

**BOARD OF INVESTMENT TRUSTEES
MONTGOMERY COUNTY EMPLOYEE RETIREMENT PLANS**

MINUTES – OPEN SESSION

Friday, January 24, 2020

100 Maryland Avenue, 6th Floor
Rockville, Maryland

Board Members Present: Joseph Beach
David Locke via telephone
Richard Madaleno
Marlene Michaelson
Kelda Simpson via telephone
Deborah Snead
Diane Wurdeman

Staff: Linda Herman
Marc Esen
Pat Paoli
John Feketekuty
Kevin Killeavy
Darrin Arbaugh
Yan Yan
Priti Mehta
Olga Batkhan

Others Present: Amy Moskowitz, Counsel to the Board
Phillip Nelson, NEPC
Margaret Belmondo, NEPC

CALL TO ORDER

Ms. Michaelson called the open session of the Board to order at 11:33 p.m.

Approval of Consent Agenda: Mr. Madaleno moved, and Ms. Wurdeman seconded, and the Board approved the items listed on the Consent Agenda.

FY20 Revised and FY21 Requested Budget: Ms. Yan and Ms. Batkhan highlighted the actual versus budgeted expenses for FY19, the estimated FY20 expenses and the projected FY21 expenses. Following discussion by the Board, Ms. Snead moved, and Ms. Wurdeman seconded, and the Board approved the following resolution:

2001-01 ***Resolved, that the Board approves the FY20 estimated and the FY21 requested budgets as presented in the meeting materials, which include the database/software recommendations.***

FY21 RSP Administrative Fee: Ms. Yan discussed the calculation of the RSP administrative expenses and the need to have an administrative fee charged in FY21 to cover the costs associated with the administration of the Plan. Following discussion by the Board, Mr. Beach moved, Ms. Wurdeman seconded, and the Board approved the following resolution:

2001-02 ***Resolved, that the Board approves a \$340,000 administrative fee.***

Compliance & Audit Committee Report: Ms. Herman presented the report and noted the comments from the external auditors related to exceptional work done by staff in preparation of the financial statements.

Governance Policy & Statement of Investment Policy: The Board discussed the Memorandum of Understanding drafted between the Office of the County Attorney and the Board related to use of outside legal counsel, securities litigation and other operational issues. After the changes to the policy were presented by Ms. Herman, Ms. Wurdeman moved, Mr. Doody seconded, and the Board approved the following resolution:

2001-03 ***Resolved, that the Board approves changes to the governance policies to incorporate the memorandum of understanding, selection of outside legal counsel, and securities litigation as presented in the meeting materials.***

Trustees – Annual Ethics Disclosure: Ms. Herman request the Board members complete their annual ethics disclosure.

DETERMINATION OF MEETING

The Board unanimously approved a motion to move into closed session at 11:45 p.m. for the purpose of discussing the investment of public funds pursuant to Maryland Code, General Provisions Article, 3-305(b)(5).

Respectfully submitted,


Jeff Buddle, Secretary