

**ST. MARY'S COUNTY SHERIFF'S OFFICE RETIREMENT PLAN
BOARD OF TRUSTEES MEETING
August 23, 2012**

Members Present: John W. Savich, County Administrator
Elaine Kramer, Chief Financial Officer
Captain Terry Black, Sheriff's Office Representative
Sergeant Edward Evans, Sheriff's Office Representative
Doug Ahearn, Citizen Member

Others Present: Susan Sabo, Plan Administrator
Karen Gates, Benefits Coordinator
Jeff Seibel, Morgan Stanley

CALL TO ORDER

The meeting was called to order at 1:04 p.m.

ACCEPTANCE OF THE AGENDA

The agenda was accepted as presented by John Savich.

APPROVAL OF MINUTES

Doug Ahearn made a motion, seconded by Terry Black, to approve the June 28, 2012 meeting minutes. Motion carried.

INVESTMENT PERFORMANCE REPORT as of June 30, 2012 PRESENTED BY MORGAN STANLEY

Morgan Stanley representative Jeff Seibel provided an overview of the Plan's second quarter 2012 performance. Mr. Seibel stated that the market underperformed. The beginning market value for the second quarter was at \$46,907,335 with an ending market value of \$46,906,893 as of June 30, 2012.

Mr. Seibel stated that Tradewinds managers under performed in the last three quarters. Tradewinds represents 11% of the Plan's portfolio. Mr. Seibel recommended decreasing the percentage to 8% (roughly \$1.5 million) and moving the difference to the Hamlin Equity Income funds. Terry Black made a motion, seconded by Doug Ahearn, to decrease the Tradewinds fund portfolio to 8%. Motion carried.

DRAFT OF NINTH AMENDMENT

Sue Sabo outlined the proposed Ninth Amendment changes recommended by the Plan's attorney. Most of the proposed changes are required by the federal Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act) and Section 415 of the Internal Revenue Code.

Doug Ahearn made a motion, seconded by Terry Black, to support the Ninth Amendment changes recommended by the Plan's attorney. Sue Sabo will present the proposed changes to the Board of County Commissioners.

ADMINISTRATOR'S REPORT

Bills paid since last meeting:

6/21/12	Bolton Partners	Consulting services for month ending 5/31/12 (benefit calculation for Butler and Clark; refund calculation for E. Walker)	\$ 639.00
7/1/12	Bolton Partners	Consulting services for month ending 6/30/12 (refund calculations for Brown and V. Walker)	\$ 238.00
8/7/12	Whiteford, Taylor & Preston	Professional services through 7/31/12 (IRS Determination Letter; research historical death benefit provisions, draft plan amendment and executive summary)	\$2,835.00
8/10/12	Bolton Partners	Consulting services for month ending 7/31/12 (SORP valuation and benefit statements in progress).	\$4,050.00
		TOTAL:	\$7,762.00

NEXT MEETING

The next meeting is scheduled for Thursday, November 15, 2012.

ADJORNMENT

The meeting adjourned at approximately 2:03 p.m.

Respectfully submitted,

APPROVED:

Karen Gates
Recorder

John W. Savich
Chair