

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

**May 19, 2011**

The regular quarterly meeting of the Board of Commissioners of the Superior Court Clerks' Retirement Fund of Georgia was held on May 19, 2011 beginning at 11:00 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, Abernethy, Glass, Brannon, Williams, and Pharris. Also present were retired Clerk Edward Tucker, Webster County Clerk and Retirement Liaison Tina Blankenship, Member Liaison Daniel, Secretary-Treasurer Carter, L. Ferber Buckley and Scott Olsen each a Senior Vice President of Investments for UBS, and Legal Counsel Jason Voyles who was appearing in the place of Legal Counsel Samuel Oliver.

Chairperson Studdard presided at the meeting and welcomed all present.

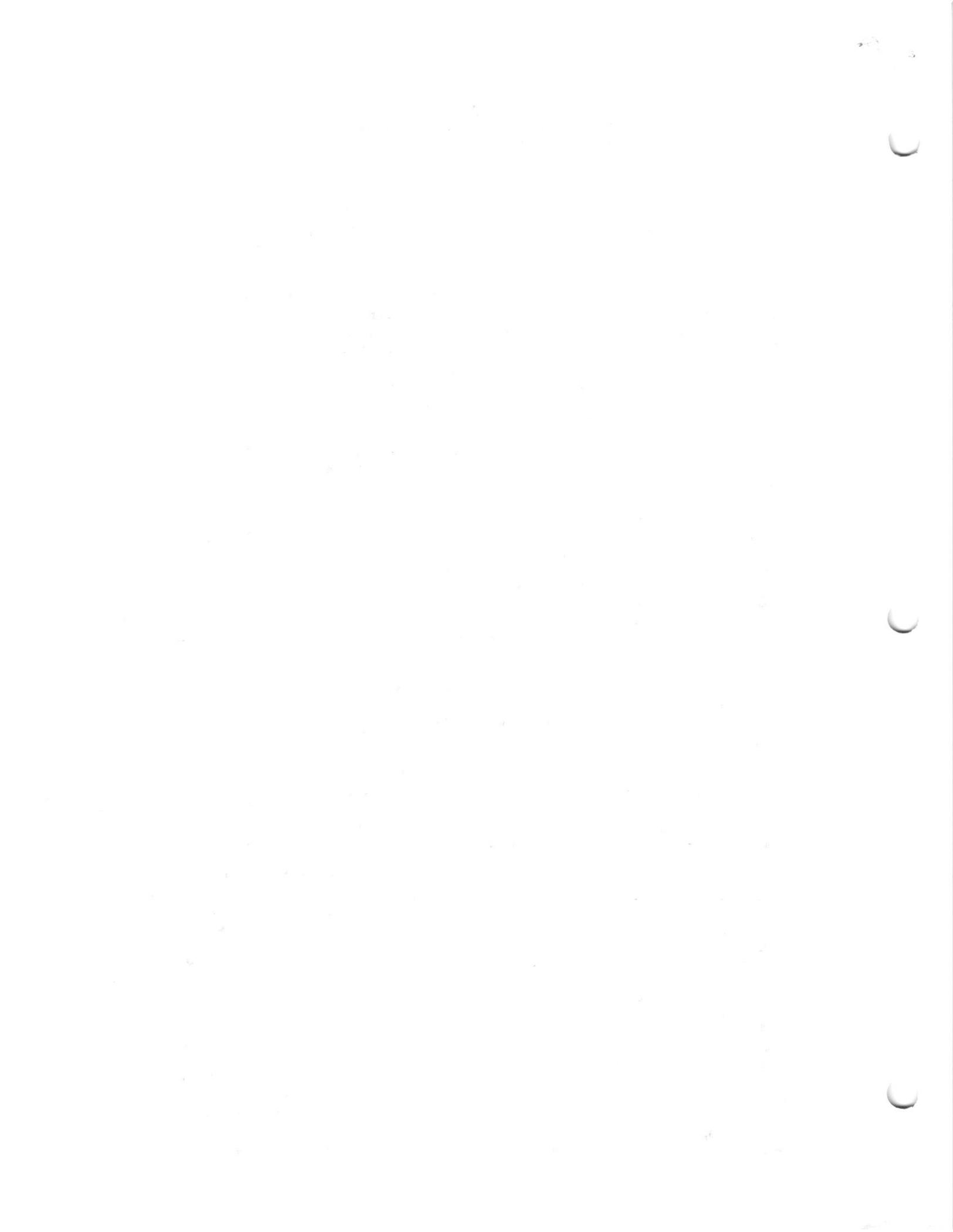
The minutes of the meeting of the February meeting has been distributed in advance and were unanimously approved without any changes pursuant to a motion by Pharris, seconded by Brannon.

Bob Carter then presented Financial Reports, copies of which are attached to the minutes, directed attention of the Board to pertinent benchmarks, and then answered questions from the board and the clerks present. Mr. Carter noted that fees were down significantly in the areas of real estate recordings and state court filings, but were up in magistrate court filings. There was no significant change in expenses. It was noted that investment gains year-to-date were \$537,999.75 as of March 31, 2011, as opposed to the same time period last year which had losses of \$1,136,823.34. On a motion by Williams, seconded by Glass, the Financial and Investment Reports as submitted were unanimously approved.

L. Ferber Buckley and Scott Olsen then presented the Money Manager Statement report for the period ending March 31, 2011. Mr. Buckley discussed the proposed changes to the Investment Policy. The board agreed to review the proposed changes and to be prepared to discuss and vote on the proposed changes at the August meeting.

Mr. Buckley then discussed the investment performance report that was distributed to the board. It was noted that the market value of the Fund assets was now close to \$89,000,000.00. Mr. Buckley discussed the Fund's portfolio performance as compared to benchmarks and answered questions from those present. Mr. Buckley then discussed some of the individual managers and discussed asset allocation.

Mr. Olsen then discussed proposals for reallocation of the Fund's assets. Mr. Olsen stated that due to the relative poor performance of bonds, the only way for the Fund to meet its investment return goals would be to increase its holdings in equities. Mr. Olsen recommended diversification of the Fund assets in order to increase the rate of return and to minimize risk. After discussing several scenarios, Mr. Olsen recommended that the board gradually reallocate assets in the Fund so that the Fund would hold 50% of its assets in bonds and 50% in equities. Mr. Olsen recommended that 10% of the Fund's assets be placed in international equities, 5% in a combination of small- and mid-cap stocks, and 35% in large cap stocks. Mr. Olsen stated that if the board approved such a reallocation, new managers would need to be selected and UBS could screen managers and bring in two candidates for each position for the board to interview. After discussion, the board voted unanimously to approve a motion by Brannon, seconded by Williams to accept the recommendation for reallocation. The board then voted unanimously to approve a motion by Abernethy, seconded by Williams to amend the Investment Policy to provide for 0-10% of the Fund assets to be held in small- and mid-cap stocks, 30-40% of the Fund assets to be held in large cap stocks, 5-15% of the Fund assets to be held in international equities, and 50% of the Fund assets to be held in Bonds.



Following these votes Mr. Buckley and Mr. Olsen were excused from the meeting.

At 12:50 p.m., the Board voted to go into executive session.

At 1:15 p.m., the Board came out of executive session and re-convened the meeting.

The agenda was then modified to accommodate Board Member Glass, who had to depart. The board discussed the election of officers. On a motion by Brannon, seconded by Abernethy, the board voted unanimously to reelect the current officers for another term.

Chairperson Studdard then presented the annual budget. The board discussed the annual budget. On a motion by Brannon, seconded by Williams, the board voted unanimously to approve the annual budget as presented.

Board Member Glass then departed.

Chairperson Studdard then led a discussion on the status of House Bill 424. This bill would correct an error in current O.C.G.A. § 47-14-79. Currently the law provides a \$5,000 death benefit only to members who die while in service as a clerk. House Bill 424 would change this provision to provide the \$5,000 death benefit to any active or retired member who dies. The actuarial studies done by the board assumed that the death benefit would be provided as set forth in House Bill 424, so this change is in line with the board's intent. Chairperson Studdard stated that the bill was being sent to study and should come up for a vote during the 2012 legislative session.

The Membership Reports were then given by Woodson Daniel. Woodson Daniel reported that there were 165 clerks who were members and 5 clerks who were eligible to become members that had not joined yet. Of those five clerks, four have expressed interest in joining. Mr. Daniel will follow up with the clerks and encourage them to become members. Mr. Daniel reported that no clerks retired during the first quarter, but there is the situation with the clerks in DeKalb County. The board will monitor that situation and respond if appropriate. Mr. Daniel reported that 131 clerks are using the ACH system for dues payment, 11 clerks have their dues paid directly by the county, and 23 are paying annually or quarterly. Mr. Daniel reported that two clerks were delinquent in the payment of their dues: Tom Lawler and Leroy Wiley. On a motion by Williams, seconded by Brannon, the Board voted unanimously to approve the Membership Reports.

Reminder was made that the next meeting of the Board will be on August 4, 2011 at 11:00 a.m.

There being no further business to come before the Board, the meeting was properly adjourned at 1:40 p.m.

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Robert Carter, Secretary-Treasurer

