

MINUTES

BOARD OF COMMISSIONERS OF THE MAGISTRATES RETIREMENT FUND OF GEORGIA

Monday, November 16, 2020
1208 Greenbelt Drive
Griffin, Georgia 30224

A regular meeting of the Board of Commissioners of the Magistrates Retirement Fund of Georgia was held on Monday, November 16, 2020 at 10:00 a.m.

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 persons present at the meeting:

i. Board Members

- a. Judge Tommy Bobbitt, Chairman
- b. Judge Mary Kathryn Moss, Board Member
- c. Judge Rita Cavanaugh, Board Member
- d. Judge Connie Holt, Board Member
- e. Judge Berryl Anderson, Board Member
- f. Cody Whitlock, Board Member

ii. Financial Advisors

- a. Chad Smith, Morgan Stanley

II. APPROVAL OF MINUTES

A. Minutes

- i. Board Members reviewed the minutes from the August 24, 2020 Board Meeting. Judge Moss made a motion to approve the minutes. It was seconded by Judge Cavanaugh, and the minutes were unanimously approved.

III. REPORTS BY OFFICERS AND COMMITTEES

- A. Chad Smith of Morgan Stanley, presented a capital market overview, stating that in spite of a massive stimulus the dollar still weakened a bit during this quarter. The feds are focused on getting the credit market moving again and the market is queuing off that, knowing they will keep the interest rates low and feeding the stimulus.

The quarter overall was robust but the September market was showing some concern over the upcoming election. After discussion regarding individual fund

categories, Mr. Smith said when we get back to some degree of normalcy, the question is when does the inflation start. As the process plays out, there is potential for greater engagement with international markets. The market is focusing on the balance of power. If we maintain a republican Senate, we probably won't see dramatic change.

Mr. Smith said the fund has done well, up 4.83% during the quarter, and up 6.85% year to date. Kayne Anderson Rudnick, Lazard and Sage have all done extremely well. Principal Street has been on a watch list. We need a strong up capture manager in place. Atlanta Capital has started to slip and has to be watched as well.

Mr. Smith presented an Asset Allocation review. After extensive review and discussion, the following actions were taken:

Judge Moss made a motion, seconded by Judge Holt, to bring in a new Large Cap Value manager and a new Small Cap Value manager following interviews with candidates at the next board meeting. The vote of approval was unanimous.

Judge Moss made a motion, seconded by Judge Cavanaugh, to increase the allocation of the Fund to the International Equity Fund (Lazard) up to 12% as outlined in the recently adopted target asset allocation. The vote of approval was unanimous.

Judge Holt made a motion, seconded by Judge Moss, to reduce the current exposure to Fixed Income (Sage) by 3%, and reduce the current exposure to Large Cap Core (Atlanta Capital) by 3% as well to provide the funding necessary to increase the current allocation to International Equity, as outlined in the previous motion. The vote of approval was unanimous.

Judge Moss made a motion, seconded by Judge Holt, to adopt the amended Investment Policy Statement, as presented by Chad Smith of Morgan Stanley, in order to align with the recently adopted new target asset allocation of the fund, and allow the Secretary/Treasurer to execute the changes accordingly. The vote of approval was unanimous.

B. Brandt Barlow presented an Income and Expense Report, advising revenues are still down but we have cash flow after expenses so we're ok.

C. Bob Carter presented a membership report for the quarter.

IV. NEW BUSINESS

A. Judge Moss made a motion, seconded by Judge Holt, to approve a refund of dues in the amount of \$19,344.93 to Judge Wanda Dallas of Clayton County. The vote of the board to approve was unanimous.

- B. Judge Cavanaugh made a motion, seconded by Judge Moss, to approve in advance all upcoming January 2021 Magistrate Judge retirements. The vote of approval was unanimous.
- C. There was discussion regarding a Cost of Living and Salary Cap increase in January 2021 for the fund. A letter from the actuary, Buck, was provided to the board reflecting the impact of proposed benefit improvements. The consensus of the actuarial analysis was that the fund could support the increase.

Judge Moss made a motion, seconded by Judge Holt, for a 1.5% Cost of Living and Salary Cap increase to be effective January 2021. The vote of approval was unanimous.

Mr. Carter informed the board he was notified that Attorney Tom Richardson is retiring and will no longer be available to serve the board in a legal capacity. There was discussion about interviewing others for the position.

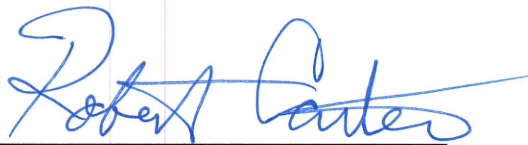
V. FUTURE MEETING SCHEDULE

Judge Cavanaugh made a motion to accept the future meetings as Monday, February 15, 2021, Monday, May 17, 2021 and Monday, August 16, 2021. Judge Moss seconded the motion, and the vote of the board to approve was unanimous.

VI. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

Respectfully Submitted,



Robert W. Carter
Secretary/Treasurer

The above and foregoing minutes were approved at the meeting held on the 8th day of February, 2021.