

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

1645th Meeting

April 18, 2019

The 1645th 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, April 18, 2019 at 9:00 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, Dorothy L. Bryant, Joan Carter Conway, Helen Holton, Deborah Moore-Carter and Joan M. Pratt. *Consultants* – Judy Chambers of Meketa Investment Group; Nichole Roman-Bhatty and David Hernandez of Marquette Associates, Inc. *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 Pratt, seconded and unanimously carried, the Board approved the minutes of the Open and Closed Meetings held March 21, 2019.

Nichole Roman-Bhatty of Marquette Associates, Inc. reviewed manager performance as of March 31, 2019 and the Pro-Forma vs. Actual Asset Allocation Schedule as of March 31, 2019. Ms. Bhatti then reviewed the current Watch List. She explained that with the termination of Manulife, Northern Trust would be used as a transition manager to transition from Global Fixed Income to the Emerging Market Debt manager, Payden & Rygel. On motion made by Trustee Holton, seconded and unanimously carried, the Board approved the shift from Global Fixed Income to Emerging Market Debt, to terminate Manulife and use Northern Trust as a transition manager.

Judy Chambers from Meketa Investment Group then reviewed manager performance as of March 31, 2019. The Board noted receipt of the April 3, 2019 press release from Siris Capital Group regarding the announcement that two investment firms, Warfa, Inc. and Landmark Partners, LLC have made strategic minority investments in Siris.

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 Holton, seconded and unanimously carried, the Board entered Closed session.

At 12:23 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 actions taken in the Closed Meeting;

- To keep Lazard Asset Management on Watch Status for two more quarters; and
- To hire State Street as an Emerging Market Small Cap manager at an allocation of \$50M.

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

The Board noted receipt of and accepted the Retirement Benefits Listing for the May 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. The Administrative Expenses Report for March 2019 was presented and on motion made by Trustee Atkinson, seconded and unanimously carried, the Board accepted the report. The Executive Director reported that the Director of Communications was hired and would be starting May 6, 2019. He reported that Legal Counsel had been interviewed and that the search would move forward for a Deputy Director.

The Board noted receipt of the ERS Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board, explaining that \$15M would be needed in May and had already been approved at the March Board Meeting.

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

Elected Officials' Retirement System

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

The Board noted receipt of the EOS Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board, explaining that \$350,000 would be needed in April and had been approved at the March Board Meeting.

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

Retiree Benefits ("OPEB") Trust

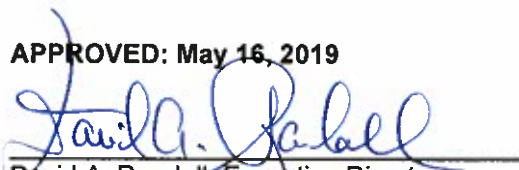
The Consultant reviewed manager monthly performance as of March 31, 2019; and the OPEB Pro-forma vs. Actual Asset Allocation Schedule as of March 31, 2019.

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

The Board noted receipt of the OPEB Trust Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board. It was explained that OPEB Cash Requirements were performed on an "as-need" basis and that during the March Board Meeting, the Board had approved taking the "as-need" cash flows from Baird.

Other Business

There being no further business, the meeting was adjourned.

APPROVED: May 16, 2019

David A. Randall, Executive Director