

MINUTES

BOARD OF COMMISSIONERS OF THE MAGISTRATES RETIREMENT FUND OF GEORGIA

Monday, August 25, 2025
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, August 25, 2025, at 10:00 a.m.

I. CALL TO ORDER

The meeting was called to order at 10 a.m. by Vice Chair Murphy. The following is a list of persons present at the meeting:

A. Board Members and Staff

Judge Mary Kathryn Moss, Board Chair (virtual)
Judge Brendan Murphy, Board Vice Chair
Judge Rita Cavanaugh, Board Member
Connie Holt, Board Member
Harlan Proveaux, Board Member
Cody Whitlock, Board Member (virtual)
Homer Bryson, Secretary-Treasurer
Brandt Barlow, CFO
Jebby Votaw, Board Secretary
Bryan Schivera, Attorney to the Board (virtual)

Absent: Berryl Anderson, Board Member

B. AmRET, Financial Advisors

Jim Fallon
Paul Troup
Josh Harris
Hannah Varnado

II. APPROVAL OF MINUTES

Harlan Proveaux made a motion, seconded by Judge Holt, to approve the Minutes of the Board meeting held June 2nd, 2025. The vote of approval was unanimous.

III. REPORTS OF OFFICERS AND COMMITTEES

Jim Fallon, AmRET, reported that the technology platform, Natixis, is being sold and AmRET is looking at a replacement, which will be in place during the next quarter. Manager interviews will proceed after that. He told the Board that

the Fund is doing well. 1 year is at 10.84%, 2 year rolling is 14.88%, and 3 year rolling is 10.62%.

Josh Harris told the Board the second quarter Domestic Equities had a rally after mid-April tariffs were announced. The S&P 500 reached record highs in the second quarter, bringing the YTD return to just over 6%. Growth stocks are outperforming their counterparts. On Small Caps vs. Large Caps, history says Small Caps expect a premium return. Large Caps outperformed Small Caps in the last quarter. International equities outperformed domestic equities due to the weakening US dollar. The Federal Reserve has not cut rates.

Paul Troup reviewed the second quarter 2025 Quarterly Review. International managers did not do well. Acadian's return of 17.25% is outperformed by 80% of their peers. Driehaus has not done well in overall performance, but in the last quarter they had a 16% rate of return. The range of results for public funds similar in size to MRF was reviewed, with our return of 6.1% being in the median range.

We invest in American Depositary Receipts, which are certificates issued by U.S. banks that represent shares in a non-U.S. company to buy stocks overseas. Banks who issue ADRs and companies who issue stocks have created an exchange with fees for that service. Vice Chair Murphy asked if we have any connection to China. Mr. Barlow said as of year-end, we do have funds in China and those need to be looked at. Mr. Fallon stated Natixis was reminded a year ago that we needed to be out of China and will follow up.

Dundas is benchmark agnostic with only 20 positions in their portfolio. Nonetheless, they tend to pick winners and outperform.

As the Board was made aware of the China position today, a motion was made by Judge Murphy, seconded by Harlan Proveaux, that the Board is directing everyone involved to get the Fund out of any prohibitive investments as soon as possible. The vote of approval was unanimous.

CFO Brandt Barlow told the Board a large fee study was recently released. With a total of \$4.2 billion in fees broken down by fund type, 40 basis points was the average fee amount. For a fund our size, the public fund is 43 basis points. The Magistrate's Fund is at 44 basis points, which is appropriate placing. The average for custody fees is 3.7 basis points and we are at 3 basis points. Judge Moss asked if there is a way to differentiate between custodial fees and ADR custody fees. Mr. Barlow replied that custodial fees only include what is taken to hold investments and record all activity for investments, which is what U.S. Bank does. ADR fees are the banks that hold our investments and a charge a fee, which is charged to the Fund but shows up on U.S. Bank's statement as a pass through fee as that is where it is recorded. Vice Chair Murphy asked what fees will look like with the new platform. Mr. Fallon states they are currently in negotiations but are anticipating the same fees. Vice Chair Murphy asked if a

new contract would need to be executed and Mr. Fallon believes it would.

Mr. Barlow reviewed the Income Statement and Audit Report with the Board. *A motion was made by Harlan Proveaux, seconded by Judge Cavanaugh, to approve the Income Statement. The vote of approval was unanimous.*

Mr. Barlow told the Board that Joe Griffin, actuary for Foster and Foster, will be at the November board meeting to go over the Actuarial Valuation and Studies previously requested by the Board.

LEGAL MATTERS

Mr. Schivera told the Board that the execution of the side letter with Churchill is complete and includes good terms for the Fund.

IV. OTHER BUSINESS

For edits to the Dues Policy, Mr. Schivera stated procedure needs to be in place on how to handle part time judges who are delinquent remitting salary affidavits. Allowing part time judges to catch up dues at a later date with a flat dollar amount paid at the end of their service will not make the Fund actuarially whole. He believes there are two options: 1. Don't permit catch up or 2. Apply a catchup fee to make up for the Fund not having those dues previously.

Mr. Barlow told the Board there are currently 45 part time judges in the Fund required to submit an annual salary affidavit. If the member does not submit the affidavit by July 1st of each year, there is most likely a pay raise that will not be recorded and dues are based on the member's salary. In addition, there may also be gaps in history. A large pay increase causes larger dues that would be unpaid. Vice Chair Murphy asked if the affidavit is required by state law or used to capture the income. Mr. Barlow stated it is office procedure used to record the income, but is not required by law. Vice Chair Murphy asked if the Fund could request Open Records to obtain the current salary. Mr. Barlow replied that we need an actual breakdown of salary and there are too many possible addons with an Open Records request. Chair Moss said part time judges are not statutory and should be able to report their current annual salary to the Fund. It should not be up to the Fund to chase a member down for salary. It is the part time judge's responsibility to notify the Fund by July 1st or they remain at the lower salary. If we say "catch up" is allowed, we are allowing them to buy back which is a concern.

Chair Moss wants Staff to send a letter with the affidavit to the part time judges stating the judge has a responsibility to return this affidavit by July 1st. If it is not returned by July 1st, then the judge continues with the salary in the file. Vice Chair Murphy asked the result for the following situation: Judge X is 15 years away from retirement and fails to return a salary affidavit for 3 years due to a divorce. Judge X calls and apologizes for missing 3 years. What happens in this case? Judge Holt replied that Judge X can catch up the dues, but this happening at retirement is the problem. Vice Chair Murphy stated that on the 3rd year, Judge X sends in the current

affidavit, but not the 3 years prior. Mr. Barlow replied we can adjust the dues if they are provided, but if they are not provided how does Staff proceed? Chair Moss stated it is not fair to increase a retirement pension if we do not have the correct salary affidavits. Vice Chair Murphy suggested the Board handle this case by case where catch up is perhaps the statutory rate of interest plus dues. Judge Holt stated the member should not be able to provide an affidavit at retirement. Mr. Schivera asked if this needs to be in policy. Mr. Barlow suggested that we carry on per usual with the affidavits and if a member waits to supply one at the end of their time in office, Staff will bring it to the Board for advisement. Vice Chair Murphy stated that we do not want to incentivize a member who holds off providing affidavits. Mr. Schivera told the Board putting this in policy may not be best. Chair Moss said policy could say, "Part time Magistrates shall file salary affidavits July 1st of every year. Failure to do so may affect retirement benefits." For policy, Mr. Schivera stated it is best to keep it generic. Vice Chair Murphy asked if recoup could be mentioned for failure of a judge to provide the affidavit. Chair Moss said that once a judge pays the higher rate, the benefit cannot be reduced down if the salary drops. Mr. Barlow stated that policy is for full time Chief Magistrate Judges and includes the census, but not for part time Chiefs. Vice Chair Murphy asked what allows us to assume the judge is making the same salary without the affidavit. Mr. Schivera stated there is no statute for the salary affidavit. GA Codes §47-25-41 and §47-25-81 state dues are based on percentage of salary. There is nothing in code stating a salary affidavit must be provided. Mr. Bryson recommended the potential to move to a set membership dues fee. Mr. Barlow believes a set dues amount is a good idea as there is not a lot of variability in part time salary. Vice Chair Murphy states this does not solve the problem of a part time judge moving to full time during their last term. Chair Moss suggested as part of policy moving forward: 1. Member continues to pay at a higher rate if their salary goes down. 2. Handle the outliers on a case by case. Chair Moss does not want this to be a burden on staff. Vice Chair Murphy suggested that Judge Moss, Judge Murphy, the Board attorney, and Brandt Barlow have a conference call to discuss this issue and bring ideas to the Board at the November meeting.

An update was given on Courts and Dues. There are no outstanding Court fees or membership dues.

Vice Chair Murphy asked for an update on legislative updates. Mr. Bryson said Audits sent out a letter for an actuarial study a few weeks ago. He checked with Legislative Counsel on changing the board composition to allow up to one board member to be a retiree. Counsel said this can be an amendment to the current bill. All board members' terms are good until 2027, so the time to look at this will be when it is time to reappoint new members. Chair Murphy asked about simplifying the dues. Mr. Bryson stated we are working toward a flat 4%.

Mr. Bryson reported there are 133 active members, 60 retirees, and 12 survivors. \$126,404 paid in pensions for August.


V. FUTURE MEETING SCHEDULE

The consensus of the board was approval of the following meeting:
Monday, November 17, 2025.

VI. ADJOURNMENT

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

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "P. Homer Bryson", is written over a horizontal line.

P. Homer Bryson
Secretary/Treasurer

The above and foregoing minutes were
approved at the meeting held on the
17th day of November, 2025.