

**BOARD OF TRUSTEES FOR THE
MARYLAND STATE RETIREMENT AND PENSION SYSTEM
MINUTES OF MEETING**

December 21, 2021

CIO Report Mr. Palmer provided the Board with two fund summary tear sheets. The first being the final numbers reported for October 31, 2021 which showed the total fund value as \$70 billion. The second which provided preliminary numbers as of November 30, 2021, which showed the fund value as \$69.6 billion, a decrease of 0.28% from the previous month.

Mr. Palmer commented on the topics addressed at the Board's annual education session.

He noted that the Diversity Equity and Inclusion Committee has been active in addressing many of the topics noted by the speaker in the education session and has provided diversity training for the agency, revamped the divisions recruitment efforts to promote diversity and a member of the committee participates in every recruitment in the Division.

With respect to the presentation on climate change, Mr. Palmer provided that the System followed a process that was very similar to Lacera and that the new Senior Governance Officer approved by the Board would have a role very similar to Scott Zdrzil from LACERA. He further noted that the division was close to completing the launch of Blackrock's Aladdin risk system that will provide enhanced reporting on climate risk.

Mr. Palmer closed by offering to provide a more in-depth report at future meetings at the pleasure of the Board.

Executive Mr. Noven thanked Mr. Palmer and Mr. Diehl for their help with organizing the
Director's Report second part of the Board's annual education session.

Mr. Noven reported that a chart containing the approved 2022 Board and Committee meeting dates, as well as the 2021 Board attendance reports and training log were included in the meeting packet for the Board's review. Mr. Noven asked that each Trustee review those pages and let Angie Jenkins know if any corrections are needed.

Mr. Noven reported on the December 16, 2021 meeting of the Joint Committee on Pensions which included the committee's decision to introduce the Board's requested legislation in the 2022 session, all but Investment legislation. In addition, it was reported that the committee has decided to sponsor a Climate bill, extend the COVID death benefit until 2023 and add a reemployment of Teachers bill in two years.

Mr. Noven reported on the technical difficulties over the last six months with the virtual meetings and live streaming, indicating that staff is looking into another platform for virtual meetings. He reported that he will provide the Board with an update in January.

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MINUTES OF MEETING**

December 21, 2021

On a motion made by Mr. Prouty and duly seconded, the Board voted to meet in a Closed Session, beginning at 1:25 p.m., via video/audio conference call, for the purposes of:

- a) reviewing the closed session Board minutes, pursuant to General Provisions Art., § 3-103(a)(1)(i), the exercise of an administrative function and General Provisions Art., § 3-305(b)(13), to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosure about a particular proceeding or matter, namely General Provisions Art., § 3-306(c)(3)(ii), requiring that the minutes of a closed session be sealed and not be open to public inspection; and
- b) reviewing the Medical Board reports regarding individual participants' claims for disability retirement benefits, pursuant to General Provisions Art., § 3-305(b)(13), to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter namely, General Provisions Art., § 4-312 regarding the prohibition on disclosing retirement records, and General Provisions Art., § 4-329 regarding the prohibition on disclosing medical and psychological information; and
- c) conducting an election to appoint a Vice-Chairman to the Board of Trustees, pursuant to General Provisions Art. § 3-103(a)(1)(i), the exercise of an administrative function and pursuant to General Provisions Art., § 3-305(b)(1)(i), to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of an appointee, employee, or official over whom it has jurisdiction.

CLOSED SESSION

The Trustees present included:

Peter Franchot, Chairman, Presiding
Linda Allen
Thomas Brandt
David Brinkley
Eric Brotman
Jamaal Craddock

James Daly
Dereck Davis
Kenneth Haines
Sheila Hill
Richard Norman
Douglas Prouty
Michael Stafford, Jr.

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Michael Golden	Chandra Puranam
Robert Diehl	Angie Jenkins	Ken Reott
Patricia Fitzhugh	Van Lewis	David Rongione
Mimi Forbes	Megan Myers	Janet Sirkis
Anne Gawthrop	Andrew Palmer	

Assistant Attorneys General present via Teams included: Rachel Cohen, Jody Shaw and Kathleen Wherthey

Other attendees, via Teams, included: Megan Schutz (Treasurer's Office); Justin Hayes and Alex Butler (Comptroller's Office)

On a motion made by Mr. Haines and seconded by Mr. Prouty, the Board returned to open session at 1:29 p.m., via video/audio conference call.

OPEN SESSION

**BOARD OF TRUSTEES FOR THE
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MINUTES OF MEETING**

December 21, 2021

The Trustees present included:

Peter Franchot, Chairman, Presiding
Linda Allen
Thomas Brandt
David Brinkley
Eric Brotman
Jamaal Craddock

James Daly
Dereck Davis
Kenneth Haines
Sheila Hill
Richard Norman
Douglas Prouty
Michael Stafford, Jr.

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Michael Golden	Chandra Puranam
Robert Diehl	Angie Jenkins	Ken Reott
Patricia Fitzhugh	Van Lewis	David Rongione
Mimi Forbes	Megan Myers	Janet Sirkis
Anne Gawthrop	Andrew Palmer	Scott Bolander

Assistant Attorneys General present via Teams included: Rachel Cohen, Jody Shaw and Kathleen Wherthey

Other attendees, via Teams, included: Megan Schutz (Treasurer's Office); Justin Hayes and Alex Butler (Comptroller's Office)

During closed session, the Board of Trustees discussed and acted on the following matters:	
Closed Session Minutes	The Board reviewed and approved the November 16, 2021 closed session minutes.
Medical Board Reports	The Board reviewed and adopted the medical board reports from November 18, November 24, December 2, December 8 and December 16, 2021.
Election of the Board Vice-Chairman	The Board voted to elect Treasurer Dereck Davis as Vice-Chairman to the Board of Trustees.

Adjournment

There being no further business before the Board, on a motion made by Mr. Brotman and seconded by Mr. Haines, the meeting adjourned at 1:30 p.m.

Respectfully submitted,



Martin Noven
Secretary to the Board

**BOARD OF TRUSTEES
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

***ADMINISTRATIVE COMMITTEE MEETING SUMMARY
DECEMBER 7, 2021***

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Richard Norman, Vice Chairman	Nancy K. Kopp
Linda Allen	Marc Nicole
Thomas Brandt	

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Angie Jenkins	Ken Reott
Melody Countess	Van Lewis	David Rongione
Robert Diehl	Megan Myers	Janet Sirkis
Anne Gawthrop	Kim O’Keeffe	Scott Bolander (live stream)
Michael Golden	Chandra Puranam	

Assistant Attorneys General present included: Rachel Cohen and Kathleen Wherthey

Other attendees included: Megan Schutz (Treasurer’s Office)

Review of the
Criteria for the
Executive
Director’s
Evaluation

The Administrative Committee reviewed the criteria for the Executive Director’s evaluation for the performance period July 1, 2021 through June 30, 2022.

Mr. Noven reported that the criteria is the same set of criteria as used in previous years.

On a motion made by Mr. Nicole and seconded by Mr. Brandt, the Administrative Committee approved the Executive Director evaluation criteria for recommendation to the Board of Trustees.

Finance
Reports –
Quarter
Ending
09/30/21

Mr. Lewis presented to the Administrative Committee the Administrative Expense Report Dashboard, which provided an overview of the how the Agency expended or encumbered 22.02% of its FY2022 appropriation through the first quarter.

APPROPRIATION EXPENDED/ENCUMBERED	22.02%
REGULAR SALARIES	22.87%
CONTRACTUAL PAYROLL AND TECHNICAL SUPPORT	12.50%
COMMUNICATIONS (INCLUDES POSTAGE)	16.45%
TRAVEL	2.79%
VEHICLE COSTS	32.55%
 CONTRACTUAL SERVICES (including equipment leasing & building maintenance)	 14.22%
SUPPLIES	18.32%
EQUIPMENT PURCHASES	19.44%
RENT AND INSURANCE	40.61%
DUES, SUBSCRIPTIONS AND LICENSES	9.01%

Mr. Lewis presented the MBE Performance Report for the quarter ending September 30, 2021. The report showed that the MBE performance was 34.22%.

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***ADMINISTRATIVE COMMITTEE MEETING SUMMARY
DECEMBER 7, 2021***

Mr. Lewis reported that the agency processed seventeen (17) purchase and two (2) blanket purchase orders totaling \$490,449 during the first quarter. Ten (10) of those purchase orders derived from the statewide contracts managed by the Department of Information Technology, yielding \$12,280 in MBE participation dollars. Three (3) other purchase orders, not related to statewide contracts, contributed an additional \$168,950 in MBE participation, bringing the total to \$181,230 for the quarter.

Mr. Brandt expressed his concerns regarding the MBE participation numbers being too low for an Agency this size, especially with the report of those awarded to African American businesses. He commented that he while he did not have a remedy, he would be available to collaborate with staff on this matter.

Treasurer Kopp responded that this matter has been a big problem for a long time and suggested that a committee be set up to address this issue. Treasurer Kopp suggested that Mr. Lewis, Ms. Gawthrop, staff from the legal office, Mr. Brandt and the new Treasurer be included.

Mr. Haines agreed that an Ad Hoc Committee be set-up to discuss this matter further.

Member
Services
Update

Mr. Reott provided a Member Services update, reporting that the performance rates were improving and favorable over last year's number with an abandonment rate of 11.68% and average call wait time of 204 seconds. Mr. Reott commented that he believes the real driver is that the Agency is starting to see the long-term benefit of the *mySRPS* member portal. Members and retirees are starting to use the portal as staff had hoped they would. Mr. Reott reported that staff will begin mailing *mySRPS* registration letters to approximately 32,000 vested former members.

Mr. Norman asked if the Agency was still double-pinning positions.

Mr. Reott responded that the agency is not double-pinning positions. However, two PINs were moved from another unit within the division and reclassified as Retirement Benefit Specialists positions. Mr. Reott further responded that staff at the Department of Budget and Management have assisted the Agency by giving staff a better understanding of the process in order to speed up the hiring of vacant positions.

Mr. Brandt, in following up to comments made at the October meeting, commented that coordination between the Retirement Agency and the Maryland Supplemental Retirement Plan (MSRP) needs to be tighter. He suggested that tools to look ahead be provided to employees and that the Agency should be proactive with depth of resources.

Treasurer Kopp commented that material from both agencies are very helpful, especially the online tools from MSRP and asked if it would be helpful to hold a briefing of the two Boards or at least the Chairs of the Boards, to go over aspects of the systems.

Correction of
Errors –
Offset of
Retirement
Benefits

The Administrative Committee approved the offset of retirement benefits schedule, as presented. The approved report was provided to the Board of Trustees via the Board portal.