

**MINUTES OF BOARD OF COMMISSIONERS OF
THE SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA**

April 23, 2008

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held in Griffin, Georgia at the office of the Peace Officers' Annuity and Benefit Fund on April 23, 2008 at 10:00 a.m.

Present for the meeting in person were Commissioners Caldwell and Williams, as well as Bob Carter, Woodson Daniel, Jeffrey Groves and Sam Oliver. Present by conference call during action items in the meeting were Commissioners Peterson and Glass. Commissioner Osborn was also present briefly by conference call, but unable to join for the full meeting because of technical problems with the phone system.

The minutes of the meetings of January 23rd, February 25th, March 6th, March 14th and March 20th were all approved as submitted on motion by Williams, seconded by Peterson, with the exception of a correction to the minutes of February 25th to reflect that Commissioner Peterson was present at that meeting, but had not been officially sworn in at that time.

The Chair then called on Jeffrey Groves to present an actuarial report. Groves indicated that the report at this time was largely prompted by requests from Sage Advisory Services for information from which it proposed to prepare a cash flow analysis. Groves reminded the Board that prior actuarial reports have not gone out further than 30 year projections, but Sage had asked for 50 year projections. He noted that with 50 year projection all of the clerks presently in office would be out of office and either fully retired or dead at that point, which makes 50 year projections much more problematic. With that notation, Groves distributed a handout and then summarized his findings. In summary, Groves indicated that he had previously given actuarial authorization for COLA adjustments for January 1, 2008 and July 1, 2008, and these increases were already figured into his calculations. With his projections, Groves indicated that the Fund could very comfortably support and fully pay for all current retirement benefits without any adjustments. He also indicated that his projections would support annual increases for COLA of one and half percent per year, but could not consistently support three percent COLA adjustments without adjustments being made. A major adverse contributor is the current provision in the law authorizing up to eight years of deputy clerk service.

Responding to questions, Groves indicated that he was projecting earnings on investments at a six percent level, and without any other adjustments in sources of revenues or changes in creditable service rules for deputy clerk service, it would likely take an eight percent earnings assumption to properly fund the three percent per year COLA adjustments.

After discussion, on motion by Williams, seconded by Glass, the Board voted to approve the actuarial report, but with request that some additional projections be made on changes to law dealing with creditable service for deputy clerk time. The motion also approved the increase in benefits by one and a half percent as of July 1, 2008. The votes were aye, except for Peterson, who indicated a preference for seeing the additional data first.

Because of the conference call approach to maintain a quorum, the Chair then adjusted the agenda to call for all other action items. The first item was the annual election of officers for the Board. The Chair called for nominations for Chairman of the Board. Joanne Caldwell was the sole nominee, and on motion by Glass, seconded by Peterson, Joanne Caldwell was unanimously re-elected Chair.

The floor was opened for nominations for Vice-Chair, and on nomination by Williams, seconded by Peterson, Sandra Glass was unanimously re-elected Vice Chair.

The floor was opened for nominations for Secretary-Treasurer. On motion by Glass, seconded by Williams, Woodson Daniel was unanimously re-elected Secretary-Treasurer of the Board.

The position of attorney for the Board was then considered, and on motion by Peterson, seconded by Glass, Sam Oliver was re-appointed attorney for the Board, to serve at the pleasure of the Board.

Consideration was then given to selection of an actuary for the Fund, and on motion by Peterson, seconded by Williams, Jeffrey Groves was re-appointed actuary for Fund, to serve at the pleasure of the Board.

On consideration of auditor, in the absence of Commissioner Osborn, the Board voted to table consideration of this matter until the July meeting, although it was understood that the firm of Bates, Carter & Company would of necessity have to go ahead and begin work on the audit for the fiscal year ended June 30, 2008.

Consideration was then given to the current office lease on the space in Jonesboro, Georgia. The Chair recommended that the lease be continued, but on a reduced scale, since the meeting room portion of the current space would no longer be needed. However, all records, etc continue to be at the Jonesboro office, and on motion by Peterson, seconded by Glass, the Board voted unanimously to renew the lease for the reduced space only for a period of one year at an anticipated rate of \$250.00 per month.

Consideration was then given to the salary for the Secretary-Treasurer. At this point in the meeting, Daniel and Carter both left during this portion of the discussion. It was reported that the Secretary-Treasurer's salary is currently \$3,860.00 per month, and Daniel had requested that he not be considered for any sort of pay increase. After discussion, on motion by Glass, seconded by Peterson, the Board voted unanimously to set the Secretary-Treasurer's salary at \$3,860.00 per month. Consideration was then given to the status of Bob Carter's compensation. It was noted that he had began his services very recently on a contract basis, and while the sentiment of the Board was that Carter was performing very well, on motion by Peterson, seconded by Glass, the Board voted unanimously to make no adjustments at this time to salary for Carter, but to consider a possible bonus payment at a future date.

The next order of business was a consideration of the Bond for the Secretary-Treasurer, and on motion by Peterson, seconded by Williams, the Board voted unanimously to continue with bond coverage at \$500,000.00, particularly in light of the lessened risk with the custodian arrangements now set with State Street Bank. Questions were asked about whether a bond should be furnished for Bob Carter, and on motion by Peterson, seconded by Glass, the Board voted unanimously to pay for a bond in a similar amount for Bob Carter, if such could be obtained at a reasonable price.

The meeting then returned to its regular order, with a consideration of all other items on the published agenda, including financial reports and investment activities for the quarter. Copies of all of the reports are attached to these minutes. Because of conference call limitations and the necessity for one or more of the conference call attendees to continue on line, action to approve the treasurer's report and investment activity was deferred until the July meeting.

The Chair then called on legal counsel Oliver to report on Senate Bill 460, which had passed on the final day of the 2008 legislative session. Copies of the Bill as finally enacted were a part of the material distributed in advance of the meeting. Oliver summarized, by sections, the effect of the legislation on future operations. While it was noted that the Governor had not signed the legislation on last check, there was no indication or expectation of him not signing the Bill, and it was expected that the Bill would become effective as of July 1, 2008. Particularly as the legislation affects clerks in their personal actions, the Board suggested that adequate notice be given and effectively communicated to clerks. The Chair indicated that she fully expected this to be done and requested that Oliver assist in preparation of a letter for her signature immediately after July 1st.

There was then discussion about the status of the new arrangements with State Street Bank, Sector Capital, and Sage Advisory Services. Oliver reminded the Board that contracts were approved with each entity, he had successfully negotiated satisfactory contracts with each, and all three had been concluded. Copies of the final contracts as negotiated were a part of the materials handed out, and Oliver summarized the contents.

Finally, it was noted that the next meeting will occur on July 23, 2008 at 10:00 a.m. in Griffin.

There being no further business to come before the Board, the meeting was properly adjourned at 11:45 a.m.

Woodson Daniel, Secretary-Treasurer

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