

**FREDERICK COUNTY EMPLOYEES RETIREMENT PLAN  
FREDERICK COUNTY UNIFORMED EMPLOYEES RETIREMENT PLAN  
OTHER POST-EMPLOYMENT BENEFITS (OPEB) INVESTMENT COMMITTEE**

**COMBINED MEETING OF THE OPEB AND RETIREMENT PLAN COMMITTEES**

**MEETING MINUTES**

October 11, 2022

A joint meeting of the Retirement Plan Committees for the Frederick County Employees Retirement Plan (the "Employees Plan") and the Frederick County Uniformed Employees Retirement Plan (the "Uniformed Employees Plan") (jointly, the "Committees" and the "Plans") was held on Tuesday, October 11, 2022, at 1:00 p.m. in the Winchester Room at Winchester Hall. Present in person were the following members of the Joint Retirement Committees:

1. Human Resources Director: Wayne C. Howard
2. Finance Director: Erin White
3. Member at Large: Michael Mills
4. Member at Large: Diane Fox

Committee Members present via Microsoft Teams were:

5. IAFF Representative: John Neary
6. FOP 102 (Law Enforcement) Representative: Jeff Hyatt
7. Retiree Representative: Michael Marschner

Absent from the meeting were: FOP 102A (Corrections) Representative: Michael Bird.

Present at the invitation of the Committee were members of the Other Post-Employment Benefits (OPEB) Investment Committee. Present in person were the following members of the OPEB Investment Committee:

1. Finance Director: Erin White
2. Deferred Compensation Plan Committee Representative: Susan Keller
3. Joint Retirement Plan Committee Representative: Michael Mills
4. Joint Retirement Plan Committee Representative: Diane Fox.

Committee Members present via Microsoft Teams were:

1. Human Resources Deputy Director: Shannon Powell

Also present at the invitation of the Committee were: Patrick Wing with Marquette Associates ("Marquette"), in person; and Ann Sturner with Bolton, via Microsoft Teams. Additionally, Lori Depies, Bob Goff, and Shanna Gibbons with Frederick County Government, in person, and one guest via Microsoft Teams. Wayne Howard was Chair and Shanna Gibbons was the Recording Secretary.

The Chair opened the meeting. Minutes from the September 13, 2022, meeting was reviewed and approved. Upon a motion duly made by Erin White and seconded by Michael Mills, this motion was unanimously passed. Jeff Hyatt abstained. John Neary was not present for this vote.

Patrick Wing with Marquette reviewed the requested Infrastructure Matrix requested by the Committees. This compared the following information and how they rank for the three Managers interviewed (IFM, JP Morgan, and Brookfield): Parent, Investment Queue, Diversification, Historical Returns, Drawdowns, Liquidity, and Fees. After thorough discussion, the committees agreed to incorporate this asset class into their respective portfolios.

#### FREDERICK COUNTY EMPLOYEES RETIREMENT PLAN AND FREDERICK COUNTY UNIFORMED EMPLOYEES RETIREMENT PLAN

**MOTION:** The Joint Retirement Committee Members agreed to incorporate the Global Infrastructure asset class into the Plan Portfolio. Upon a motion duly made by Michael Mills and seconded by Michael Marschner, this motion was unanimously passed.

The Joint Retirement Committee Members agreed on allocating 6% to Infrastructure. It was decided that they invest in two Infrastructure Fund Managers: IFM and Brookfield. The initial investment to each will be \$23 million.

**MOTION:** The Joint Retirement Committee Members recommend that a total \$46 Million be allocated to and split equally between IFM and Brookfield. Upon a motion duly made by Michael Mills and seconded by Diane Fox, this motion was unanimously passed.

#### OTHER-POST EMPLOYMENT BENEFITS (OPEB) COMMITTEE

**MOTION:** The OPEB Committee Members agreed to incorporate the Global Infrastructure asset class into the Plan Portfolio. Upon a motion duly made by Michael Mills and seconded by Diane Fox, this motion was unanimously passed.

The OPEB Committee Members agreed on allocating 6% to Infrastructure. It was decided that they invest in two Infrastructure Fund Managers: IFM and Brookfield. The initial investment to each will be \$5.5 million.

**MOTION:** The OPEB Committee Members recommend that a total \$11 Million be allocated to and split equally between IFM and Brookfield. Upon a motion duly made by Michael Mills and seconded by Diane Fox, this motion was unanimously passed.

*At this time OPEB members who were not part of the Joint Retirement Committee were excused.*

Mr. Wing reviewed the *Frederick County, Maryland – Employee's Retirement Plan Trust | Asset Value Update dated October 7, 2022*, with the Committee. As of October 7, 2022, the value of the Plan's assets was \$774,180,748. The following rebalancing recommendation was made: approving a \$4 million sale of the Frederick County Retirement Master Trust (Non-Uniformed) and a \$4 million purchase of the Frederick County Retirement Trust (Uniformed), which would result in a \$4 million transfer from the Wilm. US Gov't Money Market Fund (Uniformed) and to the Wilm. US Gov't Money Market Fund (Non-Uniformed) within the Trust to generate a cash balance for the Non-Uniformed Plan.

**MOTION:** The Committee agreed to the rebalance recommended by Marquette. Upon a motion duly made by Michael Mills and seconded by Erin White, this motion was unanimously passed.

Erin White provided an update to the Joint Retirement Committee Members regarding the proposal to the County Executive revising the COLA Provision for the retirees of the Frederick County Employees Retirement Plans. The County Executive has approved and forwarded on to the County Council. The County Council has reviewed them and brought them before Public Comment. It is expected that the County Council will approve and adopt this on October 25, 2022.

To further update the committee, the addition of a second retiree representative on the Committee, is expected to be approved and adopted by the Council on October 25, 2022

The Chair provided the opportunity for public comment. There was none.

At 2:27 p.m., a motion was made by Diane Fox and seconded by John Neary to close the meeting pursuant to Maryland Annotated Code, General Provisions Article, Section 3-305(b)(1)(ii) to discuss a personnel matter that affects one or more individuals. Wayne Howard, Erin White, Michael Easterday, John Neary, Jeff Hyatt, Diane Fox, and Michael Mills all voted in favor of the motion, Michael Bird was absent, and there were no negative votes or abstentions. Counsel to the County and County staff remained in the meeting.

During the closed session, the Committee discussed the letters of interest submitted by four employees and former employees to fill two expiring positions: Member at Large (Diane Fox) and Retiree Representative (Michael Marschner); and one new position: second Retiree Representative on the Committee.

After discussion of the letters of interest, the Committee unanimously voted to recommend Dan Lewis to replace Diane Fox as the Member at Large; Doug Browning to replace Michael Marschner as the Retiree Representative; and Mitch Hose to fill the newly created second Retiree Representative.

At 3:13 p.m., a motion to open the meeting was unanimously approved.

The next Committee meeting for the Frederick County Employees Retirement Plan and Frederick County Uniformed Employees Retirement Plan Committee will be held in-person at Winchester Hall (12 E Church St, Frederick, MD 21701) with a virtual call-in option on **Wednesday**, November 9, 2022, at 1:00pm. County Administrative Offices are closed on Tuesday, November 9, 2022, for the Gubernatorial Elections.

There being no further business, a motion was made to end the meeting by Michael Mills and seconded by Diane Fox, this motion was unanimously passed, and the meeting adjourned at 3:15pm.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Shanna Gibbons".

Shanna Gibbons

Recording Secretary