

## FREDERICK COUNTY EMPLOYEES RETIREMENT PLAN

### MEETING OF THE RETIREMENT PLAN COMMITTEE

January 14, 2020

A meeting of the Retirement Plan Committee (the "Committee") for the Frederick County Employees Retirement Plan (the "Plan") was held on Tuesday, January 14, 2020 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. Retiree Representative: Michael Marschner
3. FOP Representative: Michael Easterday
4. IAFF Representative: John Neary
5. Member at Large: Michael Mills
6. Member at Large: Diane Fox

Lori Depies participated via conference call. Present at the meeting at the invitation of the Committee was Mary Claire Chesshire with Whiteford, Taylor, & Preston, counsel to the County. Also present were Diane Hoffman and Shanna Gibbons with Frederick County Government. Wayne Howard was Chair and Shanna Gibbons was Secretary of the meeting.

The Chair opened the meeting. Minutes from the December 10, 2019, meeting was reviewed and approved with changes to the opening language. Upon a motion duly made by Michael Mills and seconded by Diane Fox, this motion was unanimously passed.

Mary Claire Chesshire with Whiteford, Taylor, & Preston, discussed the updates made to the proposed plan amendments:

1. Actuarial factors. Have been updated to reflect the updated mortality tables recommended by Bolton.
2. Change in Consumer Price Index (CPI). Codify the plan document to formally reflect the updated CPI approved at the September 12, 2019, meeting for adjusting a participant's average compensation to determine earned income adjustments for disability benefits.
3. Addition of Pop-Up Form of Payment. – If a participant elects a joint and survivor option and the designated survivor dies before the participant, the participant continues to receive the lower benefit payment. A "pop-up" option allows the participant to select a joint and survivor option, but if the survivor dies before the participant, the benefit "pop-up" to the life annuity.

MOTION: Upon a motion duly made by Michael Marschner and seconded by Wayne Howard, this motion was unanimously passed to recommend to the County Executive the three changes above.

Discussion of adding language to the proposed amendment to extend the implementation date for the previously approved amendment [to eliminate the addition of accumulated interest on terminated, non-vested members] due to change in vendor. Delay will have a minimal impact to the members. However, before a motion is made, the Committee would like to know what the impact will be to the plan budget for the administrative costs and time to do manual calculations for those who “cash out” until new programming/pension software is implemented.

MOTION: Diane Hoffman will reach out to Bolton to see if they can run the calculations on the terminated, non-vested members who have not yet “cashed out” their contributions and have been terminated for at least 12 months and 1 day after June 30, 2019. Upon a motion duly made by Wayne Howard and seconded by John Neary, this motion was unanimously passed.

Wayne Howard updated the Committee regarding the Pension Support RFP. Findley has been selected as the vendor for the Pension Support RFP. The RFP Committee has some minor questions that will be clarified in their next meeting on January 17, 2020. Then the recommendation will be forwarded to the County Executive for her approval.

Lori Depies informed the Committee that the County Executive and the County Council have approved the Trust Agreement. The document has been finalized and formalized.

The next Committee meeting will be held on Tuesday, February 11, 2020, at 1:00pm in the Winchester Room.

There being no further business, the meeting adjourned at 1:56 p.m.

Respectfully submitted,

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

Shanna Gibbons  
Recording Secretary