

**BOARD OF TRUSTEES OF THE
EMPLOYEES' RETIREMENT SYSTEM OF THE
CITY OF BALTIMORE**

**POLICY AND PROCEDURES FOR ELECTING
CHAIR AND VICE CHAIR OF THE INVESTMENT COMMITTEE**

Adopted by the Joint Boards of Trustees on October 20, 1994

Amended - January 22, 2004, February 26, 2004, April 17, 2008, December 17, 2009, November 20, 2014, December 17, 2015

The general administration and the responsibility for the proper operation of the Employees' Retirement System of the City of Baltimore, and the Elected Officials' Retirement System of the City of Baltimore (collectively, "Retirement Systems") is vested in the Board of Trustees for the Retirement Systems ("Board"). Included in the responsibility to administer the Retirement Systems is the authority by which the Board may establish rules and regulations for the administration of its funds and for the transaction of its business. (See Section 5, 21, and 33 of Article 22 of the Baltimore City Code.) For purposes of the following rules and procedures, reference to the Board shall also include the OPEB Trust Board.

The purpose of the Investment Committee is to make recommendations to the Board regarding the investment of the assets of the Retirement Systems and the OPEB Trust; and to perform other such duties as assigned by the Board. The Investment Committee is merely advisory in nature and will submit its findings to the Board for the Board's approval or disapproval.

Section 3-101(h)(1) of the Open Meetings Act, (Section 3-101 et seq. of the General Provisions Article of the Annotated Code of Maryland¹), defines "public body" as "an entity that (i) consists of at least two individuals; and (ii) is created by ... a rule, resolution or bylaw." Accordingly, the Investment Committee, is a "public body" as defined within the provisions of the Act.

In pursuance of the aforementioned provisions of both the Open Meetings Act and Article 22, the Board, as a matter of prudent operating policy, hereby adopts and decrees the following rules and policies relative to the establishment of an Investment Committee:

1. The Investment Committee shall be composed of the members of the Board as a Committee of the Whole.
2. The Board shall elect, by majority vote, the Chair and Vice-Chair of the Investment Committee. The Secretary of the Board shall act as the Secretary of the Investment Committee.
3. The terms of office of Chair and Vice-Chair of the Investment Committee shall be for two years beginning January 1 and ending two years hence on December 31.
4. The regularly scheduled nominations and election for Chair and Vice-Chair of the Investment Committee will be held at the December meeting of the Board in the year that the current term expires. No second shall be required for a nomination, and any trustee may nominate himself or herself.
5. Voting for the Chair of the Investment Committee shall be by secret written ballot. If on the first ballot, no trustee receives a majority of the vote of all the Board members, then the trustee with the lowest number of votes shall be disqualified and a second ballot shall be cast. (If two or more trustees are tied with the lowest number of votes, a separate election shall be held to

2.c. Investment Committee
Chair and Vice-Chair

determine which trustee should be disqualified.) This procedure shall be followed for succeeding ballots until the Chair is elected by a majority of all members of the Board.

6. A Vice-Chair of the Investment Committee shall be elected for the same term as the Chair using the same policies and procedures as stated herein for the Chair of the Investment Committee.

7. No individual may serve more than two consecutive terms as either Chair and/or Vice-Chair. For purposes of the preceding sentence, the term ending December 31, 2015 shall be considered the first of two consecutive terms. An individual who serves two consecutive terms as Chair and/or Vice-Chair is subject to a two-term moratorium before again running for Chair and/or Vice-Chair. For purposes of the preceding sentence, the term ending December 31, 2015 shall be considered the first of two consecutive terms.

8. After the term ending December 31, 2015, the trustees elected as the Chair of the Board and the Vice-Chair of the Board may not simultaneously serve as Chair and/or Vice-Chair of the Investment Committee.

9. In the absence of the Chair, the Vice-Chair will chair all Investment Committee meetings.

10. In the absence of the Chair and the Vice-Chair, the senior member will chair all Investment Committee meetings.

11. In the case of a vacancy in the office of Chair, the Vice-Chair will succeed the Chair, provided there is less than one year remaining in the term of the Chair. If there is one year or more remaining in the term of the Chair, the Board will hold an election to fill the vacant position for the remainder of the term of office in accordance with these policies and procedures.

12. The Investment Committee shall meet only when there is a quorum of four members.

13. Every Investment Committee measure or vote shall be approved by no less than a majority of members then present.

14. Inasmuch as the Investment Committee considers the investment of public funds, the members in attendance at each meeting will have the option of voting in favor of adjourning to a closed session. Should this vote not be passed by a majority as defined in Rule 13, the Investment Committee may not meet in a closed session. (Sections 3-305(b)(5) and 3-305(d)(1) of the Maryland Code, General Provisions Article)

15. Before the Investment Committee can meet in a closed session, the Chair of the Investment Committee shall conduct a recorded vote on the closing of the session and make a written statement of the reason for closing the meeting, including a citation of the authority under the Maryland State Open Meetings Act, and a listing of the topics to be discussed during the closed session. (Sections 3-305(d)(2)(i) and (ii) of the Maryland Code, General Provisions Article)

16. Minutes shall be kept and tape recordings shall be made of each Investment Committee meeting. If the Investment Committee votes to adjourn to a closed session, the records of the closed session shall remain sealed until the investment transaction in question has been completed. (Section (IV)(D) of the Board of Trustees Open Meeting Policy and Procedures, and § 3-306(c)(4) of the Maryland Code, General Provisions Article.)

17. If the Investment Committee votes to meet in a closed session, the minutes for its next open session shall include:

- (i) a statement of the time, place and purpose of the closed session;
- (ii) a record of the vote of each member as to closing the session;
- (iii) a citation of the authority under the Maryland State Open Meetings Act for closing the session; and
- (iv) a general listing of the topics of discussion, persons present, and each action taken during the session.

(Sections 3-306(c)(2)(i) - (iv) of the Maryland Code, General Provisions Article.)

¹ *Unless otherwise noted, all citations in these Investment Committee rules are to the Open Meetings Act.*