Status Report.

After the Director's report, Dr. Evans made several additional remarks regarding the May TRS annual Board meeting during which the Actuarial Valuation Report would be discussed. He noted among those items that the Board members might want to be focused on were the assumed rates of return that probably would be needed to be lowered to 7 percent and the TRS actuarial standards, which include the amortization schedules that would probably require adjustments.

Financial Statements. The most noteworthy part of the Financial Report was that the total investments and net position of the TRS Fund were down from their peaks of last year, but both are currently up for FY 2022. The volatility of the markets due to international events and the nation's inflationary trends are the main factors in that volatility.

Discussion and Adoption of FY Amended Budget and FY 23 Budget. Financial Services explained that due to \$5000 COLAs to each employee and the associated benefits, the increase storage project for FileNet and the decrease in state funds for Floor and COLA funds for local system employees that FY 2022 would need an additional \$3 million. Both budgets were then adopted by the Board.

Legislative Update. Only two bills were noted by Dr. Evans. HB 385, awaiting the governor's signature, will allow retirees (teachers only, no administrators) to return to full-time employment in

critical areas as defined by RESA districts. SB 267 originally would have allowed TRS members to change beneficiaries more simply, but that provision was removed. The bill remained in the Senate.

Strategic Plan Update. Once again the strategic plan has been shown to be a working document for the TRS.

Member Mortality Rates. This very comprehensive and detailed look at mortality rates, particularly among educators and how the pandemic has affected those rates in recent years, also suggests how the rates might impact system funding in the future.

Georgia State Contributions Program Awards. As alluded to above in the Director's Report, Dr. Evans has been exceptionally proud of how the TRS and the limited number of employees have responded to the charitable drives of the past several years. They have received certificates of recognition for the past 4 years for units with 100 to 500 employees. After some discussion of where to display the awards, the meeting was adjourned.

Respectfully submitted,

Dan Powers
Chair, TRS Monitoring Committee
GAE-Retired