

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

May 6, 2021

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on March 6, 2021 beginning at 10:30 a.m. in person and via videoconference pursuant to O.C.G.A. § 50-14-1(f) and pursuant to proper posting and notice.

Present for the meeting in person were Chairperson Walker, Board Members Hays, Jordan, Harper, and Clanton. Member Logan was present via videoconference. Also present were Fund employees Judy Flournoy, Jebby Votaw, and Kaitlin Brackin, Fund CFO Brandt Barlow, Secretary-Treasurer Homer Bryson, Ray Vuicich a Vice President of Investments with UBS, Kevin Spanier from Buck Consulting, and Legal Counsel Jason Voyles.

Chairperson Walker called the meeting to order and welcomed all present.

The meeting was opened for public comment, but there was none.

Chairperson Walker presided over the swearing-in of Vince Clanton as a public officer.

The minutes of the meeting held on February 4, 2021 had been distributed in advance for review. On a motion by Hays, seconded by Clanton, the Board voted unanimously to approve the minutes.

Kevin Spanier then presented the Actuarial Report for the fiscal year ending June 30, 2020. The report found that the Fund is well-funded and is using the relatively-low assumed rate of return of 5.25%.

On a motion by Clanton, seconded by Hays, the Board voted unanimously to approve the Actuarial Report.

On a motion by Clanton, seconded by Hays, the Board voted unanimously to approve the use of the latest revision to the mortality tables used in the actuarial analysis.

Ray Vuicich with UBS then presented the investment report. He noted that the Fund assets were performing well in general and that the value of the Fund assets stood at approximately \$136 million at the end of the first quarter of 2021. He noted that, per the Board's authorization at the last meeting, large cap holdings had been allocated equally among the large cap manages. Most managers are performing well overall; however, UBS is still watching Principal Street Partners. He noted that the Fund's fixed income holdings now comprised only approximately 42.5% of the overall assets of Fund and UBS

recommends rebalancing the Fund to bring the asset holdings in line with the asset allocation set forth in the Fund's investment policy statement. Mr. Vuicich directed the Board's attention to pertinent benchmarks and answered questions from the Board. Mr. Vuicich then explained that the ownership of Wells Capital Management Incorporated was changing from its current parent company to a new owner. This should not impact the investment management of Wells Capital, but because it results in a technical indirect transfer of assets, the Board's consent is required.

On a motion by Clanton, seconded by Logan, the Board voted unanimously to authorize the Secretary-Treasurer to coordinate with UBS to reallocate the Fund's holdings to allocate the Fund's holdings in line with the Fund's investment policy statement.

On a motion by Clanton, seconded by Harper, the Board voted unanimously to consent to the change in ownership of Wells Capital Management Incorporated.

On a motion by Clanton, seconded by Harper, the Investment Report was approved unanimously.

Ray Vuicich was then excused from the meeting.

Brandt Barlow then presented the Financial Report. He presented the budget for Fiscal Year 2022 and answered questions from the Board. He also discussed year-to-date numbers and answered questions from the Board.

On a motion by Harper, seconded by Hays, the Board voted unanimously to approve the Fiscal Year 2021 budget as presented.

On a motion by Harper, seconded by Hays, the Financial Report was approved unanimously.

Kevin Spanier with Buck Consulting then presented the analysis of providing a 1.5% cost-of-living increase effective July 1, 2021. He noted that such an increase would result in an increase of liabilities of the Fund of approximately \$1.8 million, but that the Fund would not have any required contribution. He concluded that the Fund was in sound financial condition and could support the cost-of-living increase.

On a motion by Clanton, seconded by Jordan, the Board voted unanimously to approve a 1.5% cost-of-living increase to retiree benefits, effective July 1, 2021.

CFO Brandt Barlow then discussed a situation where benefits had been overpaid to retired clerk Frank Abbott. The overpayment was a result of a miscalculation of the retirement payment amount on the part of the Fund. A discussion ensued on the difficulty of attempting to recover the amount that had been overpaid as well as the cost and the negative impact on relations with clerks that taken such action would have.

On a motion by Jordan, seconded by Harper, the Board voted not to pursue collecting the overpaid amount due to the cost and difficulty of doing so, but to correct the amount paid to Clerk Abbott going forward.

Secretary-Treasurer Bryson then reported that due to a check being lost in the mail, a payment from Coweta County Superior Court had not been received in a timely manner and, as a result, penalties and interest in the amount of \$617.05 had accrued. The clerk of Coweta County has requested that the Board forgive the penalties and interest. CFO Barlow noted that Coweta County does not have a history of late payments.

On a motion by Clanton, seconded by Hays, the Board voted unanimously to waive the penalties and interest accrued against Coweta County.

Jebby Votaw, the Office Manager for the Fund then gave a presentation to the Board on how the operations of the Fund's administrative office work. She discussed day-to-day operations and the procedure of processing retirement applications that the Fund receives.

Legal Counsel Voyles then presented the legal counsel report.

On a motion by Harper, seconded by Hays, the Board voted unanimously to enter executive session in order to discuss pending litigation.

On a motion by Harper, seconded by Clanton, the Board voted unanimously to come out of executive session.

On a motion by Harper, seconded by Clanton, the Board voted unanimously to approve the Legal Counsel report.

Member Hays was then excused from the meeting.


Secretary-Treasurer Bryson then presented the Membership Report. He noted that there were still several new clerks who had not signed up to become members of the Fund. Members of the Board volunteered to contact the new clerks who had not yet signed up to join the Fund. Secretary-Treasurer Bryson noted with sadness that former Colquitt County Clerk Shirley Asbell and former Pierce County Clerk Martha Dixon had passed away.

On a motion by Harper, seconded Clanton, the Board voted unanimously to approve the Membership Report.

The Board then discussed GAPPT training and was given an update on training hours that had been completed.

It was noted that the next Board meeting will be on August 5, 2021 at 10:30 a.m.

On a motion by Harper, seconded by Clanton, the Board voted unanimously to adjourn at 12:40 p.m.



Homer Bryson, Secretary-Treasurer

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