

RETIREE BENEFIT TRUST OF ST. MARYS COUNTY
BOARD OF TRUSTEES MEETING MINUTES
MAY 4, 2018

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

Others Present: Patty Stiegman, Plan Administrator
Ed Boyer, Asset Strategy Consultants
Joe Chadwick, Asset Strategy Consultants

CALL TO ORDER

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

ACCEPTANCE OF AGENDA

Agenda was accepted as presented.

APPROVAL OF MINUTES

MOTION: Mike Hewitt made a motion to approve the minutes as presented from the February 2, 2018 meeting. Seconded by Jeannett Cudmore. Motion Carried.

ASSET STRATEGY OVERVIEW

- Quarter Ending March 30, 2018 – Market Value \$76,283,173, net investment change of \$622,321
- Portfolio is looking spectacular at 7.6% since inception. Total fund performance is overall very competitive.
- Large Cap Equity and Small/Mid Cap Broad are not within policy range, slightly overweight, using for Capital Calls.
- Large Cap Equity –Delaware Value and Brown have both pulled up and turned a nice Quarter.
- Small Mid Cap Equity – Small is showing signs of doing better than Large going forward.
- International Equity – Harbor International is lagging, if it doesn't change we will need to take action later in the year – still watching.
- High Yield – Will present a new manager at the next meeting.
- Discussion on Bond Rates – expect to see some creep in the interest rates.
- Tariffs/Interest Rates/Global conditions/Politics – all of this will impact returns.
- As we are overweight in Large Cap and Small/Mid Cap, three recommendations are being made with the cash to come from Large Cap and Small/Mid Cap.
- A recommendation was made to transfer \$1,500,000 to Accolade Partners, strictly a growth fund.
 - MOTION: Mike Hewitt made a motion to commit \$1,500,000 to Accolade Partners Option 2. Seconded by Mary Ann Murray. Motion Carried.
- A recommendation was made to transfer \$1,250,000 to JMI Equity, a software growth fund.
 - MOTION: Mike Hewitt made a motion to commit \$1,250,000 to JMI Equity. Seconded by Jeannett Cudmore. Motion Carried.
- A recommendation was made to transfer \$1,500,000 to FCP Realty Fund IV, specializing in workforce housing.
 - Motion: Mary Ann Murray made a motion to commit \$1,500,000 to FCP Realty Fund IV. Seconded by Mike Hewitt. Motion Carried.

NEW BUSINESS

Catherine Pratson presented the Fiduciary Insurance Policy Coverage and Rates. The Plan attorney reviewed the policy, and recommends the Trust considers increasing the coverage for the Fiduciary insurance on the OPEB Plan from its current \$1,000,000 aggregate with \$25,000 deductible, to \$3,000,000 aggregate with \$25,000 deductible. The annual premium will increase from \$9,700 to \$17,900.

- Motion: Mike Hewitt made a motion to increase the Fiduciary insurance as recommended. Seconded by Jeannett Cudmore. Motion Carried.

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PLAN ADMINISTRATOR REPORT

\$958,784 in activity during the last period.

MOTION: Mike Hewitt made a motion to accept and approve the Plan Administrator report, seconded by Mary Ann Murrary.
Motion Carried.

ADJOURN

MOTION: Jeannett Cudmore made a motion to adjourn meeting at 10:40am, seconded by Mike Hewitt.

Respectfully submitted,



Patricia Stiegman,
Plan Administrator

APPROVED



Dr. Rebecca Bridgett,
Chair