

**ST. MARY'S COUNTY SHERIFF'S OFFICE RETIREMENT PLAN  
BOARD OF TRUSTEES MEETING  
July 24, 2014**

**Members Present:** Dr. Rebecca Bridgett, County Administrator  
Elaine Kramer, Chief Financial Officer  
Lt. Edward Evans, Sheriff's Office Representative  
Dr. Tracy Harris, Citizen Representative

**Members Absent:** Captain Terry Black, Sheriff's Office Representative

**Others Present:** Susan Sabo, Plan Administrator  
Karen Gates, Recorder  
Mike Holycross, Morgan Stanley  
Jeff Seibel, Morgan Stanley

**CALL TO ORDER**

The meeting was called to order at 1:00 p.m.

**ACCEPTANCE OF THE AGENDA**

The agenda was accepted as presented by Dr. Bridgett.

**APPROVAL OF MINUTES**

Elaine Kramer made a motion, seconded by Lt. Edwards, to approve the April 24, 2014 meeting minutes. Motion carried.

**MORGAN STANLEY UPDATE**

**Performance Management Report for period ending June 30, 2014.**

Jeff Seibel from Morgan Stanley provided a Performance Measurement Report for the period ending June 30, 2014. Mr. Seibel noted that the Combined Account portfolio was up 3.55% for the quarter, the Domestic Equity portfolio was up 4.98% for the quarter, the International Equity portfolio was up 4.11% for the quarter, the Fixed Income portfolio was up 3.06% for the quarter, and the Hedge Funds & Private Equity portfolio was up by 1.84%. The beginning market value of the Plan was \$61,924,677 and the ending Market Value of the Plan was \$64,926,772.

Morgan Stanley noted that no operational or management changes were needed regarding the fund managers.

## Second Quarter Review Action Items

Morgan Stanley recommended reducing the iShares EAFE EFT weighting by 1.5% (\$975K) and increase Wentworth Hauser International weighting by 1.5% (\$975k). Elaine Kramer made a motion, seconded by Dr. Harris to accept Morgan Stanley's recommendation. All in favor, motion carried.

Morgan Stanley recommended reducing Cash weighting by 1% (\$650k) and increasing REIT Index ETF weighting by 1% (\$650k). Lt. Evans made a motion, seconded by Elaine Kramer to accept Morgan Stanley's recommendation. All in favor, motion carried.

Morgan Stanley discussed the Blackstone Real Estate Income Fund. Morgan Stanley recommended 2% allocation (\$1.305MM) to this fund; raising proceeds by reducing Templeton Global Bond, Loomis Sayles and Delaware Diversified weighting by 0.67% each (\$435k). Dr. Harris made a motion, seconded by Lt. Evans to accept Morgan Stanley's recommendation. All in favor, motion carried.

Morgan Stanley discussed the Private Advisors Small Company Private Equity Fund IV. Morgan Stanley recommended allocating 2% (\$1.3MM) from Cash to this fund. The Board will defer making a decision until the October 2014 meeting. Morgan Stanley will show a cash model for the Private Advisors Small Company Private Equity Fund VI at the next meeting.

## Agenda for October 2014 Meeting

- Third quarter review (period ending September 30, 2014)
- Evaluate active small cap managers
- Evaluate private real estate and active real estate managers

## **Administrator's Report**

### **BILLS PAID SINCE LAST MEETING:**

DATE	PAYEE	TYPE SERVICE	AMOUNT
5/114	Karpinski, Colaresi & Karp	Legal services rendered. M. George; letter to and from opposing counsel, letter to and from SORP plan administrator).	\$ 373.28
6/2/14	Karpinski, Colaresi & Karp	Legal services rendered. Ref: M. George. Review letter from opposing counsel, letter to opposing counsel, status report to SORP, prepare for and attend telephone conference call, draft Standard of Law Section of Memorandum, review Scheduling Order.	\$ 1,108.40

6/13/14	Bolton Partners	Consulting services for month ending 5/31/14. Lump sum distribution for C. Malinich.	\$ 127.00
7/1/14	Karpinski, Colaresi & Karp	Legal services rendered. Ref: M. George. Review correspondence, telephone conference with Judge Abrams, dictate on file and letter to SORP, review Order.	\$ 130.18
7/8/14	Whiteford, Taylor & Preston, LLP	Professional services rendered through 6/30/14. Preparation of working Plan Document updated through Ninth Amendment.	\$ 140.00
7/15/14	Bolton Partners	Consulting services for month ending 6/30/14. Lump sum calculation for T. Shomper, C. Shomper, W. Bankhead, and M. Halpert.	\$ 508.00
<b>TOTAL:</b>			<b>\$2,386.86</b>

**NEXT MEETING**

The next meeting is scheduled for September 25, 2014.

**ADJORNMENT**

The meeting adjourned at approximately 2:15 p.m.

Respectfully submitted,

Karen Gates  
SORP Plan Coordinator

APPROVED:

Dr. Rebecca B. Bridgett  
Chair