

MINUTES

BOARD OF COMMISSIONERS JUDGES OF THE PROBATE COURTS RETIREMENT FUND OF GEORGIA

Thursday, November 14, 2019 - 10:30 A.M.
Fund Office, 1208 Greenbelt Drive
Griffin, Georgia 30224

Present: Garrison Baker, Chairman
Chase Daughtrey, Board Member
Bruce Wright, Board Member
Jeff Avant, Board Member
Betty Cason, Board Member (by phone)

Bob Carter, Sec/Treasurer
Brandt Barlow, CFO
Jack Halper, Wells Fargo
Lee Willis, Wells Fargo
Jennifer Yanulavich, Wells Fargo

Absent:

The meeting was called to order at 10:30 A.M. by Chairman Baker.
The following is a list of items acted on by the Board:

I. APPROVAL OF MINUTES OF PREVIOUS MEETING

- ▶ Board Members reviewed the minutes from the August 8, 2019 Board Meeting. Judge Daughtrey made a motion, seconded by Judge Wright, to approve the Minutes from the August 8, 2019 Board Meeting. The vote was unanimous.

II. FINANCIAL REPORTS

- ▶ Advisors from Wells Fargo, Jack Halper, Lee Willis and Jennifer Yanulavich, presented the Quarterly Financial Report. Lee Willis addressed the Board with a review of the financial climate. There's a ton of narrative in the news today, mostly negative. Over the last 10 years the market has been up an average of 12% and we have gotten used to it. Over the past 20 years, the average investment return was 3.88%. Investors act on emotion because of the media. However, there are definite signs of the economy slowing down. There are declining exports and a global slowdown of manufacturing. In the Probate Retirement portfolio, growth funds are up, but value is lagging.

Ms. Yanulavich said the fund, as of September 30th, was at \$95.7 million. And then, as of November 12th, was at \$99.2 million. A lot of that growth came from Great Lakes, the value manager. Lazard, Polen and Harding Loevner are all performing well.

There was further discussion regarding allocation. Mr. Willis said the fund is under weighted in International Equities.

Mr. Willis said Lazard, the Emerging Market manager, is on alert. Although they're up 4.2% we're concerned about their volatility. One or two years of under performing gets a manager on the watch list. We then look into what's causing the under performance. We're going to stick with them for now because we still have confidence in Lazard but we're not married to any of our managers.

Jack Halper made a recommendation for a change in Equity Markets from growth to value. Looking at the size of the portfolio, growth has had a tremendous run. Great Lakes is at \$24.5 million and is about 25% of the fund. Polen is at \$35 million and is about 37% of the fund. He proposed going forward to pull cash from Polen rather than Great Lakes.

Betty Cason made a motion, seconded by Jeff Avant, to start withdrawing cash for expenses from Polen, rather than Great Lakes, to be effective immediately. The vote was unanimous.

Mr. Carter said typically the board meets with the individual money managers at the Annual Probate Judges Spring Conference. Next year it begins on Sunday, April 19th at the Classic Center in Athens, Georgia. The consensus of the board was to meet there on Monday, April 20, 2020.

- ▶ Brandt Barlow presented the Income/ Expense Statement for the Board's review. Judge Wright made a motion, seconded by Judge Daughtrey, to approve the Financial Statement as presented. The vote was unanimous.

III. OTHER BUSINESS

- ▶ There was discussion regarding a Salary Cap increase. Mr. Carter presented a letter from fund actuary, Buck, confirming the fund can support an increase if the board should choose to do so. Judge Daughtrey made a motion, seconded by Jeff Avant, approving a Salary Cap Increase for the fund of 3%, bringing it to \$45,387.00, to be effective January 1, 2020. The vote was unanimous.

- ▶ Mr. Carter presented a request for Brandt Barlow to be added as a signer of checks of the Probate Judges Retirement Fund. Jeff Avant made a motion, seconded by Judge Wright, approving Brandt Barlow as an additional signer of checks for the Probate Judges Retirement Fund. The vote was unanimous.

Mr. Carter reminded the board of continuing education at GAPPT in March in St. Simons Island, Georgia. Our consultants have also offered to arrange training hours for the board. The state requirement is 12 hours every two years.

IV. NEXT BOARD MEETING AND LOCATION

The next Regular Board Meeting will be held on Thursday, February 13, 2020, at 10:30 A.M at the Fund office in Griffin.

With no further business to come before the Board, the meeting adjourned 12:25 P.M.

Respectfully Submitted,



Robert W. Carter
Secretary/Treasurer