



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

REGULAR BOARD OF TRUSTEES MEETING

MINUTES

Tuesday, July 12, 2011; 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, July 12, 2011 at 10:00 a.m. Voting members present were: Khalid Afzal, Patricia Colihan Barney, Richard Bucher, Ph.D., Lynn Kelly, Elton King, and Barbara Walsh. Samuel J. Parker, Jr. arrived at 10:15 a.m. and left at 10:25 a.m. Joseph C. Zimmerman arrived at 10:20 a.m. Josh Ardison and Guy Jones were not present.

ERS staff included: Andrea L. Rose, Administrator; and, Sheila S. Joynes, Accounting Manager.

Presentations by Wilshire Associates - Mike Dudkowski, Managing Director and Jim Neill, CFA, Managing Director.

1. CONSENT AGENDA

The following items are to be approved or accepted by vote on one motion unless a Board member requests separate consideration:

- A. Approval of the July 12, 2011 Board of Trustees Meeting Agenda
- B. Minutes of Regular Meeting, June 7, 2011
- C. Minutes of Executive Session, June 7, 2011 (*Confidential*)
- D. Minutes of Special Meeting, June 29, 2011
- E. Disbursements Granted Report – May 2011

MS. BARNEY made a motion, seconded by MR. AFZAL to approve the Consent Agenda as submitted. The motion PASSED unanimously (6-0). (Motion #11-70)

2. CHAIRMAN'S ITEMS

- A. Board of Trustees Conference Summary
 - i. Mid-Atlantic Plan Sponsors Conference, June 9-10, 2011, Report from Andrea Rose, Lynn Kelly, Barbara Walsh and Sheila Joynes
- B. Acknowledge the Appointment of the Prince George's County Public Member for the term ending June 30, 2014
- C. Acknowledge the Appointment of the Montgomery County Public Member for the term ending June 30, 2014
- D. Selection of Trustee to Represent ERS on FLAG Advisory Board
- E. Appointment of Acting Chairman of the Board of Trustees

MINUTES, AS APPROVED, AT THE SEPTEMBER 6, 2011 BOARD OF TRUSTEES MEETING

MS. BARNEY made a motion, seconded by MR. AFZAL to acknowledge the appointment of Richard H. Bucher, Ph.D. as the Prince George's County Public Member for the term ending June 30, 2014. The motion PASSED unanimously (6-0). (Motion #11-71)

MR. AFZAL made a motion, seconded by MS. BARNEY to acknowledge the appointment of Elton F. King as the Montgomery County Public Member for the term ending June 30, 2014. The motion PASSED unanimously (6-0). (Motion #11-72)

CHAIRMAN PARKER arrived at 10:15 a.m.

MS. KELLY made a motion, seconded by MR. AFZAL to appoint Patricia Colihan Barney to represent the ERS Board of Trustees on the FLAG Advisory Board. The motion PASSED unanimously (7-0). (Motion #11-73)

MR. ZIMMERMAN arrived at 10:20 a.m.

CHAIRMAN PARKER announced his term with the Commission has officially ended; therefore, his appointment to the ERS Board of Trustees has ended. CHAIRMAN PARKER recommended DR. BUCHER as the Acting Chairman.

CHAIRMAN PARKER made a motion, seconded by MS. BARNEY to approve DR. BUCHER as the Acting Chairman of the Board of Trustees. The motion PASSED unanimously (8-0). (Motion #11-74)

3. MISCELLANEOUS

A. Resolution for Samuel J. Parker, Jr.

ACTING CHAIRMAN BUCHER presented a Resolution to Samuel J. Parker, Jr. and thanked him for his leadership over the last 5 years to the Board.

Samuel J. Parker, Jr. left the meeting at 10:25 a.m.

4. REPORT OF THE ADMINISTRATOR

Presentation by Administrator, Andrea L. Rose

A. Northern Account Balances – July 4, 2011

B. Government Finance Officers Association - Popular Annual Financial Reporting Award for Fiscal Year Ended June 30, 2010

Andrea Rose announced that an employer contribution in the recommended amount of \$32,182,287 was received July 1st and transferred to the investment managers in accordance with the asset allocation policy.

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Employees' Retirement System for its Summary Annual Financial Report for the fiscal year ended June 30,

2010. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. Ms. Rose recognized Heather Brown and Sheila Joynes for their contributions on the preparation of the Annual Report. The Board congratulated the Staff.

5. COMMITTEE REPORTS/RECOMMENDATIONS

A. Administration & Personnel Oversight Committee

Presentation by Committee Chairman, Richard Bucher, Ph.D.

i. Regular Report of June 21, 2011

- a. Recommendation to Approve Plan Amendment to Sections A-4.9, B-4.10, C-4.10, and D-4.10, Missing Participant or Beneficiary

ii. **Confidential** Report of June 21, 2011

Staff recommended revision to the language in Sections A-4.9, B-4.10, C-4.10 and D-4.10. The language eliminates the need for a hearing to determine that a person's interest in the plan has been forfeited. The language clarifies the reasonable efforts to locate a person; alters the period of time to locate a person; and, further clarifies that forfeited benefits can be reinstated upon request. The Groom Law Group drafted the amended plan language and confirmed its consistency with other public plans.

ACTING CHAIRMAN BUCHER made a motion, seconded by MS. BARNEY to Approve a Plan Amendment to Sections A-4.9, B-4.10, C-4.10, and D-4.10, Missing Participant or Beneficiary. The motion PASSED unanimously (7-0). (Motion #11-75)

ACTING CHAIRMAN BUCHER appointed Barbara Walsh to the Administration & Personnel Oversight Committee.

B. Investment Monitoring Group

Presentation by Committee Chairman, Patricia Barney

i. Regular Report of June 21, 2011

MS. BARNEY presented the Investment Monitoring Group's Regular Report of June 21, 2011.

6. MANAGER REPORTS/PRESENTATIONS

A. Wilshire Associates

Presentation by Mike J. Dudkowski, Managing Director and Jim Neill, CFA, Managing Director

i. Private Equity Training

Wilshire Associates conducted private equity training for the Board at the conclusion of the meeting.

MS. BARNEY made a motion, seconded by MR. AFZAL to Adjourn the Board of Trustees July 12, 2011 Meeting. The motion PASSED unanimously (7-0). (Motion #11-76)

The Board of Trustees meeting of July 12, 2011 adjourned at 11: 15 a.m.

Respectfully,

Heather D. Brown
Administrative Assistant

Andrea L. Rose
Administrator