

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

May 5, 2022

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on May 5, 2022 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, Member Clanton, Member Jordan, and Member Hays. Members Logan and Harper were present via videoconference. Also present were Fund employees Jebby Votaw and Jake Thaxton, Fund CFO Brandt Barlow, Secretary-Treasurer Homer Bryson, Ray Vuicich a Senior Vice President of Investments with UBS, John Moody and Tim McCoy from London Company, Joseph Griffin from Foster & Foster, and Legal Counsel Jason Voyles.

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

The minutes of the meeting held on February 3, 2022 had been distributed in advance for review. On a motion by Clanton, seconded by Hays, the Board voted unanimously to approve the minutes.

John Moody and Tim McCoy from London Company gave an informational presentation to the Board. They discussed their fund's performance and the investment strategy they employ. They explained that they focused on long-term value and downside protection. They noted that their fund's return on capital was much higher than the benchmark and that the debt to EBITDA ratio is must less than the benchmark. They then answered questions from the Board.

John Moody and Tim McCoy were then excused from the meeting.

Ray Vuicich with UBS then presented the investment report. He noted Fund assets stood at approximately \$134 million at the end of March, 2022. He noted that the assets were down approximately 6.33% in the first quarter of 2022 and that both equities and fixed income were down. He explained that the value of the Fund's bond holdings will decrease as interest rates increase, but that the Fund holds its bonds and will be able to reinvest bond proceeds as bonds mature. Due to the large amount of volatility in the market at the present time, UBS does not recommend rebalancing at the moment. He then answered questions from the Board.

On a motion by Clanton, seconded by Jordan, the Board voted unanimously to approve the Investment Report.

Ray Vuicich was then excused from the meeting.

Joseph Griffin then presented the Actuarial Report. He explained that Foster & Foster had conducted two studies for the Board. The first study was to determine whether the Fund could support a cost-of-living adjustment of 1.5% effective July 1, 2022. The study presented found that even after the proposed cost-of-living adjustment was granted, the Fund would have a surplus and, therefore, the Fund is actuarially sound and can support the cost-of-living adjustment.

The second study presented was a study assuming that cost-of-living adjustments of 1.5% were granted every six months and that the Fund rate of return was 5.25%. This study found that, in that scenario, the Fund could support cost-of-living adjustments until approximately 2031. He noted that this study was based on assumptions and the timeline could change depending on the actual rate of return of the Fund and other outside factors.

On a motion by Clanton, seconded by Hays, the Board voted unanimously to approve a 1.5% cost-of-living adjustment effective July 1, 2022.

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

Brandt Barlow then presented the Financial Report and the proposed budget for Fiscal Year 2023. He noted that in the proposed budget administrative expenses were only 1.7%. He also noted that the budget accounted for cost-of-living adjustments of 1.5% effective July 1, 2022 and January 1, 2023. He took questions from the Board.

On a motion by Clanton, seconded by Hays, the Board voted unanimously to approve the Fiscal Year 2023 budget as presented.

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

Legal Counsel Voyles then presented the legal counsel report.

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

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

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

Secretary-Treasurer Bryson then presented the Membership Report. There was a discussion about clerks who were delinquent on payment of dues to the Fund and on clerks who were delinquent on remitting reports and payments to the Fund.

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

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

It was noted that the next Board meeting will be on August 4, 2022 at 10:30 a.m.

On a motion by Hays, seconded by Jordan, the Board voted unanimously to adjourn at 1:07 p.m.



Homer Bryson, Secretary-Treasurer

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