

MEETING OF THE RETIREMENT PLAN COMMITTEE  
July 9, 2019

A meeting of the Retirement Plan Committee for the Frederick County Employees Retirement Plan (the "Plan") was held on Tuesday, July 9, 2019, at 1:00 p.m. in the Winchester Room on the 2<sup>nd</sup> Floor of Winchester Hall. Present in person were the following members of the Committee.

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

Absent from the meeting were Lori Depies and Michael Mills. Present at the meeting at the invitation of the Committee were Michael Spadaro, Ann Sturner, Jim Ritchie and Alton Fryer with Bolton; Mary Claire Chesshire with Whiteford, Taylor and Preston. Also present were Susan Keller, Diane Hoffman, Jenni Kimmel and Shanna Gibbons with Frederick County Government. Wayne Howard was Chair and Shanna Gibbons was Secretary of the Meeting.

The Chair opened the meeting. Open and Closed Meeting Minutes from June 11, 2019, were reviewed and approved with one minor change. Upon a motion duly made by Michael Marschner and seconded by John Neary, this motion was unanimously passed.

The floor was given to Mary Claire Chesshire with Whiteford, Taylor and Preston to discuss the revised version *Trust Agreement for the Frederick County Employees Retirement Plan* that was distributed to the Committee via email on June 18, 2019. Upon a motion duly made by Michael Marschner and seconded by Wayne Howard, it was:

RESOLVED: That Article IV of the Trust Agreement being reviewed by the Committee be revised to include provisions for an interim Trustee appointed by the County Executive to serve following the resignation or removal of a Trustee pending the appointment of a successor Trustee with confirmation by the County Council.

In regards to Bolton's recommendation to replace our current Consumer Price Index (CPI-Urban Wage Earners and Clerical Workers, Washington-Baltimore) discussed during the last meeting, Ann Sturner with Bolton presented the revised letter dated April 17, 2019 {Revised June 12, 2019}, to Susan Keller, *Re: Consumer Price Index definition* comparing both indexes available in our region (CPI-Urban Wage Earners and Clerical Workers, Washington-Arlington-Alexandria, DC-VA-MD-WV and CPI-Urban Wage Earners and Clerical Workers, Baltimore-Columbia-Towson, MD). The Committee agreed to postpone the vote until the next meeting so Lori Depies can be present since she had originally requested the comparison.

Ms. Sturner and Michael Spadaro (also with Bolton) distributed a letter to Diane Hoffman dated July 27, 2019, *RE: Actuarial Equivalent conversion factors and Additional optional forms of benefit*. They discussed in more detail how this impacts the plan, its participants and the County should the Committee agree to incorporate this option. It was advised that the Committee wait to make a discussion on this until Bolton has the opportunity to present the Experience Study at the September meeting.

Alton Fryer with Bolton distributed and reviewed the revisions requested during the May Committee Meeting to the *Investment Policy Statement*. The Committee has requested clarification to be made throughout regarding the responsibilities of “the County” and/or the County Executive and/or the County Council. Ms. Chesshire will consult with County Attorney, John Mathias for interpretation.

Ms. Chesshire informed the Committee that at least one Member must have “Open Meeting Training.” Wayne Howard has volunteered to take this training prior to the next meeting.

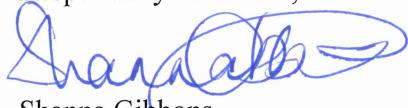
Diane Hoffman updated the Committee on the transition of the Defined Contribution Plan members to the Defined Benefit Plan. Ms. Hoffman explained all have been transferred successfully. They are accruing service under the Defined Benefit Plan and have made their first contribution. We are still waiting on the Defined Contribution Plan contributions from Empower and need to decide where we will allocate these finds in PeopleSoft so we can keep them separate from the Defined Benefit contributions.

Ms. Hoffman then informed the Committee that the County is still working on solidifying a contract with a new technical consultant. Currently we do not have a technical consultant for the pension benefit. eFusion’s contract ended on June 30, 2019, and at this time has not extended their contract for services. One of the concerns at this time is that we may not have data ready to prepare a valuation for FY2019; however, Bolton confirmed that a valuation is only required every other year. A valuation was prepared FY2018 and would not be required until FY2020. Though, if at all possible a valuation for FY2019 will be prepared when a vendor is selected and confirmed.

The next monthly Committee meeting is scheduled to be held on Tuesday, September 10, 2019, at 1:00pm.

There being no further business the meeting was adjourned at 3:05 p.m.

Respectfully submitted,



Shanna Gibbons,  
Recording Secretary