

**Board of Trustees**  
**Prince George's County Police and Fire Service Pension Plans**  
**Open Minutes of Meeting**  
**August 22, 2018**

**Members Present**

Nicholas A. Majett, Chief Administrative Officer  
Thomas M. Himler, DCAO for Budget, Finance, Economic Development and Administration  
Mark A. Magaw, Deputy Chief Administrative Officer for Public Safety  
Stanley A. Earley, Director, Office of Management and Budget  
Gail D. Francis, Director, Office of Finance  
Benjamin M. Barksdale, Chief, Fire Department  
Michael K. Linynsky, International Association of Fire Fighters, Local 1619  
Thomas G. Breen, International Association of Fire Fighters, Local 1619

**Via Phone**

Henry P. Stawinski, Chief, Police Department  
John W. Teletchea, President, Fraternal Order of Police, Lodge 89  
Angelo Consoli, Fraternal Order of Police, Lodge 89

**Others Present**

Melvin D. Powell, Deputy Chief, Police Department  
Melvin C. High, Sheriff, Office of the Sheriff  
Mary Lou McDonough, Director, Department of Corrections  
Tammy C. Owens, President, Correctional Officers' Association  
Anthony P. Smith, AFSCME Locals 1170, 2462, 2735, 3389  
Susan Koch, President, AFSCME Local 241  
Stephen J. McGibbon, Office of Finance  
Trevor Jackson, Senior Consultant, Summit Strategies Group  
Ritchlyn Dantzler, OHRM, Pensions and Investments Division  
Jaclyn Harris, OHRM, Pensions and Investments Division  
Lori Facen, OHRM, Pensions and Investments Division  
Catisha Jackson, OHRM, Pensions and Investments Division

**Open Session**

The Boards of Trustees met in an open session (10:39 a.m.) in the County Executive Conference Room of the Prince George's County Government Wayne K. Curry Administration Building.

**Approval of Open Meeting Minutes**

The Boards of Trustees approved the open minutes from the meeting held on June 27, 2018.  
Police: (Motion by: Chief Stawinski; Seconded by: Mr. Magaw)  
Fire: (Motion by: Mr. Linynsky; Seconded by: Mr. Breen)

**2018 Economic & Capital Market Highlights**

Estimates for second quarter economic growth stand at 4%, much better than the 2.2% rate in the first quarter. From a fundamental standpoint, the U.S. is experiencing strong growth. As a result, interest rates have increased and the Federal Reserve is telegraphing its continued monetary tightening policy. U.S. unemployment still stands at 4%. While the underpinnings indicate a

strong U.S. market, there is concern over geopolitical trade tensions which has generated increased volatility and has negatively impacted industrial companies with multinational exposure. Inflationary pressure on raw materials is helping to drive oil prices higher, which has helped boost the performance of MLPs.

Global expansion continued albeit at a more moderate rate than the first quarter of 2018. Global Equity is up 11% over the trailing 12 months. Large Cap Growth was up 5.8% for the quarter but a healthy 22.5% for the year. Most of this return is attributable to F.A.N.G stocks (Facebook, Amazon, Netflix, Google) performance. Small Cap Value had a strong quarter, returning 8.3%, while Small Cap Growth returned 7.2%. MSCI's Emerging Markets index was down 8% for the quarter, mainly due to the strong U.S. dollar and slowing foreign growth rates. Fixed Income was down 0.4% for the one-year period, due to rising interest rates.

### **July 31, 2018 Flash Performance Report**

As of July 31, 2018, the market value for the Total Fund was \$1.0 billion for the Police Pension Plan and the Total Fund was \$474 million for the Fire Service Pension Plan.

- The Total Police Fund returned 3.23% for the CYTD, outperforming the benchmark by 167 bps. The portfolio returned 7.21% for the Trailing 3-Year and 8.04% for the Trailing 5-Year outperforming the benchmark by 60 bps and 100 bps, respectively.
- The Total Fire Service Fund returned 3.30% for the CYTD, outperforming the benchmark by 174 bps. The portfolio returned 7.18% for the Trailing 3-Year and 8.09% for the Trailing 5-Year outperforming the benchmark by 57 bps and 105 bps, respectively.

### **Other Business**

Having no further business, the meeting was adjourned (11:08 a.m.)