

MEETING OF THE RETIREMENT PLAN COMMITTEE
December 11, 2018

A meeting of the Retirement Plan Committee for the Frederick County Employees Retirement Plan (the "Plan") was held on Tuesday, December 11, 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. IAFF Representative: John Neary
5. Member at Large: Diane Fox
6. Member at Large: Michael Mills

Michael Easterday was absent. Present at the meeting at the invitation of the Committee were 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 September 11, 2018, and September 24, 2018, were reviewed and approved. Upon a motion duly made by Wayne Howard and seconded by Michael Marschner, this motion was unanimously passed.

Alton Fryer with Bolton distributed and presented the Frederick County Employees Retirement Plan – Quarterly Investment Performance Review as of September 30, 2018.

As of September 30, 2018, the initial estimate of third quarter GDP was 3.5%, released on October 26th. This is lower than the second quarter but still a strong number. Year-over-year change in CPI was lower than the second quarter reading of 2.9%. The "Shelter Index" accounted for a large portion of the overall CPI in September. September's unemployment was the low point year-to date at 3.7%. This was the lowest rate since December 1969. Labor Force Participation, at 62.7%, has trended flat since late 2013. Plan Assets were \$663,400,494. The Plan's quarterly return of +4.29% was ahead of the policy benchmark's quarterly return of +3.71%.

Neuberger Berman remains on the Watch List due to investment style and performance and does not warrant replacement at this time. Henderson Geneva remains on the Watch list for performance-related reasons; however, the account has performed well year-to-date in 2018.

Lori Depies informed the Committee that the proposed Plan Amendments have been approved by the County Executive and forwarded to the County Council for discussion and approval. It is anticipated that the County Council will place this item on their agenda for a First Reading on Tuesday, January 15, 2019; Second Reading (Public Hearing) on Tuesday, February 5, 2019; and Third Reading on Tuesday, February 19, 2019. These dates are subject to change at the Councils discretion. Detailed information will be sent out to retirees via *The Retiree Flyer* and posted to our Retiree Webpage (www.FrederickCountyMD.gov/retiree).

The next monthly Committee meeting is scheduled to be held on Tuesday, January 8, 2019 at 1:00pm.

There being no further business the meeting adjourned at 2:11 p.m.

Respectfully submitted,



Shanna Gibbons
Recording Secretary