

**Sheriff's Office Retirement Plan
Retirement Plan Committee Meeting
Thursday, April 11, 2013
Government Building Conference Room
2:00 p.m. – 3:30 p.m.**

The meeting of the Retirement Plan Committee for the Sheriff's Office Retirement Plan was called to order at 2:08 p.m. by Mark Belton.

Committee Members Present

Mark Belton, Chair
Sgt. Robert Kiesel, Vice Chair
Capt. Jon Norris
Stephen Brayman, Secretary
Deborah Hudson

Staff

Megan Donnack
Elaine Pollard, Recording Secretary

Other Participants

Johanna Hunt and Frank Mursko of Prudential; Carol Boykin of Bolton Partners

I. Approval of Minutes from the Committee Meeting February 14, 2013

The Committee reviewed the minutes from the February 14, 2013 meeting, which included minutes from the closed session. Steve Brayman moved to approve the minutes; Robert Kiesel seconded. The motion passed unanimously.

II. Oath of Office and Acknowledgement Forms

Elaine Pollard, Recording Secretary distributed the Code of Ethics, Code of Civility, Oath of Office to the Committee members and led them through the Oath of Office. The Committee members signed an acknowledgement form indicating that they had received the Code of Ethics, Code of Civility, Oath of Office and that they had taken the Oath of Office.

III. Minimum Fund Liability

Johanna Hunt and Frank Mursko of Prudential, and Carol Boykin of Bolton Partners reviewed the Minimum Fund Liability (MFL) and provided two recommendations to fund it through March 31, 2014 as it has increased.

The MFL currently has a deficit of \$345,739. In the first projection, the Plan would contribute a lump sum in the amount of \$525,000 during the next quarter, and make quarterly contributions in the amount of \$165,000 thereafter.

In the second projection, the Plan would contribute \$215,000 on a quarterly basis. As a consultant, Bolton Partners agrees with the second recommendation as the regularity reduces

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potential errors when rebalancing. The Committee asked what contributed to the increase of the MFL. Frank Mursko of Prudential indicated that there are several reasons:

- There has been no mortality since the last projection;
- Interest rates are down;
- Expenses are higher.

It was further noted that at some point in time, attrition will lessen the liability.

Deborah Hudson moved that the Committee recommend Option #2 to the Commissioners. Steve Brayman seconded the motion. The Committee had additional discussion concerning the MFL. The motion passed with all in favor.

IV. 4th Quarter Investment Results

Carol Boykin of Bolton Partners reviewed the fourth quarter results with the Committee. As of December 31, 2012, Plan assets were valued at \$154.1M. As of April 10, 2013, they were valued at \$162.8M.

Bolton recommended replacement of Davis NY Venture, and indicated a manager search would cost \$5,000. It was questioned if the Committee had previously approved a managers search. The Committee recessed at 3:00 p.m. to review the previous minutes.

The Committee reconvened at 3:11 p.m. and it was determined that the Committee approved Bolton Partners to do a manager's search at the December 10, 2012 meeting.

Deborah Hudson will submit an Agenda Request to the Commissioners' Office to recommend the new manager during the Commissioners June 25, 2013 meeting.

V. Large Cap Manager Search Results

Due to not having completed this task, this item was deferred.

VI. Board Docs Update

On March 20, 2013, members of both the Sheriff's Office Retirement Plan Committee (SORP) and the Charles County Pension Plan Retirement Committee (CCPP) attended a demonstration of Board Docs LT.

Currently, Board Docs LT Plus is still in its development stages. It was asked during the presentation if there was a way to volunteer as a 'beta' user; however, the vendor has several beta users.

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The vendor offered to allow the Committee to purchase Board Docs LT, and when Board Docs LT Plus is available, transition to the product at no additional cost. The cost for Board Docs LT is \$3,300, and \$1,000 for training. The cost would be allocated evenly between the SORP and CCPP Committees at \$2,150 per Committee. The cost for the following year would be \$6,000, and would be allocated evenly between the SORP and CCPP Committees and the Planning Commission at \$2,000 per board.

Steve Brayman moved for Deborah Hudson to move forward with purchasing Board Docs LT. Deborah Hudson seconded the motion, and the motion was unanimously approved.

VII. New Business

Sgt. Kiesel informed the Committee that the Sworn Officers were interested in a study to look at reducing the benefits of new Sheriff's Office Sworn employees.

The Committee discussed reviewing the request with Tom Lowman of Bolton Partners, but was believed that Mr. Lowman's fee would be approximately \$3,000. The Committee discussed the efficiency of having an offline discussion to present to Mr. Lowman for the study. It was the consensus of the Committee to put the item on the next meeting's agenda.

VIII. Public Comments

There were no public comments.

There being no further new business, the meeting adjourned at 3:42 p.m.

Submitted for Approval by:



Stephen A. Brayman
Secretary

Approved by:



Mark Belton, Chair
Retirement Plan Committee

Approved by Retirement Plan Committee: _____

(Date)

6/13/13

