

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

1649th Meeting

September 19, 2019

The 1649th 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, September 19, 2019 at 9:00 a.m. in the 12th floor Conference Room of 7 E. Redwood Street, Baltimore, MD 21202.

Attendance: *Board Members* -- Rosemary H. Atkinson, Deborah F. Moore-Carter, Joan M. Pratt and Henry Raymond. *Consultants* – Judy Chambers of Meketa Investment Group and Nichole Roman-Bhatty of Marquette Associates. *Legal* – Ellen Williams, General Counsel. *Staff* – David A. Randall, Nichelle Lashley, Donna S. Bowen, Adetutu Talabi, Daniel Young, Aja Jackson and Rosemary Kourdoglou.

Employees' Retirement System

Chair Raymond called the meeting to order, noting a quorum was not present.

Nichole Roman-Bhatty of Marquette Associates reviewed annual performance as of August 31, 2019. She presented a new summary page that showed returns, percentages and cash flows for the month of August 31, 2019 as well as a report that shows Marquette Associates' most recent meeting dates with managers. Ms. Roman-Bhatty then reviewed manager performance as of August 31, 2019 and the current Watch List.

Judy Chambers of Meketa Investment Group then provided a review of the Private Equity Portfolio as of March 31, 2019. She reported that June numbers would be coming in and would be presented at the October meeting due to the delay in Private Markets. Ms. Chambers then provided an update on the OPEB Alternatives Portfolio as of March 31, 2019 and Risk Premia and Hedge Funds as of August 31, 2019.

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

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

The Executive Director updated the Board on various items. He reported that contracts are up to date and provided a staffing update. He then introduced Ms. Nichelle Lashley, who had been appointed Deputy Director of the Employees' Retirement System. Mr. Randall provided an update on the Trustee Elections for both the Active and Retired Trustee Elections and the scanning project with Magothy Technology.

After a discussion on how items requiring Board action would be handled as there was not a quorum present, it was determined that decisions would be tabled and recommendations would be presented at the next Board Meeting on what action was to be taken. Once this decision

had been made, the Board reviewed the Administrative Expenses Report for August 2019 and made the recommendation to approve the report at the October Board Meeting.

The Board noted receipt of the ERS Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board, explaining that \$35M was required to meet Cash Requirements for November 2019 and that the decision could be made at the October Board Meeting.

Nichole Roman-Bhatty also discussed the funding of the \$90M allocation to Analytic, the new Low Volatility Equity Manager. Ms. Roman-Bhatty recommended taking the \$90M from the Mellon Large Cap Index, which had been communicated to the Board during the Low Volatility Manager Search. The Board made the recommendation to approve the decision to move \$90M from the Mellon Large Cap Index to fund Analytic at the October 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.

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.

At 11:28 a.m., the Open Meeting reconvened. Present were those stated above, except for Trustee Pratt who left during the Closed session.

Chair Raymond noted that there was not a quorum, but the Board made the recommendation for the following decision to be approved at the October Board Meeting;

- o To retain Cheiron, Inc. as the Actuary for the Employees' Retirement System for a term of three years with three one-year renewal options.

Elected Officials' Retirement System

Nichole Roman-Bhatty of Marquette Associates provided a review of the Elected Officials' Retirement System Portfolio as of August 31, 2019. The Board then noted receipt of the EOS Statement of Changes in Plan Net Assets as of August 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 was needed for November to meet operational expenses and that the decision could be made at the October Board Meeting.

Retiree Benefits ("OPEB") Trust


Nichole Roman-Bhatty of Marquette Associates provided a review of the OPEB Trust Portfolio as of August 31, 2019. The Board then noted receipt of the OPEB Statement of Changes in Plan Net Assets as of August 31, 2019.

The Board noted receipt of the OPEB Trust Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board and explained that the money that had been approved for OPEB Cash Requirements last month was not used in full and could be used for any Cash Flow Requirements until the October Board Meeting.

Other Business

There being no further business, the meeting was adjourned.

APPROVED: October 17, 2019



David A. Randall, Executive Director