

RETIREE BENEFIT TRUST OF ST. MARYS COUNTY  
BOARD OF TRUSTEES MEETING  
May 6, 2016

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

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

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 February 5, 2016 meeting. Motion Carried.

INTRODUCTION OF NEW MEMBER

Dr. Bridgett introduced the newest member of the Retiree Benefit Trust, Catherine Pratson, Director of Human Resources.

ASSET STRATEGY OVERVIEW

- Brief overview of the market, using materials provided by Asset Strategy Consultants
  - Quarter Ending March 31, 2016 – Market Value \$61,039,034, increase of \$879,795 when compared to the last quarter.
  - Our current allocation is within our policy range of our target allocation.
  - For the three months, we are up 1.65 percent. Another good quarter in the 34<sup>th</sup> percentile. For the year we outperformed in the 26<sup>th</sup> percentile.
  - Difficult quarter for active manager to outperform the averages.
  - Large Cap equity, 36<sup>th</sup> percentile for the quarter and 24<sup>th</sup> for the year. Brown had struggled but has come back in a better than average quarter. Will keep a watch on them.
  - Small Cap lost value during the quarter, down about 1.5.
  - APEX is an individually managed portfolio with about 80 stocks that would have to be individually sold. They have done well.
  - Mid-cap fund Diamond Hill performed in the 40<sup>th</sup> percentile hasn't been in portfolio for a full year at this stage.
  - Harbor International took an upward turn, moving towards median, we will continue to watch.
  - May come back with a recommendation in Fixed Income.
  - Domestic we went to fully indexed position and generated 7<sup>th</sup> percentile rate of return.
  - Illiquid Alternative Investments have all produced good returns.
  - US Government Properties became a private REIT. Recommend we hold the shares (in excess of 50,000 shares) and give authority to sell them at \$20 or above. Come back next quarter with recommendation for Real Estate.

MOTION

Jeannett Cudmore made a motion, seconded by MaryAnn Murray: Recommend to hold the shares as a distribution, have them transferred to the SCHWAB account, giving Asset Strategy authority to sell them as either a source of funds or a real estate partnership that the trust will approve in the future or if they get in the \$20 range we would definitely be ready to sell them and just re-invest the proceeds in the re-index fund. Motion carried.

PLAN ADMINISTRATOR REPORT

Mike Hewitt made a motion to accept the Plan Administrator report, seconded by Jeannett Cudmore. Motion carried.

ADJOURN

Mary Ann Murray made a motion, seconded by Jeannett Cudmore, to adjourn the meeting. Motion carried.

Respectfully submitted,

Patricia Stiegman,  
Plan Administrator

APPROVED

Dr. Rebecca Bridgett,  
Chair