



**EMPLOYEES' RETIREMENT SYSTEM**  
The Maryland-National Capital Park and Planning Commission

***REGULAR BOARD OF TRUSTEES MEETING  
MINUTES***

***Tuesday, May 4, 2010; 10:00 A.M.  
ERS/Merit Board Conference Room***

The regular meeting of the Board of Trustees convened in the ERS/Merit Board Conference Room on Tuesday, May 4, 2010 at 10:00 a.m. Voting members present were: Khalid Afzal, Patricia Colihan Barney, Richard Bucher, Ph.D., Barbara A. Funk, Elton King, Samuel J. Parker, Jr., and Alfred Warfield. Guy Jones arrived at 10:06 a.m. Gino Renne arrived at 10:30 a.m. Joseph Alfandre was not present.

ERS staff included: Andrea L. Rose, Administrator; Heather D. Brown, Administrative Assistant; and, Sheila S. Joynes, Accounting Manager.

Presentations made by Wilshire Associates Marc Friedberg, CFA, Managing Director; Mike Dudkowski, Managing Director; and Julia Bonafede, President of Wilshire Consulting.

1. Approval of the May 4, 2010 Board of Trustees Meeting Agenda

MS. FUNK made a motion, seconded by MS. BARNEY to approve the May 4, 2010 Board of Trustees Meeting Agenda, as submitted. The motion PASSED unanimously (7-0). (Motion #10-49)

2. Minutes of Regular Meeting, April 6, 2010

MS. FUNK made a motion, seconded by MR. WARFIELD to approve the Minutes of Regular Meeting, April 6, 2010, as submitted. The motion PASSED unanimously (7-0). (Motion #10-50)

3. Chairman's Items
4. Miscellaneous
5. Disbursements Granted Report – March 2010

DR. BUCHER made a motion, seconded by MS. BARNEY to ratify the Disbursements Granted Report – March 2010. The motion PASSED unanimously (7-0). (Motion #10-51)

MR. JONES arrived at 10:06 a.m.

6. Board of Trustees Conference Summary

7. Wilshire Associates

Presentations by Marc Friedberg, CFA, Managing Director; Mike Dudkowski, Managing Director; and Julia Bonafede, President of Wilshire Consulting

- a. Executive Summary of Investment Performance; Quarter Ending March 31, 2010
- b. Conflicts Check Reports – PPIP Manager Search and Annual

**MINUTES, AS APPROVED, AT THE JUNE 1, 2010 BOARD OF TRUSTEES MEETING**

c. Letter dated April 26, 2010 from Julia K. Bonafede

MR. RENNE arrived at 10:30 a.m.

Marc Friedberg announced he was promoted to Wilshire's Private Markets Group and was transferred effective May 1, 2010. Mr. Friedberg introduced his replacement as the ERS' Investment Consultant – Mr. Michael Dudkowski, Managing Director and Principal at Wilshire Associates.

Marc Friedberg reported on the fund's performance for the quarter ending March 31, 2010. The ERS' total return was 3.81% for the first quarter 2010. The total fund composite outperformed the policy return of 3.47% by 0.34%. The quarter ended with a total market value of \$546.3 million, a net increase of approximately \$11.9 million. Mr. Friedberg provided market commentary on the U.S. Equity, Non U.S. Equity and Fixed Income markets; discussed GDP and CPI; delinquency and foreclosures; consumer credit; and, individual manager results.

#### 8. Executive Session

DR. BUCHER made a motion, seconded by MR. JONES to go into Executive Session under authority of State Government Article 10-508(a)(7) to discuss investment of public funds. The motion PASSED unanimously (9-0). (Motion #10-52)

#### 9. Report of the Administrator

Presentation by Administrator, Andrea L. Rose

- a. Northern Account Balances – April 21, 2010
- b. Certificate of Achievement for Excellence in Financial Reporting for fiscal year ended June 30, 2009

Andrea Rose announced that the Certificate of Achievement for Excellence in Financial Reporting has been awarded to the Employees' Retirement System by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2009.

Ms. Rose reported that Bi-County Trustee, Alfred Warfield, is retiring July 1, 2010. Mr. Warfield's last board meeting will be June 1, 2010. A Notice of Election to all Bi-County Commission Employees will be posted in the May 2010 *Update* Newsletter and on the Intranet site.

#### 10. Investment Monitoring Group

Presentation by Administrator, Andrea L. Rose

- a. Regular Report of April 20, 2010

Ms. Rose reported on the April 20, 2010 Investment Monitoring Group meeting.

#### 11. Audit Committee

Presentation by Committee Chairman, Alfred Warfield

- a. Regular Report of April 20, 2010

MR. WARFIELD reported on the April 20, 2010 Audit Committee meeting. Thomas Rey, Engagement Partner and Heather Plitt, Financial Audit Manager presented Clifton Gunderson's audit approach. The Audit Committee had no concerns regarding the audit approach.

The Board of Trustees meeting of May 4, 2010 adjourned at 12:29 p.m.

Respectfully,

Heather D. Brown  
Administrative Assistant

Andrea L. Rose  
Administrator