

RETIREE BENEFIT TRUST OF ST. MARYS COUNTY
BOARD OF TRUSTEES MEETING MINUTES
MAY 5, 2017

Members Present: Dr. Rebecca Bridgett, County Administrator
Catherine Pratson, Director, Human Resources
Mary Ann Murray, Community Representative
Jeannett Cudmore, Chief Financial Officer
Mike Hewitt, County Commissioner

Others Present: Patty Stiegman, Plan Administrator
Joe Chadwick, Ed Boyer, Asset Strategy Consultants
Kevin Binder, Bolton Partners

CALL TO ORDER

The meeting was called to order at approximately 9:30 a.m.

ACCEPTANCE OF AGENDA

The Agenda was unanimously accepted.

APPROVAL OF MINUTES

Mike Hewitt made a motion, seconded by Jeannett Cudmore, to approve the minutes from the March 24, 2017 meeting. Motion Carried.

ASSET STRATEGY OVERVIEW

- We are well diversified which is great in this market, showing a great trend.
- Brown has turned around this quarter, but will remain on the watch list, along with Diamond Hill.
- Friess is currently in a co-mingled Trust. Will go to a mutual fund in the next 60-days.
- Greenspring Opportunities II and III will be returning approximately \$600,000 in the next 60-days.
- Recommending a new investment: ABR Chesapeake Fund V
 - MOTION: Mike Hewitt made a motion to commit \$1,000,000 to ABR Chesapeake Fund V, seconded by Mary Ann Murray. Motion Carried.
- Recommending a second investment: Auldbrass Partners Secondary Opportunity Fund II
 - MOTION: Mary Ann Murray made a motion to commit \$1,500,000 to Auldbrass Partners Secondary Opportunity Fund II, seconded by Jeannett Cudmore. Motion Carried.
- Recommending a third investment in Coe Capital Intrinsic Edge Plus Hedge Fund
 - MOTION: Mike Hewitt made a motion to commit \$1,500,000 in Coe Capital, seconded by Catherine Pratson. Motion Carried.

PRESENTATION BY BOLTON PARTNERS

- The OPEB Trust requested an analysis be performed by Bolton Partners as to the financial impact of changing the Sheriff's Office Retiree Health eligibility to 20 years vs the current 25 years.
- During the analysis, Kevin Binder discovered a miscalculation in the valuation performed last Fall for the County OPEB
- The impact of the error is reflected in the annualized amount going from \$5,090,000 to \$5,879,000.
- The impact of changing the Sheriff's eligibility to 20 years would be an additional \$353,000 to \$6,171,000 total annual contribution.
- The Unfunded Actuarial Accrued Liability would increase from \$39,567,000 to \$41,906,000.
 - MOTION: Mike Hewitt made a motion to not change the Plan as it currently is established, seconded by Jeannett Cudmore. Motion Carried.

PLAN ADMINISTRATOR REPORT

MOTION: Mike Hewitt made a motion to accept the Plan Administrator report, seconded by Catherine Pratson. Motion Carried.

ADJOURN

MOTION: Mike Hewitt made a motion to adjourn meeting at 11:40am, seconded by Mary Ann Murray.

Respectfully submitted,



Patricia Stiegman,
Plan Administrator

APPROVED



Dr. Rebecca Bridgett,
Chair