

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

August 4, 2011

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on August 4, 2011 beginning at 10:00 a.m. in the office of the Peace Officers' Benefit and Annuity Fund, Griffin, Georgia, pursuant to proper posting and notice.

Present for the meeting were Board Members Studdard, Glass, Brannon, Williams, and Caldwell. Also present were retired Clerk Dwight Wood, Webster County Clerk and Retirement Liaison Tina Blankenship, Turner County Clerk Mary Lou Green, Member Liaison Daniel, Secretary-Treasurer Carter, L. Ferber Buckley and Scott Olsen each a Senior Vice President of Investments for UBS, and Legal Counsel Jason Voyles.

Chairperson Studdard presided at the meeting and welcomed all present.

It was mentioned that Nancy Adams passed away. Joanne Caldwell gave a remembrance of Nancy Adams and led the Board in a prayer.

The minutes of the meeting of the May meeting has been distributed in advance and were unanimously approved without any changes pursuant to a motion by Williams, seconded by Glass.

L. Ferber Buckley then presented the Money Mangers Statement. The performance of the fund was discussed and the Board's attention was directed to the relevant benchmarks. Mr. Buckley then answered questions from the Board.

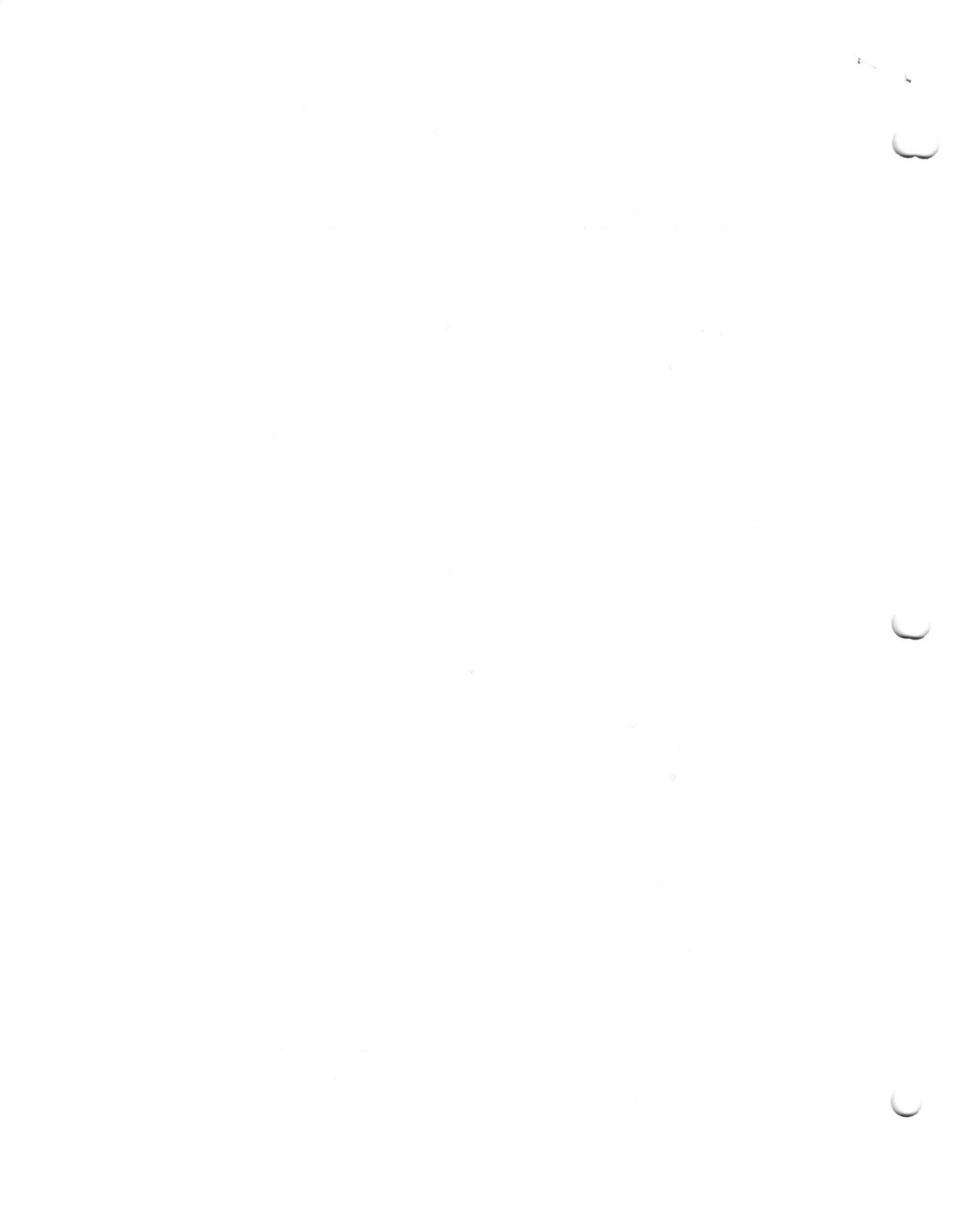
Legal Counsel Voyles and Scott Olsen then presented the revised Investment Policy Statement to the Board. The proposed changes to the Statement were discussed and questions from the Board were answered. One additional change was proposed by Mr. Olsen: changing the relevant benchmark for the SMID Cap investments from the R3000 to the R2500 in Article XVI of the Statement. Mr. Olsen explained that the R2500 was the more-relevant benchmark. On a motion by Caldwell, seconded by Brannon, the Board voted unanimously to adopt the revised Investment Policy Statement including the change to the R2500 benchmark proposed by Mr. Olsen.

Mr. Buckley then introduced managers from Wells Capital Management who were proposing to manage the Fund's international portfolio. Eric Harper, Kevin McCain, and G.D. Rothenburg entered the meeting and made a presentation to the Board. In the presentation Wells Capital Management explained that it invests in closed-end funds and charges a fee of 85 basis points for a separate account. Wells Capital Management stated that it owns 50 - 75 closed-end funds at one time and its goal is for each fund to be in the top quartile. Wells Capital Management then answered questions from the Board. After answering questions, the representatives from Wells Capital Management departed.

Mr. Olsen then made a presentation to the Board about mutual funds that were an option for the Fund's international portfolio. He explained that there were three funds and all have 4 to 5 star Morningstar Risk Adjusted Returns. Mr. Olsen then answered questions from the Board.

After discussion by the Board, the Board voted unanimously on a motion by Caldwell, seconded by Brannon, to employ Wells Capital Management to manage the Fund's international portfolio. On a motion by Brannon, seconded by Williams, the Board voted unanimously to move 5% of the total Fund value from the fixed income portfolio to the international portfolio by September 30, 2011.

Mr. Buckley then introduced Kate Driver and Yash Patodia from Earnest Partners. Earnest Partners was seeking to manage the Fund's SMID portfolio. Earnest



Partners' presentation stressed that it is an employee-owned company that holds 50 to 60 issues per portfolio and focuses on long-term holdings, with an average holding period of 3 to 4 years. Earnest Partners charges a fee of 100 basis points. The representatives from Earnest Partners then answered questions from the Board and departed.

At this time Dwight Wood and Board Member Williams had to depart from the meeting.

Mr. Buckley then introduced Chip Reed from Atlanta Capital, who was the other firm seeking to manage the Fund's SMID portfolio. Mr. Reed stated that Eaton Vance owned 80% of Atlanta Capital and the remaining 20% was owned by employees. Atlanta Capital has a total of \$12.5 billion in assets under management, \$3 - \$3.5 billion of which is in its SMID portfolios. Atlanta Capital has a number of public employee retirement plans as its clients and the average tenure for a client of Atlanta Capital is 15 years. The fee charged by Atlanta Capital is 80 basis points. It has 50-55 companies in its portfolio and the turnover rate is less than 30%. Mr. Reed then took questions from the Board and departed.

The Board then discussed the SMID managers with input from Mr. Buckley and Mr. Olsen. After discussion, the Board, on a motion by Caldwell, seconded by Brannon, voted unanimously to employ Atlanta Capital to manage the Fund's SMID portfolio and to transfer the funds for the SMID portfolio from the S&P Funds.

Mr. Buckley and Mr. Olsen then departed.

Chairperson Studdard announced that Board Member Pharris was moving to Nebraska and, therefore, there would be a vacancy on the Board.

Bob Carter then presented Financial Reports, copies of which are attached to the minutes, directed attention of the Board to pertinent benchmarks, and then answered questions from the board and the clerks present. Mr. Carter noted that fees were still down in the areas of real estate recordings and state court filings, but that those fees had probably reached their nadir. Mr. Carter further noted that dues received are down this year as compared to last year because of buy-backs of time that occurred last year. The Board discussed getting bids from auditors. On a motion by Caldwell, seconded by Brannon, the Financial Reports as submitted were unanimously approved.

The Membership Reports were then given by Woodson Daniel. Mr. Daniel noted that the ACH system has received a positive response from the members. Currently 133 out of 168 clerks are using the ACH system, 21 clerks are paying by check, 12 clerks have their dues paid by the county, and 4 clerks are not members. Mr. Daniel discussed that some clerks have missed training and that he is focusing on keeping clerks up to date on their training. It was noted that the Board sends out a letter reminding clerks who have missed their training requirement. The Board is going to include training status with the end of the year dues letter. The Board also discussed sending out beneficiary designation forms to the members.

Cathy Brooks then entered the meeting and gave an update on the website. Ms. Brooks discussed making fillable forms for applications and other documents. Cathy Brooks then departed.

Mr. Daniel then continued his report. He reported that there was one new member from Clayton County. He reported that there were no retirements or spouse activity, and only one member was delinquent in paying dues. On a motion by Brannon, seconded by Caldwell, the board voting unanimously to approve the Membership Report as presented.

An actuarial review compiled by Jeffrey Groves was distributed to the Board for discussion at the next meeting.

Reminder was made that the next meeting of the Board will be on November 3, 2011 at 10:00 a.m.



There being no further business to come before the Board, the meeting was properly adjourned at 1:38 p.m. on a motion by Brannon, seconded by Glass.

Robert Carter, Secretary-Treasurer

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