

MINUTES

**BOARD OF COMMISSIONERS OF THE MAGISTRATES
RETIREMENT FUND OF GEORGIA
Monday, February 27, 2017
Griffin, Georgia**

A regular meeting of the Board of Commissioners of the Magistrates Retirement Fund of Georgia was held on Monday, February 27, 2017 at 10:00 a.m. at the Peace Officers' Annuity and Benefit Fund of Georgia located in Griffin, Georgia.

I. CALL TO ORDER

A. Judge Tommy Bobbitt, Chairman, called the meeting to order at 10:00 a.m. The following is a listing of all persons present at the meeting:

i. Board Members

- a. Judge Tommy Bobbitt, Chairman
- b. Judge Berryl Anderson, Board Member
- c. Britt Brewer, Board Member
- d. Judge Rita Cavanaugh, Board Member
- e. Judge Connie Holt, Board Member
- f. Judge Mary Kathryn Moss, Board Member (via teleconf)
- g. Robert Carter, Secretary/Treasurer

ii. Financial Advisors

- a. Chad Smith, Morgan Stanley
- b. Steward Sainvil, Joe Griffin, Buck Consultants

II. APPROVAL OF MINUTES

A. Minutes

- i. Board Members reviewed the minutes from the November 21, 2016 Board Meeting. Judge Holt made a motion to approve the minutes. It was seconded by Judge Anderson, and the minutes were unanimously approved.

III. REPORTS BY OFFICERS AND COMMITTEES

- A. Steward Sainvil and Joe Griffin presented preliminary actuarial valuation results for the fund with proposed changes. (on file) The rate of return on the market value of assets for period ending June 30, 2016 was approximately 5.9% versus the anticipated 7.0%. However, the fund is anticipated to exceed the minimum funding standards for plan year ending June 30, 2017. Their proposal was to adopt the more conservative RP2014/ Buck Modified MP-2016; 6.5% discount rate. Bob Carter agreed that it would be prudent for the Board to take a more conservative

approach.

Judge Moss made a motion, seconded by Judge Cavanaugh, to move to the RP2014/ Buck Modified MP-2016; 6.5% discount rate. The vote was unanimous.

Judge Moss made a motion, seconded by Britt Brewer, to update the investment policy regarding any changes that are made. The vote was unanimous.

B. Chad Smith presented a performance summary of the Magistrates Retirement Fund account for the quarter ending December 31, 2016. (on file) Mr. Smith advised a lot of changes were made in 2016 when Morgan Stanley took over from BMO, and a new Custodian, First State Trust Company, was appointed recently as well. BMO Asset Management is still managing some funds and they are performing well. Consumer staples are leading the market. There is still a great deal of uncertainty in the market partly due to the direction of Healthcare under the new Presidential administration. Bigger pharmaceuticals are also in transition with several key drugs going off patent. Mr. Smith continued with a brief summary of how the funds have performed in the last quarter. There were no recommendations for changes at this point as the new managers get their stride.

C. Bob Carter presented the Financial Report and the Membership Report. Judge Anderson made a motion, seconded by Judge Cavanaugh, to approve and accept the report. The vote was unanimous.

IV. Judge Cavanaugh made a motion, seconded by Judge Holt, to approve the list of January 2017 retirees.

V. OTHER BUSINESS

A. There was discussion regarding a request from a member to buy back part-time service. The consensus of the Board was that there is no provision in the law for Magistrates in the Retirement Fund for any type of buy back.

Judge Holt made a motion, seconded by Judge Moss, to DENY the request for a member to purchase prior service in the fund, and to send a letter stating there is no provision in the law allowing a buy back. The vote was unanimous.

B. There was discussion regarding various proposed amendments to the Official Code relating to the Magistrates Retirement fund. Mr. Carter advised he and Chairman Bobbitt have been working with Blake Travis and Sam Watson in the Retirement Committee to make any changes that would benefit members of the Fund.

VI. FUTURE MEETING SCHEDULE

A. Monday, April 24, 2017 - 6:30 P.M.

B. Monday, August 21, 2017 - 10:00 A.M.

C. Monday, November 20, 2017 - 10:00 A.M.

D. Monday, February 19, 2018 - 10:00 A.M.

VII. ADJOURNMENT

There being no further business to come before the Board, Judge Anderson made a motion to adjourn the meeting at 1:05 P.M. It was seconded by Judge Cavanaugh and the motion was passed unanimously.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Robert Carter". The signature is written in a cursive style with a horizontal line underneath it.

Robert W. Carter
Secretary/Treasurer

The above and foregoing minutes were approved at the meeting held on the 24th day of April, 2017.