

Sheriff's Office Retirement Plan (SORP) Board Agenda (Thursday, August 22, 2019)

Generated by Karen Gates on Tuesday, September 3, 2019

Members Present

Dr. Rebecca Bridgett, County Administrator
Sgt. Shawn Moses, Sheriff's Office Representative
Sgt. Clay Safford, Sheriff's Office Representative
John Walters, Citizen Representative

Members Absent

Jeannett Cudmore, Chief Financial Officer

Others Present

Catherine Pratson, Plan Administrator
Karen Gates, Recorder

1. CALL TO ORDER.

The Sheriff's Office Retirement Board of Trustees was called to order by Dr. Rebecca Bridgett at approximately 1:10 pm.

2. ROLL CALL.

A. Approval of SORP Agenda.

Motion 1: I move to approve the SORP meeting agenda for August 22, 2019.

Motion by John Walters, second by Sgt. Clay Safford.

Final Resolution: Motion Carries

Yea: Dr. Rebecca Bridgett, Sgt. Shawn Moses, Sgt. Clay Safford, John Walters

B. Approval of the SORP July 25, 2019 Meeting Minutes.

Motion 1: I move to approve the July 25, 2019 SORP meeting minutes.

Motion by Sgt. Shawn Moses, second by John Walters.

Final Resolution: Motion Carries

Yea: Dr. Rebecca Bridgett, Sgt. Shawn Moses, Sgt. Clay Safford, John Walters

3. OLD BUSINESS.

A. Pop-Up Option.

- The SORP Plan Attorney was asked to draft a plan amendment to add a 50%/100% pop-up option to the Plan and to alter the definition of actuarial equivalent to reflect use of an updated mortality table.
- The draft amendment will be sent to Sheriff Cameron requesting his support.

B. Single/Consolidated Investment Advisor.

- The Commissioners of St. Mary's County approved a request to conduct an RFP to solicit a consolidated investment advisor for the County's three retirement trusts: The Sheriff's Office Retirement Plan (SORP), the Other Post Employee Benefit Plan (OPEB), and the Length of Service Awards Program (LOSAP). The Commissioners also approved utilizing a consultant to assist with the RFP.

- Catherine Pratson requested the Board's approval to enter into an agreement with High Tower Fiduciary Plan Advisors to provide consulting assistance with the consolidated investment advisor RFP.

Motion 1: I move to approve the consultant agreement between the Sheriff's Office Retirement Plan Board and High Tower Fiduciary Plan Advisors, subject to concurrence by the LOSAP and OPEB Boards' August 30th meetings and authorize the chair to execute the related documents.

Motion by Sgt. Shawn Moses, second by Sgt. Clay Safford.

Final Resolution: Motion Carries

Yea: Dr. Rebecca Bridgett, Sgt. Shawn Moses, Sgt. Clay Safford, John Walters

C. Sheriff's Office Senior Retiree Pay Increase Request.

Catherine Pratson presented the Board with a chart comparing the SORP cost of living adjustments for 2017, 2018, and 2019 against eight (8) other neighboring law enforcement pension plans. The Plan Administrator noted that the SORP COLA was based on the Consumer Price Index at plan inception (7/1/86), then increased to 3% when the Plan was amended effective June 30, 2007 and that the COLA has always been compounded. The Board discussed the following points:

- 1). The SORP COLA's for 2017, 2018, and 2019 were more generous than the other eight (8) comparable pension plans;
- 2). 3.2% was the average Consumer Price Index increase since the measurement's inception in 1913;
- 3). It is unlikely that only a selected group of retirees could be considered for a benefit adjustment;
- 4). A precedent would be set if a benefit adjustment is considered;
- 5). Plan assets would have to be used to have a legal determination or an actuarial determination rendered;
- 6). Additional financial education may be useful to assist plan participants with retirement preparation.

The Board took no action to further discuss the retiree request. The County Commissioners and the Sheriff will be provided written notification.

D. Investment Policy Statement (IPS).

Catherine Pratson reminded the Board that in October, members will be requested to vote on the Investment Policy Statement (IPS) provided by Jeff Siebel during the July SORP meeting. Another copy of the draft IPS was distributed to the Board for their review.

John Walters voiced his concerns regarding several investment options described in the IPS. Mr. Walters will be provided with Jeff Siebel's contact information so that he can discuss his concerns directly with Mr. Seibel prior to the October Board meeting.

4. NEW BUSINESS.

None.

5. COMMITTEE REPORTS.

A. Administrator's Report.

Motion 1: I move to approve the administrator's report as presented.

Motion by John Walters, second by Sgt. Shawn Moses.

Final Resolution: Motion Carries

Yea: Dr. Rebecca Bridgett, Sgt. Shawn Moses, Sgt. Clay Safford, John Walters

6. PUBLIC COMMENTS.

A. Public Comments.

James K. Raley, Jr. (Retired Sheriff's Office Captain)

PO Box 52

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7. ADJOURN

A. Adjourn

The meeting adjourned at approximately 2:40 pm.