

**Charles County Pension Plan
Retirement Plan Committee Meeting
Thursday, October 3, 2013
Commissioners' Meeting Room
2:00-3:30**

The meeting of the Retirement Plan Committee for the Charles County Pension Plan was called to order at 2:05 p.m. by Mark Belton.

Committee Members Present

Mark Belton, Chair
David Eicholtz
Stephen Brayman
Dennis Fleming
Megan Donnack

Staff

Elaine Pollard, Recording Secretary

Other Participants

Johanna Hunt and Dean Molinaro of Prudential

I. Approval of Minutes for Committee August 1, 2013

Steve Brayman moved to adopt the minutes of the August 1, 2013 meeting. Dennis Fleming seconded the motion. Dave Eicholtz abstained; the motion passed.

II. Oath of Office

Elaine Pollard distributed the Oath of Office, Code of Ethics, and Code of Civility to Dave Eicholtz, and led him through the Oath of Office. Mr. Eicholtz signed the acknowledgement form indicating he had received the documents and taken the Oath of Office.

III. Discussion of Election of Vice Chair

The Committee discussed that it will defer electing a Vice Chair until all Committee members are no longer in any acting capacity.

IV. Real Estate Options

Dean Molinaro and Johanna Hunt of Prudential joined the Committee via telephone. Mr. Molinaro reviewed with the Committee the presentation he made before the Commissioners on October 1, 2013. The Plan's returns for the year were 14.26%. Plan assets for the end of the quarter were valued at \$138,653,000.

Mr. Molinaro also informed the Committee that Prudential is in the process of replacing the mid growth fund manager from Goldman Sachs to Waddell & Reid.

It was discussed that in previous years, the Plan's real estate investment (PRISA) was underperforming and not reaching the benchmark as noted in the Investment Policy Statement. The Committee recommended to the Commissioners to change the investment to

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2.5% in PRISA and 2.5% in a Real Estate Investment Trust (REIT) fund—Nuveen Real Estate. Nuveen Real Estate is not on Prudential's manager of managers platform.

During a past presentation to the Committee, Mr. Molinaro noted that the Cohen & Steers REIT fund is on its manager of managers platform. Mr. Molinaro pointed out that the Nuveen REIT Fund has not had any performance issues, but the Cohen & Steers REIT fund meets the goals and objectives of the Plan's Investment Policy Statement.

Steve Brayman moved that the Committee forward a recommendation to the Commissioners to replace the Nuveen REIT fund with the Cohen & Steers REIT fund. Dave Eicholtz seconded the motion; the motion passed unanimously.

Mr. Molinaro noted that he will coordinate with Megan Donnick to find a time to present the recommendation to the Commissioners.

V. Retiree Representative

Steve Brayman presented the Committee with a draft letter to the Commissioners in response to their July 30, 2013 request for the Committee to provide additional options on the retiree representative request. The draft provided three options:

- 1) Add a non-voting retiree member to the CAPP Retirement Plan Committee
- 2) Add a sixth voting member the Retirement Plan Committee
- 3) Replace an existing Committee member with a retiree member

Options 1 and 2 were noted as the Committee's preference. The draft also denotes there are three (Charles County Pension Plan, Sheriff's Office Retirement Plan and Other Post Employment Benefits) retirement trusts on which the Commissioners serve as Trustees.

The Chair opened the floor to public comment. A retiree noted that from a retiree's perspective, option 2 was most preferred; however, if the first option was selected, the retirees would like to have the caveat of noting to the Commissioners any dissention they would have with any Committee recommendations. It was discussed that this view was expressed by only one retiree.

After a lengthy discussion, Mark Belton moved that the letter to the Commissioners state following:

1. The preamble should note that Committee's original recommendation remains;
2. The Committee's options in order of preference are 1 and 2 respectively;
3. The Committee received feedback from a retiree suggesting recommendation 2 as the preference;
4. The closing paragraph should state that the Committee (along with feedback from retirees) does not recommend the third option.

Dave Eicholtz seconded the motion; the motion passed unanimously.

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VI. New Business

Megan Donnick informed the Committee that Prudential is ready to launch its retirement website that will allow retirees to view payment history and make changes to personal information. A letter to retirees from Prudential will be mailed soon.

Megan Donnick and Elaine Pollard discussed with the Committee the logistical difficulty in posting the Committee information on both BoardDocs and the Boards and Commissions page on the County's web site. It was requested that the CCPP's Boards and Commissions page mirror that of the Planning Commission with a link from the page to BoardDocs. Mark Belton asked that a request to do so be sent to the County Administrator's Office.

The Committee discussed several ways in which the Employee Representative can reach out to employees and retirees including utilizing the DHR Employee Committee.

VII. Public Comment

There was no additional public comment.

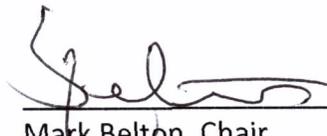
There being no new business, the meeting adjourned at 3:26 p.m.

Submitted for Approval by:

Approved by:



Stephen A. Brayman
Secretary



Mark Belton, Chair
Retirement Plan Committee

Approved by Retirement Plan Committee: 12/5/2013
(Date)