

May 15, 2014
1208 Greenbelt Drive
Griffin, Georgia 30224
11:30 a.m.

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on May 15, 2014 beginning at 11:40 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, Brown, and Worthy (who appeared via teleconference). Also present were Member Liaison Daniel, Secretary-Treasurer Carter, Scott Olsen, who is a Senior Vice President of Investments for UBS, Membership Liaison Blankenship, Fund employee Jennifer Kost, Doug Laine, who is a Trust Manager at United Banking Company, and Legal Counsel Jason Voyles.

Chairperson Studdard welcomed all present.

The minutes of the committee meeting held on February 6, 2014 had been distributed in advance and were re-distributed for review. On a motion by Brown, seconded by Glass, the Board unanimously voted to approve the minutes.

Scott Olsen presented the Investment Report. Mr. Olsen noted that bond rates were lower than expected and inflation is up slightly. In the first quarter the Fund's portfolio underperformed by about 0.75%. Mr. Olsen directed the Board's attention to the appropriate benchmarks and answered questions from the Board.

The allocation of assets in the Fund is still roughly 60% in equities and 40% in fixed income. The Board discussed reallocating the Fund's investments to bring them back in line with the Investment Policy Statement. On a motion by Brown, seconded by Glass, the Board voted unanimously to withdraw \$2,000,000 from Atlantis, withdraw \$2,000,000 from the S&P Index Pool, withdraw \$1,000,000 from Wells Capital, and withdraw \$1,000,000 from Atlanta Capital; the total of \$6,000,000 is to be transferred to the Sage fixed income holdings. Secretary-Treasurer Carter is hereby authorized to effect such transfers at the appropriate time for each fund.

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

Secretary-Treasurer Carter then presented the Financial Report, 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 income was down slightly, but expenses were down as well so as compared to the numbers for last year's fiscal year to date, net income was up for this fiscal year to date.

On a motion by Brown, seconded by Worthy, the Financial Report was approved unanimously as presented.

The Membership Reports were given by Woodson Daniel. Mr. Daniel stated that there were a few new members who had taken office due to a vacancy and there were a few new clerks who had not yet joined the Fund. Four clerks are behind on their dues. These clerks are from counties where the county pays their dues, so this is just a timing issue. It was reported with sadness that J. Buck Cain, a retired clerk from Jeff Davis County passed away on March 31, 2014, and W. Benjamin Guined, a retired clerk from Taylor County, passed away on April 20, 2014. Mr. Cain's wife survives him. but he did

Carter Brown then discussed adjusting a provision in the code so that members who are veterans would be allowed to buy up to four years' credit so long as they were otherwise vested, served in active duty (regardless of whether it was in a time of armed conflict), and paid the actuarial equivalent cost of the service purchased. Carter Brown will provide the Board with a draft of the proposed changes to the code so that the Board can discuss the issue at its August meeting.

The Board discussed altering the death benefit provision that currently applies only to active clerks so that the provision will apply to retired clerks as well. Legal Counsel Voyles will provide the Board with a draft of the bill. Sandra Glass will discuss this issue with the retired clerks.

Secretary-Treasurer Carter then discussed delinquent payment of fines and forfeitures from Jefferson County. There is a delinquency that predates the term of the current clerk. \$154.75 in penalties and \$41.25 in interest is owed. Payments for the county are otherwise current. On a motion by Brown, seconded by Worthy, the Board voted unanimously to forgive the penalties owed provided that the interest owed is paid in full.

Chairperson Studdard noted that the remaining regularly scheduled quarterly meetings for the Board would be held on August 7, 2014; and November 6, 2014. These meetings will be held beginning at 11:30 a.m.

On a motion by Glass, seconded by Brown, the Board voted unanimously to adjourn the meeting at 1:02 p.m.

Robert Carter, Secretary-Treasurer

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