

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

1663rd Meeting

November 19, 2020

The 1663rd 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, November 19, 2020 at 9:01 a.m. in the 12th floor Conference Room of 7 E. Redwood Street, Baltimore, MD 21202.

Attendance (all by WebEx): *Board Members* – Rosemary Atkinson, John Beasley, Dorothy Bryant, Helen Holton, Deborah F. Moore-Carter, Joan M. Pratt, Henry Raymond and Patricia Roberts *Consultants* – Nichole Roman-Bhatty and Nicole Johnson-Barnes of Marquette Associates, Judy Chambers and Aleem Naqvi of Meketa Investment Group *Legal* – Ellen Callahan, General Counsel. *Staff* – David A. Randall, Nichelle Lashley, Adetutu Talabi, Daniel Young, Donna Bowen, Aja Jackson and Rosemary Kourdoglou *Guest* – Gar Chung, Reporter.

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 of October 15, 2020.

Nichole Roman-Bhatty of Marquette Associates presented on Investment Market Summary as of October 31, 2020. She then reviewed manager performance as of October 31, 2020 for ERS, EOS and the OPEB Trust and reviewed the current Watch List. Ms. Roman-Bhatty then introduced Ms. Nicole Johnson-Barnes, who reviewed the International Manager Performance Review.

The Board noted receipt of the ERS and EOS Cash Flow Projection Schedule. Ms. Talabi reviewed both schedules with the Board, reporting that no cash was required.

Finally, Ms. Talabi reported that the standing motion for \$2M in Cash Requirements for the OPEB Trust Cash Flow Projection Schedule required a motion. On motion made by Trustee Holton, seconded and unanimously carried, the Board approved \$2M in Cash Requirements to the OPEB Trust, contingent on capital calls.

Judy Chambers of Meketa Investment Group then provided a review of the Private Equity Portfolio as of June 30, 2020 and then provided an update on the OPEB Alternatives Portfolio as of June 30, 2020 and Risk Premia and Hedge Funds as of October 31, 2020.

The Board noted receipt of the 2021 Proposed Board Meeting Schedule. The Executive Director explained that, until further notice, all Board Meetings would be conducted virtually.

The Board noted receipt of the Investment Analysis of the ERS, EOS and the OPEB Trust. This included the Summary of Compliance as of September 30, 2020, the Asset Allocation and Pro-Forma as of October 31, 2020, the Chart of Statement of Net Assets as of October 31, 2020 and the Statement of Changes in Plan Net Assets as of October 31, 2020.

Deputy Director Nichelle Lashley provided a review of the Benefits Listing. The Board noted receipt of and accepted the Retirement Benefits Listings for the December 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, beginning with the recognition that this was Trustee Joan Pratt's last Board Meeting. He then presented the Administrative Expenses for October 2020. On motion made by Trustee Pratt, seconded and unanimously carried, the Board approved the

administrative expenses for September 2020. Deputy Director Nichelle Lashley provided an update on the impact of COVID-19 on office procedures.

The Executive Director reported on other items in the Project Status Report, including the PTG Project and Hybrid Membership Cleanup and Scanning Project.

Ms. Sarah Baulch, Ms Tondalaya Hampton, Mr. Brian Hock and Mr. Michael McDermott of BNY Mellon presented the information contained in their Annual Performance Review presentation report to the Board. After careful examination, the Board accepted the report.

The Board then noted receipt of the Virtual Conference Listing and the Pitchbook Article by Alexander Davis, "Diverse Managers Spread Message of Fiduciary Duty and Social Justice."

Mr. Jason Ostroski of CliftonLarsonAllen LLP presented the Independent Auditors' Reports for ERS and EOS for FY2020 on internal control over Financial Reporting and Compliance and Other Matters based on an Audit of Financial Statements in according with Government Auditing Standards. Mr. Ostroski reported that the unmodified clean opinion would be issued in the next few weeks.

At this point in time, 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 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 11:32 a.m., the Open Meeting reconvened. Present were those stated above.

On motion made by Trustee Holton, seconded and unanimously carried, the Board then ratified the following decisions taken in the Closed Meeting;

- To have Xponance continue on Watch Status for six months;
- To reallocate \$9M from Xponance to the Mellon Bond Index;
- To have Ariel Investments remain on Watch Status for personnel changes;
- To place Semper on a six month "Alert" status due to personnel changes; and
- To approve the Request to Terminate the Suspension Period and Amend the Limited Partnership for RLJ Fund II.

There being no further business, the meeting was adjourned.

APPROVED: December 17, 2020


David A. Randall, Executive Director