

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

1677th Meeting

February 17, 2022

The 1677th 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, February 17, 2022 at 9:04 a.m. in the 12th floor Conference Room of 7 E. Redwood Street, Baltimore, MD 21202.

Attendance (all by WebEx): *Board Members* – Rosemary Atkinson, Dorothy Bryant, Bill Henry, Helen Holton, Deborah F. Moore-Carter and Patricia Roberts. *Consultants* – Nichole Roman-Bhatty and Samantha Grant of Marquette Associates, Judy Chambers, David Sancewich and John McCarthy 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 *Guests* – Gar Chung of Financial Investment News and Kevin Balaod of WithIntelligence.

Vice-Chair Moore-Carter called the meeting to order, noting a quorum was not present.

Nichole Roman-Bhatty and Samantha Grant of Marquette Associates reviewed the January 2022 Market Tracker.

At this point in time, Vice-Chair Moore-Carter noted that a quorum was present. The Board considered, and on motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved the Minutes of the Open and Closed Meetings of January 20, 2022.

Ms. Roman-Bhatty and Ms. Grant then presented the Investment Market Summary for January 2022 and the Second Quarter Fiscal Year 2022 Market Commentary and Investment Review.

The Board noted receipt of the January 31, 2022 memo from Tina Byles Williams, CIO of Xponance regarding the termination of ARI and the rebalancing of the Xponance portfolio. The Consultant explained that no action was needed.

The Board noted receipt of the ERS Cash Flow Projection Schedule. Ms. Talabi reviewed that \$45M was approved at the January Meeting but that funding was still needed. Ms. Roman-Bhatty of Marquette provided a recommendation for funding, recommending that \$15M be taken from Edgar Lomax, \$20M from Xponance and \$10M from Allspring, formerly known as Analytic. On motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved the Consultant's recommendation for funding the \$45M.

Ms. Talabi next reviewed the EOS Requirements, explaining that \$350,000 was needed for April. Ms. Roman-Bhatty recommended taking the full amount from Neuberger Berman, and on motion made by Trustee Holton, seconded and unanimously carried, the Board approved the Consultant's recommendation to take \$350,000 from Neuberger Berman.

Finally, Ms. Talabi reviewed the Cash Requirements for the OPEB Trust, explaining that \$6M in Cash Requirements had been approved at the January Board Meeting, and there were no additional Cash Requirements at this time.

Judy Chambers of Meketa Investment Group then provided a review of the Private Equity Portfolio as of September 30, 2021 and then provided an update on the OPEB Alternatives Portfolio as of September 30, 2021 and Risk Premia and Hedge Funds as of January 31, 2022.

The Board noted receipt of the Investment Summary for December 31, 2021, which included;

- The Summary of Compliance as of December 31, 2021 and January 31, 2022 presented by Mr. Daniel Young;
- The Asset Allocation and Pro-Forma of January 31, 2022;
- The Chart of Statement of Net Assets as of January 31, 2022; and
- The Statement of Changes in January 31, 2022.

Deputy Director Nichelle Lashley provided a review of the Benefits Listing. The Board noted receipt of and accepted the Retirement Benefits Listing for the March 1 payroll, and noted the Decisions and Findings of Facts rendered by the Panel of Hearing Examiners. On motion made by Trustee Henry seconded and unanimously carried, the Board approved the Benefits Listing for March 1, 2022.

The Executive Director updated the Board of various items, beginning with the Term Extension for Marquette Associates. He reported that under the Second Option, Marquette Associate's term would be extended to October 31, 2022. On motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved the Term Extension for Marquette Associates.

Next, the Executive Director presented the Term Extension for Meketa Investment Group. He reported that under the First Option, Meketa's term would be extended to March 14, 2023. On motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved the Term Extension for Meketa Investment Group.

The Executive Director then reviewed the Administrative Expenses for January 2022. On motion made by Trustee Henry, seconded and unanimously carried, the Board approved the administrative expenses for January 2022. The Deputy Director provided an update on the impact of COVID-19 on office procedures and Ms. Donna Bowen reviewed the Financial Disclosure Statement submission procedures with the Board.

The Executive Director next presented the Timeline for the RFP for Financial Auditing Services, reporting that the deadline for proposals was March 7, 2022.

The Board then noted receipt of the Virtual Conference Listing.

At this point in time, Vice-Chair Moore-Carter 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, as codified in Title 3 of the General Provisions of the Maryland Code, under Section 10-508(a)(5) now known as 3-305(b)(5) to discuss, and consider matters directly related to the investment of public funds and the agency's membership. Public discussion would adversely impact the ability of the agency to conduct internal business. On motion made by Trustee Atkinson, seconded and unanimously carried, the Board entered Closed session, with all guests leaving the meeting.

At 11:47 a.m., the Open Meeting reconvened. Present were those stated above.

Then on motion made by Trustee Moore-Carter, seconded and unanimously carried, the Board then ratified the decisions taken in Closed Session to terminate Lombard Odier, liquidate the portfolio and place funds in Defensive Equity, and for Meketa to present new Private Equity Managers for consideration.

The Executive Director then reported that PTG would be requesting an additional option for renewal until July 31, 2024. On motion made by Trustee Atkinson, seconded and unanimously carried, the Board approved the Term Extension for PTG.

There being no further business, the meeting was adjourned.

APPROVED: March 17, 2022



David A. Randall, Executive Director