

Georgia Firefighters' Pension Fund

February 19, 2018

The Honorable J. Nathan Deal,
Governor

The Honorable Paul Battles,
Chairman, House Retirement Committee

The Honorable Ellis Black,
Chairman, Senate Retirement Committee

Gentlemen:

In accordance with the provisions of O.C.G.A. § 47-7-127(e)(5) and O.C.G.A. § 47-20-87(f)(5), this is to provide you with the required annual report on the performance of our alternative investments. As of December 31, 2017, the Trustees have made commitments totaling fifty eight million five hundred thousand dollars (\$58,500,000) with three different managers, the first which was placed in June 2011, and periodically thereafter. The breakdown by strategy is as follows:

Fund Type	Committed	Cash Called	Remaining Uncalled Commitments	Distributions from General Partner	Valuation
Secondary	10,000,000	5,425,000	4,575,000	3,731,766	4,178,155
Buyout	8,000,000	5,380,000	2,620,000	2,741,170	5,158,906
Credit	2,500,000	1,625,000	875,000	816,148	1,413,740
Venture	3,000,000	2,655,000	345,000	1,014,167	2,814,489
Emerging Markets	10,000,000	4,600,000	5,400,000	-	6,308,806
Blend	25,000,000	14,459,429	10,540,571	5,769,764	14,560,613
Totals	58,500,000	34,144,429	24,355,571	14,073,015	34,434,709

As of 12/31/2017, the Fund has provided a total of \$34.1 million to nine Partnerships to purchase and/or provide financing to private companies. The Fund has received approximately \$14.1 million in distributions back from the Partnerships. The remaining portfolio of private companies the Fund owns through the Partnerships is valued at approximately \$34.4 million. In short, the Fund has spent \$34.1 million to receive \$48.5 million of value. As of 9/30/2017, the internal rate of return on the cash invested in these strategies since inception is 17.3%.

This will also confirm that the aggregate of the funds so invested is within the limitations of the law as specified in O.C.G.A. §§ 47-7-127(d), and 47-20-87(f)(5).


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In accordance with O.C.G.A. § 47-20-87(f)(5), this report will be posted on the Fund's website.

If you have any questions regarding the Fund's alternative investments, or wish to discuss them or any of the Fund's other investments or operations, please do not hesitate to contact me.

Thank you for your continued support of the Fund and the firefighters whom we serve.

Sincerely,



C. Morgan Wurst
Executive Director

cc: Ms. Yvonne Turner, Trustee
Mr. Timothy S. Milligan, Trustee
Mr. Kerry J. Cook, Trustee
Mr. M. Dwayne Garriss, Trustee
Mr. R. Lee Todd, Trustee