

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

May 9, 2013

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on May 9, 2013 beginning at 10:54 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, and Brown. 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, Fund employee Jennifer Kost, and Legal Counsel Jason Voyles.

Chairperson Studdard welcomed all present and introduced Carter Brown, the Walker County Clerk, as the newest board member. Carter Brown will serve out the remainder of the unexpired term began by Brian Brannon.

The minutes of the committee meeting held on May 9, 2013 had been distributed in advance and were re-distributed for review. On a motion by Williams, seconded by Glass, the Board unanimously voted to approve the minutes with only a minor change of a typo in the last paragraph of the draft of the minutes.

Scott Olsen then presented the Investment Report. Mr. Olsen stated that the Fund value is now over \$91 million, which the Board noted proudly is the highest value ever for the Fund. Mr. Olsen then compared the returns to the appropriate benchmarks. He noted that Atlantis capital is putting up good absolute numbers, but has consistently underperformed when compared with other similar fund managers. Mr. Olsen stated that the Board may want to consider replacing Atlantis with two managers: one managing large cap growth and one managing large cap equity. The Board asked Mr. Olsen to investigate possible candidates for the manager positions to be discussed at the next quarterly Board meeting.

Mr. Olsen noted that the fixed income market is somewhat stagnant, while the equities market has rallied. He stated that UBS expects fixed income to be a tough market. One unknown is how and when the Fed will back off of its quantitative easing strategy. This could have negative consequences for the market, depending on the timing and manner of how it is done.

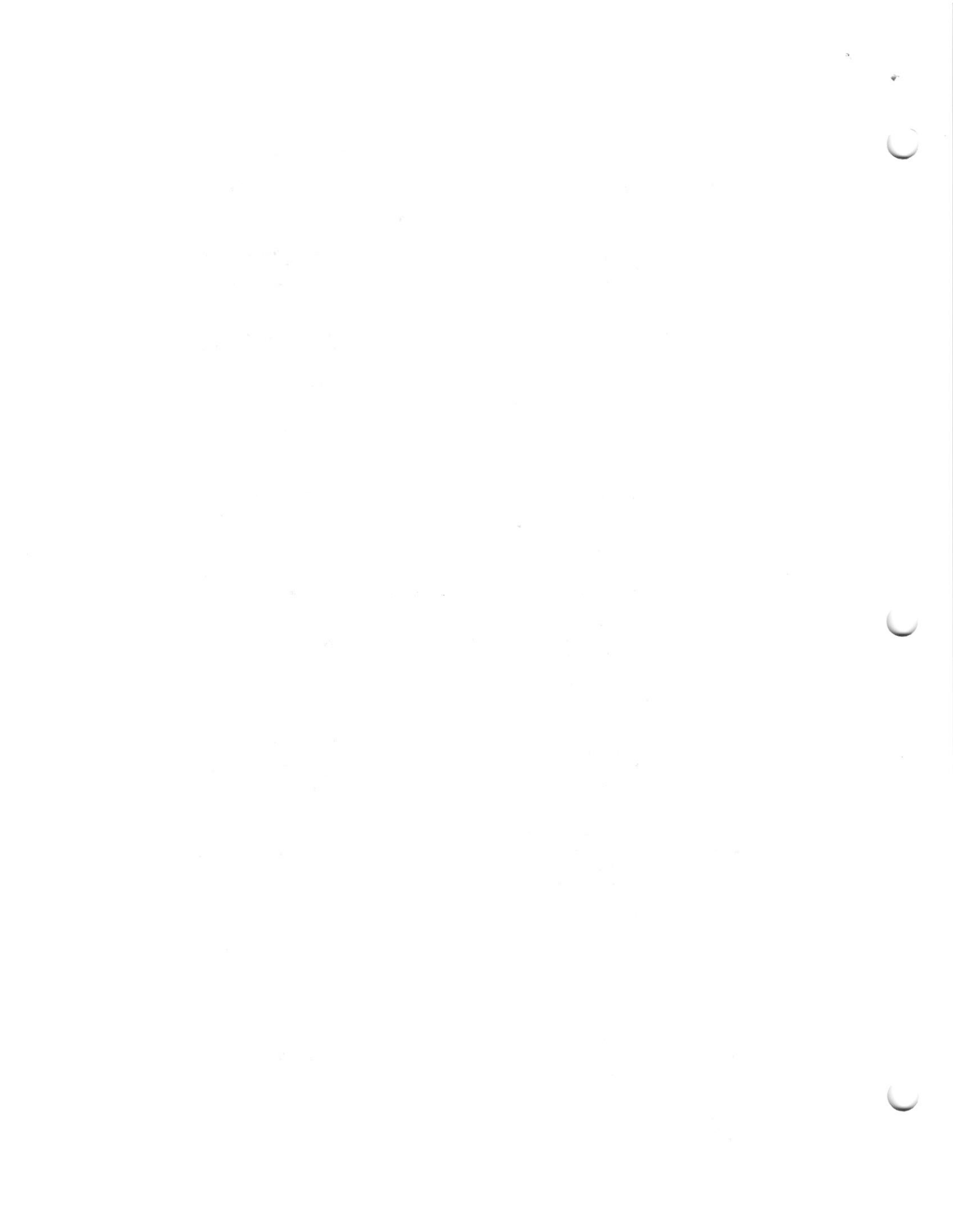
Mr. Olsen presented scenarios that UBS had run with the Fund at its current allocation of 50% in equities and 50% in fixed income and if the Fund changed its allocation to 60% equities and 40% fixed income. A discussion was had. Currently, the allocation of the Fund is approximately 55% in equities and 45% in fixed income due to strong gains in the equities market. The Board agreed to monitor the allocation and either rebalance or increase the equity position by the end of the year.

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

Mr. Olsen 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 overall total revenue was down slightly.

Secretary Carter reported that Clayton County has done a significant amount of work getting its payments in good standing. Clayton County has paid the interest owed on past due payments and requested that the Board forgive the approximately \$390.00 in



penalties it owed. The Board noted the work done by Clayton County to get its payments current and that Clayton County had been current for six months. On a motion by Glass, seconded by Brown, the Board voted unanimously to forgive the penalties owed by Clayton County.

On a motion by Glass, seconded by Williams, the Financial Reports were unanimously approved as presented.

The Membership Reports were given by Woodson Daniel. Mr. Daniel noted that 14 new members had joined the Fund so far. There are still 7 new clerks who haven't joined the Fund, but they have until the end of June to join. He stated that there were no retiring members during the quarter. He stated that there was no spouse activity during the last quarter. He also noted that only three clerks were delinquent in the payment of their dues and they have until the end of June to pay.

On a motion by Williams, seconded by Glass, the Membership Reports were unanimously approved as presented.

Chairperson Studdard reported that there was no movement on the proposed bill for providing for a death benefit for retired clerks.

Chairperson Studdard discussed the bill providing for pop up benefits in the event that the spouse of a member who has elected spousal benefits dies or gets divorced from the member. She reported that the bill is in committee and is now in the study phase.

Chairperson Studdard reported that Kevin Abernathy's term is up in June and he is not asking to be reappointed because of his busy workload. He has recommended a replacement to the governor.

Secretary Carter noted that there is a conference at Stone Mountain from September 17 - 19. Board members will try to attend the conference.

Secretary Carter stated that he would review the Fund's webpage and update it if necessary.

It was noted that the next meeting would be held on August 1, 2013 at 11:30 a.m.

At 12:09 p.m., the Board voted to go into executive session.

In executive session, Sheila Studdard was elected Chairwoman of the Board and Robert Carter was elected Secretary-Treasurer.


Robert Carter, Secretary-Treasurer

