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Department of Human
Resources Carroll County
Government
225 North Center Street
Westminster, Maryland 21157

MEETING MINUTES
Defined Contribution Plans - 401 (k), 457(b)
August 19, 2019, 1pm - Human Resources (Room
124)

In attendance:

Bolton (Investment Consultant)

Mike Beczkowski, Sr. Consultant, Director of Marketing

Committee Members present:

Charles Beckhardt, Technology Services
Tim Burke, County Attorney
Werner Mueller, Retirement Plans Manager
Nancy Newcomer, Judicial Assistant, Circuit Court

Committee members unable to attend:

Rob Burk, Comptroller
Deb Effingham, Bureau Chief, Budget
Kimberly Frock, HR Director

- Lincoln Financial has a new platform that's able to ascertain less costly mutual funds, by taking into account not only a funds' expense ratio but its fund credit, so as to determine the Net Cost of the fund. There are two funds in our lineup - Columbia Small Cap Growth and Victory Sycamore Small Co. Opps - that may carry a less expensive class. Updates to follow on this front. All other funds have a Fee Level considered "Low" or "Below Average," per Morningstar.
- Nearly all funds in our lineup have their 5-year risk and return in the upper left quadrant, signifying relatively high returns with lower volatility, i.e., the best of both worlds.
- All funds had excellent year-to-date returns (as of 8/16/2019), ranging from 7.6% to 33.6%. There are no funds on "Watchlist.11
- Data furnished by Lincoln reveal no surprises. Combined assets in both plans total app. \$74M and trends in contributions, earnings, and withdrawals remain similar as in quarters past. No red flags.
- Mike touched on economic indicators, such as the 2 yr. and 10 yr. bonds briefly inverting a short time ago, which may forebode a recession down the road. Bond rates around the world have collapsed. In fact, several European countries now have negative yields as Central Banks continue to aggressively ease rates to rejuvenate their economies. China's economy is noticeably slowing as tariffs appear to be having an impact.
- All US economic data is positive: longest expansion in US history, minimal inflation, low unemployment, higher wage growth (particularly among the poorest segment of workers), higher consumer sentiment, low interest rates, a steady to strong US dollar, and flat oil prices.