

HOWARD COUNTY POLICE AND FIRE EMPLOYEES' RETIREMENT PLAN  
HOWARD COUNTY RETIREMENT PLAN

JOINT MEETING OF THE RETIREMENT PLAN COMMITTEES

July 25, 2019

A joint meeting of the Retirement Plan Committees for the Howard County Police and Fire Employees' Retirement Plan (the "Police and Fire Plan") and the Howard County Retirement Plan (the "Employees Plan") (jointly, the "Plans") was held on Thursday, July 25, 2019 at 9:00 a.m. in the Columbia Room at the Ascend One Building, 8930 Stanford Blvd., Columbia, Maryland 21045.

**Police and Fire Plan:**

**Members Present:**

Human Resources Administrator: Wanda Hutchinson  
Chief Administrative Officer: Lonnie Robbins  
Director of Finance: Janet Irvin  
Budget Administrator: Holly Sun  
Representative, Police Department Supervisory Employees:  
Jason Luckenbaugh (Voting Member in Fiscal Year 2020)  
Representative, Howard County Police Officers' Association, Lodge 21:  
Craig Hoover  
Representative, International Association of Firefighters, Local 2000:  
Richard Ruehl

**Members Absent**

Representative, Fire and Rescue Supervisory Employees:  
Vincent Baker (Non-Voting Member in Fiscal Year 2020)

**Employees Plan:**

**Members Present:**

Human Resources Administrator: Wanda Hutchinson  
Chief Administrative Officer: Lonnie Robbins  
Budget Administrator Designee: Janssen Evelyn (arrived 9:24 a.m.)  
Employee Representative: Jeff Bronow  
Representative, American Federation of State, County and  
Municipal Employees Local 3080: Kim Drennon  
Representative, American Federation of State, County and Municipal  
Employees Local 3085: Dale R. Chase (arrived at 9:24 a.m.)

## Members Absent

Director of Finance Designee: Deputy Director of Finance: Angie Price

Also present for all or a portion of the meeting were:

Monica Kearns, County Auditor's Office  
Sima Taghavi, Department of Finance  
Lori Buchman, Department of Finance  
Margaret Belmondo, New England Pension Consultants (NEPC)  
William Forde, New England Pension Consultants (NEPC)  
Paul W. Madden, Whiteford, Taylor & Preston L.L.P.  
Scott Southern, Retirement Assistant, Office of Human Resources  
Jamar Herry, Office of Law

Wanda Hutchinson acted as Chair of the Meeting and Paul Madden acted as Secretary.

Minutes of the June 27, 2019 meeting were unanimously approved by the members of both Committees.

Under general business, Wanda Hutchinson introduced Monica Kearns from the County Auditor's Office. Wanda also reported on behalf of Vince Baker that the subcommittee conducting the search for the Absolute Return Manager has met once and will interview finalists on August 20.

Will Forde of New England Pension Consultants provided the Passive Provider Overview reviewing potential replacements for the Invesco Enhanced Index Product. Will noted that the Invesco Product charges 9 basis points. NEPC has three S&P 500 Index funds that are ("1-Rated") BlackRock, Rhumblin Advisers and State Street Global Advisers.

Performance is virtually identical among all three firms. Accordingly, the key determinant should be fees. BlackRock has a comingled fund fee of 1.75 basis points. This compares with 2 basis points for State Street Global Advisers and 2.5 basis points for Rhumblin Advisers. After discussion, and upon motion duly made, seconded and unanimously approved it was:

RESOLVED: that the Howard County will replace the Invesco Enhanced Index Fund with BlackRock Equity Index Fund.

Next, Margaret Belmondo provided the June 2019 Performance Report. Margaret noted that June was a positive month in both the equity and fixed income markets. As a result, the total fund returned +3.9% for the month. As a result, the fiscal year return was +7.4%, in line with the Plans' actuarial assumed rate of return. Margaret noted that the returns for the private equity composite will not be finalized until September. Accordingly, the +7.4% return is subject to change.

Margaret reported that the CFO of Westfield, Bruce Jacobs, has left the firm to become the CFO of a health industry startup. NEPC does not recommend any change to the Westfield portfolio as a result of this change.

Next, Paul Madden reported on a new state law which requires the Maryland State Retirement and Pension System to report annually on the total amount of carried interest it pays to firms managing its assets. Paul, with the assistance of Margaret and Will, provided some general education on carried interest.

At 10:10 a.m., a motion was made by Janet Irvin and seconded by Holly Sun to close the meeting of the Police and Fire Plan Committee pursuant to General Provisions Article § 3-305(b)(5) and (13) to consider the investment of public funds and to comply with a specific constitutional, statutory or judicially imposed requirement that prevents public disclosures about a particular matter or proceeding. Wanda Hutchinson, Janet Irvin, Lonnie Robbins, Holly Sun, Jason Luckenbaugh, Craig Hoover and Richard Ruehl all voted in favor of the motion. Vincent Baker was absent; there were no negative votes or abstentions.

At 10:11 a.m., a motion was made by Dale Chase and seconded by Janssen Evelyn to close the meeting of the Employees Plan pursuant to General Provisions Article § 3-305(b)(5) and (13) to consider the investment of public funds and to comply with a specific constitutional, statutory or judicially imposed requirement that prevents public disclosures about a particular matter or proceeding. Wanda Hutchinson, Lonnie Robbins, Janssen Evelyn, Jeff Bronow, Dale Chase and Kim Drennon all voted in favor of the motion, Angie Price was absent. There were no negative votes or abstentions. During the closed session, John Weustling of Greenspring Associates provided a portfolio update. No action was taken during the closed session. The meeting reopened at 11:05 a.m.

Paul Madden led a general discussion concerning funding policies for governmental retirement plans. No action was taken.

Craig Hoover noted that this will be his last meeting as a trustee for the Police and Fire Plan. Craig has accepted a position with Baltimore City. The Committee thanked Craig for his service to the Joint Committee.

There being no further business, the meeting adjourned.

Respectfully submitted,

*Paul Madden*

Paul W. Madden  
Secretary of the Meeting

**EXHIBITS  
TO  
MINUTES OF HOWARD COUNTY POLICE AND FIRE EMPLOYEES' RETIREMENT  
PLAN  
AND HOWARD COUNTY RETIREMENT PLAN  
JOINT MEETING OF THE RETIREMENT PLAN COMMITTEES**

**July 25, 2019**

1. Presentation by NEPC - Meeting Materials - July 25, 2019
2. Wall Street Journal Article: Maryland Pension Fund will start disclosing private equity fees
3. PSERS Report on Carried Interest

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