

**Location:**

Microsoft Teams Online Meeting

**Members Present:**

**Employees Savings Plan:** David Carpenter, Tim Hayden, Dina Davis, John Mattingly, Sandy Wobbleton.

**Members Absent:**

**Employees Savings Plan:** Brian Davis, Gloria Della, Julian M. Willis.

**Others Present:**

Linda Vassallo, Deputy County Administrator  
Melanie Woodson, Director of Human Resources  
Megan Fleegle, Human Resources Deputy Director  
Lauren Kreamer, Benefits Assistant  
Jamie Angus, Human Resources Assistant  
Meg Aldridge, T. Rowe Price

Tim Hayden called the meeting to order at 1:32 p.m.

The first item on the agenda was the approval of the March 5, 2021 meeting minutes. Dina Davis noted a typo in the minutes.

**MOTION:** Tim Hayden made a motion for the Calvert County Employees Retirement Savings Plan to approve the March 5, 2021 minutes as amended.

**SECOND:** Dina Davis seconded the motion.

All were in favor. None opposed.

**Presentation/Discussion**

*Meg Aldridge, T. Rowe Price*

Meg Aldridge provided an overview of the plan assets. The plan assets were \$45,239,211 as of March 31, 2021. This is an increase of approximately \$2 million since December 31, 2020. The average account balance as of March 31, 2021, was \$61,801. As of March 31, 2021, there were 27 funds offered with an average of 1.2 investment options per participant. As of March 31, 2021, there were 45 participants with outstanding loans. There were 5 new loans taken out during the last period. Meg Aldridge indicated that the plan's loan participation rate is exceptionally low. There are currently 731 accounts with a balance and 639 active accounts. There are 79 accounts of terminated participants with an account balance of over \$5,000. As of March 31, 2021, 95% of investments were in Target Date Funds.

Meg Aldridge gave a review of the Lipper report. 84% have outperformed Lipper peers over 3 years, 88% over 5 years, and 91% over 10 years. Meg Aldridge discussed a concern about the American Century Equity Fund as it is consistently underperforming to the peer group. Tim Hayden stated that he would speak with Don Ross from Wainwright Investments for recommendations and would then share with the Trustees. Meg Aldridge noted that there are 4 participants in the fund with a total of \$23,406 of assets.

Meg Aldridge informed the Board that the estimated annual recordkeeping cost is estimated to be \$65,832 per year. \$82,832 is collected from the plan. The excess \$17,000 is returned to the account on a quarterly basis into

an ERISA account. The current ERISA balance is approximately \$18,000. Meg Aldridge stated she would like to go back to the pricing group to see if the ERISA budget can be increased.

Meg Aldridge provided a business and enhancement update for T. Rowe Price. T. Rowe price has over \$1.5 trillion in assets with over 50% being in retirement. T. Rowe Price has been in the retirement business for over 30 years. The 2065 target date fund was added in January. Anyone born after 1998 will now be enrolled in this fund. This fund has a higher equity weighting.

### **Open Discussion**

#### *Fourth Amendment to the Plan – Normal retirement date definition*

The Board of County Commissioners has approved a change to the normal retirement date for Savings Plan participants. Currently an employee must be 65 with a minimum of 7 years of service to retire. The update will require that a participant's age and years of service equals 80. The participant must be at least 55 and have a minimum of 10 years of service to qualify. This is referred to as the rule of 80. The amendment has been approved and will be presented as a public hearing at the May 11, 2021 Board of County Commissioners meeting and projected for final approval May 25, 2021.

#### *Update on the Third Amendment to the Plan*

The third amendment changes the definition of disability under the plan to state that the member must be approved by the Social Security Administration for disability benefits in order to be considered disabled under the plan. The Board of Trustees approved this amendment during the March 5, 2021 meeting. The amendment has been approved and will be presented as a public hearing at the May 11, 2021 Board of County Commissioners meeting and projected for final approval May 25, 2011.

#### *Determine Future Meeting Dates*

The next meeting for the Board of Trustees is tentatively scheduled to take place on Thursday, November 4, 2021.

**Motion:** John Mattingly made a motion for the Calvert County Employees Retirement Savings Plan to adjourn at 2:29 p.m.

**Second:** Tim Hayden seconded the motion.

All were in favor. None opposed.