

MEETING OF THE RETIREMENT PLAN COMMITTEE
June 12, 2018

A meeting of the Retirement Plan Committee for the Frederick County Employees Retirement Plan (the "Plan") was held on Tuesday, June 12, 2018, at 1:00 p.m. in the Winchester Room on the 2nd Floor of Winchester Hall. Present in person were the following members of the Committee.

1. Human Resources Director: Wayne Howard
2. Finance Director: Lori Depies
3. Retiree Representative: Michael Marschner
4. FOP Representative: Michael Easterday
5. IAFF Representative: John Neary
6. Member at Large: Diane Fox
7. Member at Large: Michael Mills

Present at the meeting at the invitation of the Committee were Clyde Randall, Colin England and Alton Fryer with Bolton; and Mary Claire Chesshire with Whiteford, Taylor and Preston. Also present were Susan Keller, Diane Hoffman, and Shanna Gibbons with Frederick County Government. Shanna Gibbons was Secretary of the Meeting.

The Chair opened the meeting. Meeting Minutes from May 8, 2018, were reviewed and approved. Upon a motion duly made by Michael Marschner and seconded by Wayne Howard, this motion was unanimously passed.

Clyde Randall with Bolton (formally known as Bolton Partners) introduced their newest representative, Alton Fryer. Clyde Randall then distributed and presented the Frederick County Employees Retirement Plan – Investment Performance Review dated March 31, 2018.

As of March 31, 2018, the US GDP increased from 1.8% a year ago; first estimate was higher than the 2.0% forecasts. The seasonally adjusted CPI was higher than the fourth quarter, but lower than the year-ago period. The US unemployment rate was flat relative to the fourth quarter, but continued to tick down relative to the year-ago period. U-6 fell from 8.1% to 8.0%. Labor Force Participation, at 62.9%, has trended flat since late 2013. Plan Assets were \$623,273,850. The Plan's quarterly return of +0.28% was ahead of the policy benchmark's quarterly return of -0.98%.

Neuberger Berman remains on the Watch List due to investment style. Henderson Geneva remains on the Watch list for performance-related reasons; however, the account has performed well year-to-date in 2018.

Lori Depies distributed and presented a revised draft of the Frederick County Employees Retirement Trust – Funding Policy as of June 2018 for comment and review by the Committee. A revised document will be provided at the next Committee Meeting.

Typically the Committee adjourns for the summer months. A motion was duly made to adjourn until September by Wayne Howard and seconded by Lori Depies. Motion was unanimously passed.

Lori Depies then distributed the following proposed Plan Amendments to the Committee for discussion at the September meeting:

- Cessation of Interest Accrual on Employee Contribution Accounts for Terminated, Non-Vested Participants
- Reinstatement of Grant Funded Employees as Participants in the Plan; Termination of Defined Contribution Plan
- IRS Requested Changes
- Ad Hoc Cost of Living Adjustment

Wayne Howard brought up the need to institute guidelines regarding Public Comment during the Committee Meetings. The Committee proposed a three-minute time limit per Commenter providing their comments are agenda related items. Mary Claire Chesshire will draft an update to the by-laws for review and voting at the September Committee Meeting.

The next monthly meeting will be held on Tuesday, September 11, 2018.

There being no further business the meeting adjourned at 2:35 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Shanna Gibbons", with a long, sweeping horizontal line extending to the right.

Shanna Gibbons
Recording Secretary