

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

1653rd Meeting

January 16, 2020

The 1653rd 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, January 16, 2020 at 9:00 a.m. in the 12th floor Conference Room of 7 E. Redwood Street, Baltimore, MD 21202.

Attendance: *Board Members* – Rosemary Atkinson, John Beasley, Helen Holton, 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 Callahan, General Counsel. *Staff* – David A. Randall, Nichelle Lashley, Donna S. Bowen, Adetutu Talabi, Daniel Young, Aja Jackson and Rosemary Kourdoglou. *Guests* – Congetta Bosse and Charles A. Hall.

Employees' Retirement System

Chair Raymond called the meeting to order.

The Board considered, and on motion made by Trustee Moore-Carter, seconded and unanimously carried, the Board approved the minutes of the Open and Closed Meetings held December 19, 2019.

Nichole Roman-Bhatty of Marquette Associates reviewed manager performance as of December 31, 2019 and introduced the current Watch List. She reported that FIS Group will remain on the Watch List but that improvement can be seen in their numbers.

Ms. Roman-Bhatty then provided a review of the Elected Officials' Retirement System Portfolio as of December 31, 2019.

Ms. Roman-Bhatty then provided a review of the OPEB Trust Portfolio as of December 31, 2019.

The Board noted receipt of the ERS Cash Flow Projection Schedule. Adetutu Talabi, Accounting Manager, reviewed the schedule with the Board, explaining \$35M would be needed in February. Ms. Roman-Bhatty recommended taking \$20M from Edgar Lomax and \$15M from the Mellon Large Cap Index. On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved taking \$20M from Edgar Lomax and \$15M from the Mellon Large Cap Index to meet the \$35M Cash Requirements for ERS.

The Board noted receipt of the EOS Cash Flow Projection Schedule. Ms. Talabi, Accounting Manager, reviewed the schedule with the Board, explaining \$350,000.00 would be needed in February. Ms. Roman-Bhatty recommended taking the full amount from Mondrian. On motion made by Trustee Holton, seconded and unanimously carried, the Board approved taking \$350,000.00 from Mondrian to meet the EOS Cash Requirements.

The Board noted receipt of the OPEB Trust Cash Flow Projection Schedule. Ms. Talabi reviewed the schedule with the Board explaining that Cash Requirements for the OPEB Trust would be taken on an "as-needed" basis. On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved taking \$2M from the Mellon Large Cap to meet the "as-needed" Cash Requirements for the OPEB Trust.

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 December 31, 2019.

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 November 30, 2019, the Asset Allocation and Pro-Forma as of December 31, 2019 and the Chart of Statement of Net Assets as of December 31, 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 February 1 payroll, and noted the Decisions and Findings of Facts rendered by the Panel of Hearing Examiners.

Chair Raymond then called for a motion to recess the meeting, in accordance with 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 7A(i)(a) to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees or officials over whom the Board has jurisdiction. On motion made by Trustee Holton, seconded and unanimously carried, the Board entered Closed session.

At 9:56 a.m., the Open Meeting reconvened. Present were those stated above.

The Executive Director updated the Board on various items, starting with the Administrative Expenses for December 2019. On motion made by Trustee Holton, the Board approved the administrative expenses for December 2019. He then reported that the contracts for Tailwater Capital and BlackRock are currently being worked on and provided a staffing update, explaining that Senior Counsel would start in February and that five office support positions were open. He provided an update on the scanning project, explaining that by June 2020 the Benefits Department would be paperless. At this point in time, the Executive Director and Deputy Director gave a tour of the 12th Floor Offices so that the Board could see the completed office space conversion from cubicles to offices using a demountable wall system.

The Board collectively noted receipt of the following items;

- The Trustee Educational Conferences & Program Information.

Trustees Atkinson and Moore-Carter expressed interest in attending the NCPERS Annual Conference in May 2020, and Trustees Pratt and Holton expressed interest in attending the GFOA 114th Annual Conference in May 2020. On motion made by Trustee Holton, seconded and unanimously carried, the Board approved the Trustees' request.

At this point in time, Avery Aisenstark, Executive Director of the Ethics Board, presented the Ethics Training to the Board of Trustees. For the second portion of the Ethics Training, the Board was joined by RSP Trustees, Congetta Bosse and Charles A. Hall. During the training, Mr. Aisenstark informed the Board that the annual Financial Disclosure Forms filed in April will be back to paper this year due to an upgrading of the current online program.

There being no further business, the meeting was adjourned.

APPROVED: February 20, 2020



David A. Randall, Executive Director