

RETIREMENT BENEFIT TRUST OF ST. MARY'S COUNTY (Friday, November 30, 2018)
Generated by Eleanor Abell on Wednesday, January 16, 2019

1. CALL TO ORDER

The meeting was called to order at 9:48 am.

2. ROLL CALL

Members Present:

Mary Ann Murray
Jeannett Cudmore
Catherine Pratson
Dr. Rebecca Bridgett
Eleanor Abell, Recorder

Absent: Commissioner Mike Hewitt

A. MOTION TO ACCEPT AGENDA

I'll make a motion to accept the agenda.

Motion by Jeannett Cudmore, seconded by Mary Ann Murray.

Final Resolution: Motion Carries

Yea: Mary Ann Murray, Jeannett Cudmore, Rebecca Bridgett, Catherine Pratson

Not Present at Vote: Commissioner Michael L Hewitt

B. MOTION TO APPROVE MINUTES - August 31, 2018

I'll make a motion to approve the minutes of August 31, 2018.

Motion by Catherine Pratson, seconded by Mary Ann Murray.

Final Resolution: Motion Carries

Yea: Mary Ann Murray, Jeannett Cudmore, Rebecca Bridgett, Catherine Pratson

Not Present at Vote: Commissioner Michael L Hewitt

3. PRESENTATION

A. ASSET STRATEGY Quarter Ending September 30, 2018

Update for Quarter Ending September 30, 2018, presented by Ed Boyer and David Saunders of Asset Strategy. Reviewed Market Performance and Total Fund Overview – Market balance was \$80.8 million. February meeting they will bring back target ranges in the investment manager portfolio and will amend based on board direction to follow up during the May meeting to approve. Discussion of new managers for International Value Equity Manager mutual fund search. Board to consider replacement for Harbor International from the four potential candidates. Suggested

replacement of Harbor International with Transamerica. The entire allocation to be sold and reinvested.

B. MOTION FOR ASSET STRATEGY:

I'll make a motion that Harbour International Investment be liquidated and be reinvested in TransAmerica International Equity.

Motion by Mary Ann Murray, Seconded by Jeannett Cudmore.

Final Resolution: Motion Carries

Yea: Mary Ann Murray, Jeannett Cudmore, Rebecca Bridgett, Catherine Pratson

Not Present at Vote: Commissioner Michael L Hewitt

Suggestion that Commissioner Hewitt be apprised of this.

4. COMMITTEE REPORTS

A. PLAN ADMINISTRATOR REPORT

Jeannett Cudmore presented the Plan Administrator's Report with the following highlights:

Capital Calls - Transfer of Funds since last meeting: Transactions totaling \$138,710.84.

Administrative – Transfer of Funds since last meeting: Transactions totaling \$54,843.74 including Asset Strategy.

MACO – OPEB Financial Statements – June 30, 2018, \$1,178,459.

Second Quarter Report June 30, 2018 –Fund balance \$36,803,953 – return for quarter 1.22%, overall since inception (April 2015) 6.06%.

Next meeting is December 7, 2018 – In Annapolis MACO Office.

Future meetings calendar proposed meeting dates: 2/1/19; 5/3/19; 8/30/19; 11/1/19.

B. MOTION TO APPROVE PLAN ADMINISTRATOR'S REPORT:

I'll make a motion to accept the Plan Administrator's report.

Motion by Mary Ann Murray, seconded by Catherine Pratson.

Final Resolution: Motion Carries

Yea: Mary Ann Murray, Jeannett Cudmore, Rebecca Bridgett, Catherine Pratson

Not Present at Vote: Commissioner Michael L Hewitt

5. OLD BUSINESS

There was no old business.

6. NEW BUSINESS

A. ACTUARIAL UPDATE

Bolton Partners:

St. Mary's County Government FY2018 OPEB Actuarial Valuation as of July 1, 2018, was presented by Kevin Binder of Bolton Partners to determine County's Actuarial Determined

Contribution (ADC) for FY2020 and FY2021 Budget. Discussed difference in GASB 74 reporting and reviewed changes in contribution based on June 30, 2018 data. Report shows a \$4,775,000 ADC for FY2020 Budget, lower than calculation of \$5,879,000 from last report for FY2018. Report is based on 6% discount rate and long term expected return on assets. Page 15 of the report discussed possible changes to the ADC method and updated mortality method. Provided 10 year projection methods and assumptions based on pay as you go funding. Mr. Binder discussed 80% rule on pensions that could be followed and will send information to be discussed at the County's next meeting.

No Motion to accept the Actuarial Update by Bolton Partners.

NEW BUSINESS ITEM: BoardDocs and Open Meetings Act/Executive Session.

Dr. Bridgett brought the subject of BoardDocs to the attention of the Board, and that it was the first pilot for OPEB and LOSAP meetings.

Dr. Bridgett mentioned an issue for BoardDocs and she consulted with the Acting County Attorney David Weiskopf. He doesn't believe there is a provision in the Open Meetings Act to permit Executive Session. The recommendation would be if the board would like, is to amend the St. Mary's County Open Meetings Act or use the Maryland Open Meetings Act. Dr. Bridgett will ask David Weiskopf, Acting County Attorney to draft the appropriate language. Board to entertain a suggestion to consider Executive Sessions for the purpose of discussing proprietary information, that would not yet be public information, both for OPEB, SORP, and LOSAP Boards if they had that same issue regarding private calls that would not be public information. There was consensus from the OPEB Board to address this topic with the Commissioners. Dr. Bridgett to draft an OPEB Memo to the Commissioners for review and response.

7. ADJOURN

A. MOTION TO ADJOURN MEETING

I'll make a motion to adjourn.

Motion by Mary Ann Murray, seconded by Jeannett Cudmore.

Final Resolution: Motion Carries

Yea: Mary Ann Murray, Commissioner Michael L Hewitt, Jeannett Cudmore, Rebecca Bridgett, Catherine Pratson

The meeting officially adjourned at 10:45 am.

Respectfully Submitted,

APPROVED

Jeannett Cudmore, Plan Administrator

Dr. Rebecca Bridgett, Chair