

**BOARD OF TRUSTEES  
MONTGOMERY COUNTY CONSOLIDATED RETIREE HEALTH BENEFITS TRUST**

MINUTES – OPEN SESSION

Friday, January 27, 2017

101 Monroe Street, 9<sup>th</sup> floor  
Rockville, Maryland

Board Members Present:

Jennifer Barrett  
Alexandre Espinosa  
Robert Doody  
Stephen Farber  
Marissa Grant  
David Locke  
Philip McGaughey  
Gino Renne  
Ruby Sherman  
Kelda Simpson  
Brad Stelzer  
Shawn Stokes  
William Talbot  
Lynda von Barga via telephone  
George Willie

Staff:

Linda Herman  
Marc Esen  
Pat Paoli  
John Feketekuty  
Kevin Killeavy  
Darrin Arbaugh  
Priti Mehta

Others Present:

Amy Moskowitz, Counsel to the Board  
Brad Atkins, Franklin Park  
Melanie Fraind, Franklin Park  
Mark Brubaker, Wilshire Associates  
Stephen DiGirolamo, Wilshire Associates

## ***CALL TO ORDER***

Mr. McGaughey called the open session of the Board meeting to order at 10:25 a.m.

**Approval of Consent Agenda:** Ms. Barrett moved, and Mr. Espinosa seconded, and the Board approved the items listed on the Consent Agenda. Ms. Grant abstained from the minutes.

## ***DETERMINATION OF MEETING***

The Board unanimously approved a motion to move into closed session at 10:28 a.m. for the purpose of discussing the investment of public funds, pursuant to Maryland Code, General Provisions Article, 3-305(b)(5).

The Board moved back into open session at 11:51 a.m.

Mr. Talbot and Mr. Espinosa were not at the remainder of the meeting. The consultants left the meeting.

**Annual Budget FY 17 Revised and FY 18 Requested Budget:** Ms. Mehta presented the FY17 estimated budget and the FY18 requested budget. Following discussion by the Board, Mr. Locke, and Ms. Barrett seconded, and the Board approved the following resolution:

***1701-03 Resolved, that Board approves the FY17 estimated and the FY18 requested budgets as presented in the materials.***

**Compliance & Audit Committee Report:** Ms. Herman discussed the Compliance and Audit Committee meeting during which the Committee met with the auditor.

**Annual Ethics Disclosure:** Ms. Herman requested that the trustees complete their annual ethics disclosure form.

**The Board held a joint session with the Board of Investment Trustees for the remainder of the meeting.**

**Group Trust Legislation:** Mr. David Levine of the Groom Law Group was present for this agenda item. Mr. Paoli discussed the creation of a group trust for purposes of securing investment opportunities and administrative efficiencies. Following discussion by the Board, and the amendment of the legislation, Mr. Farber moved, and Ms. Grant seconded, and the Board approved the following resolution:

***1701-04 Resolved, that Board approves legislation for the purposes of creating a Group Trust.***

***Resolved, that the Chair is appointed as a co-trustee of the Group Trust.***

***Resolved, the Executive Director is appointed as the directed trustee of the Group Trust to handle administrative issues.***

***Resolved, that the Board approves amending the Governance Document to reflect these resolutions.***

**Divestment Legislation:** Mr. Craig Bitman of Morgan, Lewis was present for this agenda item. The Board discussed the Council's proposed legislation regarding the divestment of fossil fuels. The Board received a presentation from Council member Roger Berliner and had the opportunity to provide comments and ask questions. After Council member Berliner departed the meeting, the Board resumed their discussion and requested that Ms. Herman compose a memorandum reflecting the Board's comments and transmit it to the County Council.

There being no further business of the Board, the open meeting session adjourned at 2:40 p.m.

Respectfully submitted,

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Kelda Simpson, Secretary