

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

1652nd Meeting

December 19, 2019

The 1652nd 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, December 19, 2019 at 9:02 a.m. in the 12th floor Conference Room of 7 E. Redwood Street, Baltimore, MD 21202.

Attendance: *Board Members* – John Beasley, Doris Y. Brightful, Dorothy L. Bryant, Joan Carter Conway, Helen Holton, Deborah F. Moore-Carter, Joan M. Pratt and Henry Raymond. *Consultants* – Judy Chambers of Meketa Investment Group and Nichole Roman-Bhatty and Samantha Grant 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.

The Board considered, and on motion made by Trustee Holton, seconded and unanimously carried, the Board approved the minutes of the Open and Closed Meetings held November 21, 2019.

Mr. Randall then reviewed the results of the Retired Trustee Election. He reported that the incumbent, Ms. Rosemary Atkinson, had won the election for a term from January 1, 2020 to December 31, 2023. Mr. Randall said that he would notify both Ms. Atkinson and Ms. Foster of the election results by phone call. On motion made by Trustee Holton, seconded and unanimously carried, the Board approved the election results.

Mr. Randall then reviewed the *Policy and Procedures for Electing Chair and Vice-Chair of the Board of Trustees* with the Board, explaining that an election would take place for the two year term of Board Chair. Trustee Moore-Carter nominated current Chair, Mr. Henry Raymond for the role of Board Chair. By unanimous vote, the Board elected Mr. Henry Raymond to serve as Board Chair for a two year term.

Nichole Roman-Bhatty of Marquette Associates announced to the Board that on January 31, 2020, Marquette would be hosting a Market Review Breakfast in Baltimore. She then reviewed manager performance as of November 30, 2019 and introduced the current Watch List.

Ms. Roman-Bhatty then provided a review of the Elected Officials' Retirement System Portfolio as of November 30, 2019.

Ms. Roman-Bhatty then provided a review of the OPEB Trust Portfolio as of November 30, 2019.

The Board noted receipt of the ERS Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board, explaining that there were no Cash Requirements for the ERS or EOS.

The Board noted receipt of the OPEB Trust Cash Flow Projection Schedule. Ms. Talabi reviewed the schedule with the Board, explaining that \$4M would be needed for December. Ms. Roman-Bhatty recommended taking \$4M from the Mellon Large Cap Index. On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved taking \$4M from the Mellon Large Cap as needed for OPEB Trust Cash Requirements.

Judy Chambers of Meketa Investment Group then provided a review of the Private Equity Portfolio as of June 30, 2019. Ms. Chambers then provided an update on the OPEB Alternatives Portfolio as of June 30, 2019 and Risk Premia and Hedge Funds as of November 30, 2019.

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 11:57 a.m., the Open Meeting reconvened. Present were those stated above.

On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved the following decisions taken in the Closed Meeting:

- o To hire BlackRock as a Private Equity Manager for an allocation of \$30M from the ERS and \$4M from the OPEB Trust; and
- o To hire Tailwater Capital as a Private Equity Manager for an allocation of \$30M from the ERS and \$4M from the OPEB Trust.

The Board noted receipt of the June 30, 2019 CAFRs and PAFRs for the ERS and EOS. Accounting Manager, Adetutu Talabi, presented the ERS and EOS PAFRs to the Board. On motion made by Trustee Holton, seconded and unanimously carried, the Board accepted the CAFRs and PAFRs.

The Board noted receipt of the Proposed Annual Administrative Budget for Fiscal Year 2021. Mr. Randall explained that the Budget was a two year budget as requested by the Budget Director and Director of Finance. On motion made by Trustee Holton, seconded and unanimously carried, the Board accepted the Budget for Fiscal Year 2021.

Mr. Randall presented the Investment Analysis of the ERS, EOS and OPEB Trust. He explained that the following documents; The Summary of Compliance as of October 31, 2019, the Asset Allocation and Pro-Forma as of November 30, 2019 and the Chart of Statement of Net Assets as of November 30, 2019 had all been created and compiled by Daniel Young, the Investment Analyst for the BCERS. The Board noted receipt of the Investment Analysis documents.

Deputy Director Nichelle Lashley provided a review of the Benefits Listing. The Board noted receipt of and accepted the Retirement Benefits Listing for the January 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 explained that this would be Trustee Bright's last Board Meeting and that she had served a total of twelve years, from 1999-2004 and from 2013-2019. He reported that contracts are up to date and provided a staffing update, introducing Angela Jackson as the new Retirement Benefits Manager. On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved administrative expenses for November 2019. Finally, he provided an update on Ethics Training, explaining that the training would be conducted at the January 16, 2020 Board Meeting, with all trustees attending.

The Board collectively noted receipt of the following items;

- The Trustee Educational Conferences & Program Information; and
- Notice from Invesco, "Remembering Charles W. Brady, 1935-2019."


Trustee Bryant expressed interest in attending the NCPERS Annual Conference in May 2020, and on motion made by Trustee Moore-Carter, seconded and unanimously carried, the Board approved Trustee Bryant's request.

Deputy Director Nichelle Lashley and Communications Manager Aja Jackson then performed a demonstration of the new ERS website and the MSS portal.

Mr. Randall made the announcement that Trustee Rosemary Atkinson's husband had passed away. He shared Mr. Atkinson's funeral announcement with the Board and explained that he would be attending the funeral.

There being no further business, the meeting was adjourned.

APPROVED: January 16, 2020



David A. Randall, Executive Director