

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

**November 7, 2013**

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on November 7, 2013 beginning at 11:51 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, Williams, Caldwell, Brown, and Worthy. Also present were Webster County Clerk and Retirement Liaison Tina Blankenship, Member Liaison Daniel, Secretary-Treasurer Carter, Scott Olsen, a Senior Vice President of Investments for UBS, Ray Vuicich, a Senior Vice President of Investments for UBS, Fund actuary Jeffrey Groves, Fund employee Jennifer Kost, and Legal Counsel Jason Voyles.

Chairperson Studdard welcomed all present and introduced W. Thomas Worthy, Deputy Executive Counsel for the Governor, as the newest board member.

The minutes of the committee meeting held on August 1, 2013 had been distributed in advance and were re-distributed for review. On a motion by Caldwell, seconded by Williams, the Board unanimously voted to approve the minutes.

Ray Vuicich the presented an overview of the market. He stated that the best guess right now was that the Federal Reserve might begin tapering of the quantitative easing in March, 2014. Currently bond yields are around 2.6% on the ten year t-note and this could rise to as much as 3.25% in the next twelve months, depending on the movement of interest rates. The equities market will likely hold steady for the remainder of the year.

Scott Olsen then presented the Investment Report. Mr. Olsen stated that the Fund value is now over \$96 million, which the Board noted is the highest value ever for the Fund. Mr. Olsen noted that the actuarial assumed rate of return for the Fund is 5%, which is lower than many other similar funds. Mr. Olsen then compared the returns to the appropriate benchmarks. He noted that the third quarter return was 5.18% as compared to the benchmark of 3.73%. He also noted that Atlantis has continued to improve and was in the top 2% during the third quarter. Wells Capital is also doing well and, overall, the managers selected by the Board are doing a good job.

Mr. Olsen stated that the Investment Policy Statement bases allocation on cost, not market value. In the market equities have risen relative to bonds, so that is the reason that the portfolio appears to be more weighted to equities at the moment. The Board is comfortable with the portfolio at the moment, but may consider rebalancing in the future.

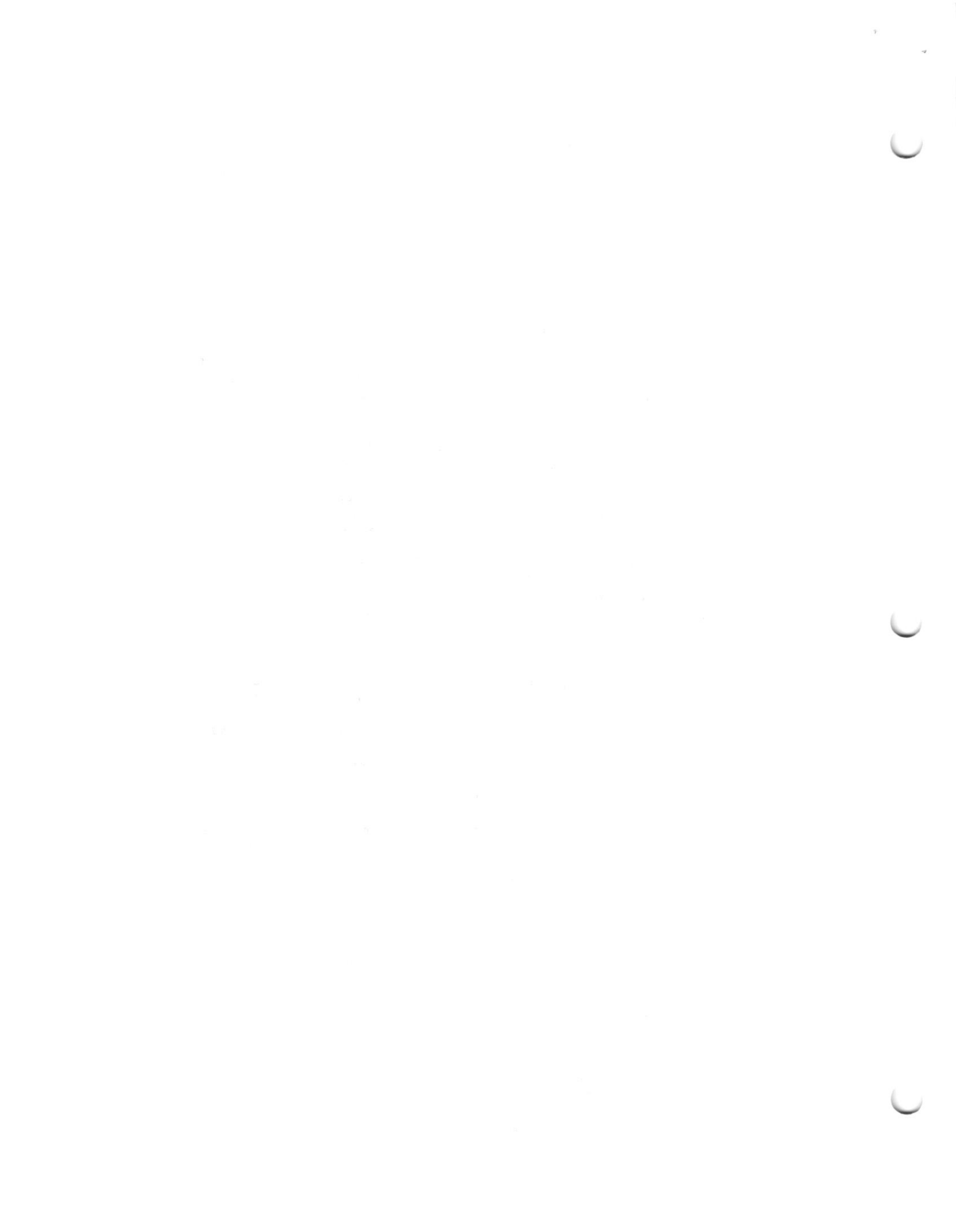
On a motion by Caldwell, seconded by Brown, the Investment Report was unanimously approved as presented.

Mr. Olsen and Mr. Vuicich were then excused from the meeting.

The Board agreed to hear the actuarial report next in order to accommodate Jeffrey Groves's schedule.

Jeffrey Groves distributed an actuarial report, a copy of which is attached to these minutes. He reviewed the report with the Board and stated that the report concluded that the Fund was in a sound position to support a 1.5% increase in benefits effective January 1, 2014 and a second 1.5% increase in benefits effective July 1, 2014.

Mr. Groves then stated he had prepared a new table for the purchase of deputy clerk service.



Mr. Groves next discussed House Bill 580 regarding the pop up benefits in the event of the death of a spouse of the divorce from a spouse. This bill also provides that in order to obtain spousal benefits, the reduction in a clerk's benefits is based on the actuarial equivalency. Mr. Groves said that he would prepare a table showing the reduction based on the ages of the clerk and the clerk's spouse. The Board agreed that it would be beneficial to distribute this table to the clerks so that the clerks can see what the reduction numbers would be under the proposed bill. The Board agreed to review the table at the February 6, 2014 meeting.

On a motion by Brown, seconded by Williams, the Board voted unanimously to approve the actuarial report.

On a motion by Glass, seconded by Caldwell, the Board voted unanimously to approve a 1.5% cost of living increase in benefits effective January 1, 2014 and a second 1.5% cost of living increase in benefits effective July 1, 2014.

Jeffrey Groves was then excused from the meeting.

Bob Carter then presented Financial Reports, copies of which are attached to the minutes, directed attention of the Board to pertinent benchmarks, and answered questions from the Board. Mr. Carter noted that fees from real estate filings have increased significantly over last year, but that interest income is down.

On a motion by Caldwell, seconded by Glass, the Financial Reports were unanimously approved.

The Membership Reports were given by Woodson Daniel. Mr. Daniel noted that there were no new members for the third quarter, but that two clerks would be sending in their membership applications and payment. Clerk Paula Goss is planning to retire on January 1, 2014 and will retire with 17 years of service. There are six clerks behind on their dues at the moment, but all should be paid up in full by the end of the year. There are 156 clerks using ACH to pay their dues. The rest of the clerks are either paying by check or having their counties pay their dues directly.

It was noted with sadness that Betty Rogers passed away just a few days ago.

Mr. Daniel then stated that the Benevolent Fund had made a gift of \$5,000.00 to Tara Smith, who is seeking treatment for illness. She had written a touching thank you card that was read to the Board.

On a motion by Caldwell, seconded by Williams the Membership Report was approved unanimously.

On a motion by Caldwell, seconded by Brown the Board voted unanimously to table the issue of credit for military service until the May 8, 2014 meeting.

Secretary Carter explained that Richmond County had filed its report late due to computer glitches and had been charged a penalty and interest. Mr. Carter stated that Richmond County was always on time with its filings and that this late filing appeared to be due to circumstances beyond the county's control.

On a motion by Caldwell, seconded by Brown the Board voted unanimously to waive the penalty and interest charged to Richmond County.

On a motion by Caldwell, seconded by Williams, the Board voted unanimously to adjourn the meeting at 1:15 p.m.

---

Robert Carter, Secretary-Treasurer

