

OPEN MEETING OF THE BOARD OF TRUSTEES
EMPLOYEES' RETIREMENT SYSTEM
ELECTED OFFICIALS' RETIREMENT SYSTEM
RETIREE BENEFITS ("OPEB") TRUST
OF THE CITY OF BALTIMORE

1643rd Meeting

February 21, 2019

The 1643rd meeting of the Board of Trustees for the Employees' Retirement System, the Elected Officials' Retirement System, and the Retiree Benefits ("OPEB") Trust of the City of Baltimore was held on Thursday, February 21, 2019 at 9:05 a.m. in the 12th floor Conference Room of 7 E. Redwood Street, Baltimore, MD 21202.

Attendance: *Chair* – Henry Raymond *Board Members* – Rosemary H. Atkinson, John Beasley, Doris Y. Brightful (by phone), Dorothy L. Bryant, Helen Holton (by phone), Deborah Moore-Carter (by phone) and Joan M. Pratt. *Consultants* – Judy Chambers and Tad Ferguson of Pension Consulting Alliance; Nichole Roman-Bhatty and Benjamin Mohr of Marquette Associates, Inc. *Legal* – Abraham Schwartz. *Staff* – David A. Randall, Donna S. Bowen, Adetutu Talabi and Rosemary Kourdoglou.

Employees' Retirement System

Chair Raymond called the meeting to order.

The Board considered, and on motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved the minutes of the Open and Closed Meetings held January 13, 2019.

Nichole Roman-Bhatty of Marquette Associates, Inc. reviewed manager performance as of January 31, 2019 and the Pro-Forma vs. Actual Asset Allocation Schedule as of January 31, 2019. Ms. Bhatty then reviewed the current Watch List. Ms. Roman-Bhatty reviewed that TimeSquare had been terminated, and that as of January 2, 2019 DF Dent and Rhumblin had been fully funded.

The Board then noted the February 8, 2019 update from Marquette Associates explaining the firm's succession plan and ownership. Ms. Roman-Bhatty explained that her relationship with BCERS would not change.

Judy Chambers from Pension Consulting Alliance then reviewed manager performance as of January 31, 2019. Tad Ferguson of Pension Consulting Alliance then reviewed the 2019 Investment Plan, explaining the goal was to commit to three to five partnerships a year through a commitment pace of \$80M a year. Mr. Ferguson then reviewed the OPEB Investment Plan Overview, presenting a commitment pace of \$16M a year through four partnerships.

On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved the Investment Pacing Plans for ERS and OPEB.

At this point in time, Chair Raymond explained that he would be entertaining a motion to make David Randall the permanent Executive Director to the Employees' Retirement Systems and the Retirement Savings Plan. On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved the hiring of Mr. Randall as the permanent Executive Director.

On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved a motion for the Personnel Committee to meet with Mr. Randall regarding compensation.

Chair Raymond then called for a motion to recess the meeting, in accordance with the advanced notice given of the Board's intention to have a closed executive session, as provided in the Open Meetings Act, which is codified in Title 3 of the General Provisions of the Maryland Code, under Section 10-508(a)(14) to discuss, before a contract is awarded or bids are opened, a matter directly related to negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process. On motion made by Trustee Pratt, seconded and unanimously carried, the Board entered Closed session.

At 12:34 p.m., the Open Meeting reconvened. Present were those stated above.

On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved the action taken in the Closed Meeting to hire Payden & Rygel as an Emerging Market Debt Manager for an allocation of \$75M from the ERS.

On motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved bringing the action taken in the Closed Meeting to interview Vivo Capital and Chicago Pacific Founders at the March 21, 2019 Meeting in the Private Equity Manager Search.

The Board noted receipt of the Statement of Changes in the Plan Net Assets as of January 31, 2019.

The Board noted receipt of and accepted the Retirement Benefits Listing for the March 1 payroll, and noted the Decisions and Findings of Facts rendered by the Panel of Hearing Examiners.

The Acting Executive Director updated the Board on various items including the administrative expenses for January 2019.

The Board collectively noted receipt of the Trustee Educational Conferences and Program Informational Listing and the System Comparison Chart for ERS, EOS and OPEB.

On motion made by Trustee Pratt, seconded and unanimously carried, the Board granted conditional approval for the Trustees who expressed interest in attending the following;

- Trustee Atkinson: NASP and P2F2,
- Trustee Beasley: NASP and P2F2,
- Trustee Holton: GFOA, NCPERS and NASP,
- Trustee Moore-Carter: NCPERS, and
- Trustee Pratt: NASP.

Elected Officials' Retirement System

The Consultant reviewed manager monthly performance as of January 31, 2019; and the EOS Pro-forma vs. Actual Asset Allocation Schedule as of January 31, 2019.

The Board noted receipt of the EOS Statement of Changes in Plan Net Assets as of January 31, 2019.

Retiree Benefits ("OPEB") Trust

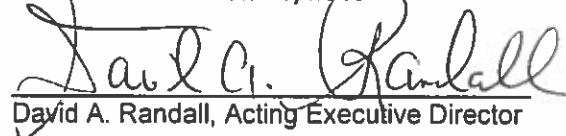
The Consultant reviewed manager monthly performance as of January 31, 2019; and the OPEB Pro-forma vs. Actual Asset Allocation Schedule as of January 31, 2019.

The Board noted receipt of the OPEB Statement of Changes in Plan Net Assets as of January 31, 2019.

Other Business

There being no further business, the meeting was adjourned.

APPROVED: March 21, 2019


David A. Randall, Acting Executive Director