

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

**JOINT MEETING OF THE RETIREMENT PLAN COMMITTEES
February 25, 2021**

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, February 25, 2021 at 9:00 a.m. via a WebEx conference.

Police and Fire Plan:

Members Present:

Human Resources Administrator: Wanda Hutchinson
Director of Finance: Rafiu Ighile
Chief Administrative Officer: Lonnie Robbins
Budget Administrator: Holly Sun
Representative, Howard County Police Officers' Association, Lodge 21:
Nicolas Holocker
Representative, Fire and Rescue Supervisory Employees:
Vincent Baker (Voting Member in Fiscal Year 2021)
Representative, Police Department Supervisory Employees:
Jason Luckenbaugh (Non-voting Member in Fiscal Year 2021)
Representative, International Association of Firefighters, Local 2000:
Richard Ruehl

Member Absent

None.

Employees Plan:

Members Present:

Human Resources Administrator: Wanda Hutchinson
Chief Administrative Officer Designee: John Peterson
Deputy Director of Finance: Angie Price
Budget Administrator Designee: Janssen Evelyn
Representative, American Federation of State, County and Municipal
Employees Local 3085: Dale R. Chase
Employee Representative: Jeff Bronow

Representative, American Federation of State, County and
Municipal Employees Local 3080: Melanie Avery

Member Absent

None

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

Margaret Belmondo, NEPC
Will Forde, NEPC
Francesca LoVerde, NEPC
Lori Buchman, Department of Finance
Jamar Herry, Office of Law
Scott Southern, Retirement Coordinator
Sima Taghavi, Department of Finance
Paul W. Madden, Whiteford, Taylor & Preston L.L.P.
Nike Yahaya, Retirement Assistant

Wanda Hutchinson acted as Chair of the meeting and Paul Madden acted as secretary.

The minutes of the January 28, 2021 meeting of the Joint Committees were corrected; following correction, the minutes were unanimously approved by the members of each Committee.

Sima Taghavi reported on the Statement of Revenues and Expenses, Budget vs. Actual, as of December 31, 2020 for the Employees Plan. Sima reported that contributions, benefits and expenses were in line with the budget. The Employees Plan had investment income of \$69.7 million, which was 193.7% of budgeted investment income. The Employees Plan experienced a net operating gain of \$68.8 million, which equaled 210.3% of budget. The fiduciary net position for the Employees Plan is \$563 million as of December 31, 2020.

Next, Sima Taghavi reported on the Statement of Revenues and Expenses, Budget vs. Actual, as of December 31, 2020 for the Police & Fire Plan. Sima reported that contributions, benefits and expenses were close to budget. The Police & Fire Plan had investment income of \$87.8 million, which was 185% of budgeted investment income. The Police & Fire Plan experienced a net operating gain of \$87.6 million, which equaled 174% of budget. The fiduciary net position for the Police & Fire Plan is \$736.5 million as of December 31, 2020.

Margaret presented the NEPC performance report for period ending December 31, 2020. The Plans gained 9.1% for the quarter (gross) which ranked above median. For the trailing one year, the fund gained 12.8% which ranked in the 28th percentile. The fiscal year to date return was 13.9%. Looking at the Plans' risk adjusted returns, the Plans' have achieved a higher return than peers while taking less risk over 3 and 5 year periods.

Margaret reviewed four investment funds on NEPC's due diligence monitor: Blackstone Partners, Dodge & Cox Core Fixed Income, PIMCO Core Plus and ICM. NEPC does not recommend any actions at this time.

Margaret reported on HCMT's private market performance through September 30, 2020. Private equity continues to have strong performance with an internal rate of return of 16.23%.

Will Forde presented the January 2021 Flash Report. The total fund returned a negative 0.3% for the month. The fiscal year to date return is strong at 15.1%. The market value of the fund as of January 31 was \$1.29 billion.

After discussion, the Committees approved the Plans' revised Investment Policy Statement.

The Committee noted that the Plans' Investment Monitoring Policy, dated December 31, 2019, may need to be updated to reflect recent changes in ongoing monitoring procedure. The Committees decided to address the Investment Monitoring Policy at an upcoming meeting.

There being no further business, the meeting adjourned.

Respectfully submitted,

Paul Madden
Paul W. Madden
Secretary of the Meeting

11671878.2

**EXHIBITS
TO
MINUTES OF HOWARD COUNTY POLICE AND FIRE EMPLOYEES'
RETIREMENT PLAN
AND HOWARD COUNTY RETIREMENT PLAN
JOINT MEETING OF THE RETIREMENT PLAN COMMITTEES
February 25, 2021**

1. Statement of Revenues and Expenses, Budget vs. Actual, as of June 30, 2020 for the Employees Plan.
2. Statement of Revenues and Expenses, Budget vs. Actual, as of June 30, 2020 for the Police & Fire Plan

Fiscal year 2021 Budget for the Plans

3. Investment Monitoring Policy
4. NEPC Meeting Materials:
 - Q4 2020 Market Environment
 - Q4 2020 Total Fund Performance
 - Q3 2020 Private Markets Performance
 - January 2021 Flash Report
 - Investment Policy Statement Revisions