

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

October 15, 2024

**The Board of Trustees for the Maryland State Retirement and Pension System convened, via a Webex video/audio conference call at 120 E. Baltimore Street, 16th Floor, Baltimore, Maryland, beginning at 1:32 p.m.**

The Trustees present included:

Treasurer Dereck Davis, Chair	Richard Norman
Comptroller Brooke Lierman, Vice Chair	Mia Pittman
Jamaal Craddock	Douglas Prouty
Ayana English-Brown	Tarrus Richardson
Secretary Helene Grady	Michelle RhodesBrown
Sheila Hill	Robert Sandlass
Charles Hopkins	

Staff members present included: Martin Noven, Executive Director/Secretary of the Board

Melody Countess	John Lane
Cheryl Davis-Shaw	Chris Mannino
Linda Daley	Katherine Morris
Anne Gawthrop	Megan Myers
Derrick Johnson	Kim O'Keeffe
Lisa Jordan	Andy Palmer
Courtney Key	David Rongione
Thomas Kim	

Assistant Attorneys General present included: Theresa Carnell, Rachel Cohen, Alex Harisiadis, Emily Spiering, and Michael Watts.

Other attendees included: Jon Martin and Megan Schutz (Treasurer's Office); Devaughn Blackburn and Dani DiPietro (Comptroller's Officer); Philip Anthony, Tyler Babich, Joe Gutberlet and Michael Rubenstein (DLS); Brad Armstrong, Brian Murphy, Jeff Tebeau and Amy Williams (GRS); Kevin Baload (With Intelligence); Michele Chow-Tai and Damaris Rivera (Fairview Capital); and Michael Howard (MJH);

**Call Meeting to Order:**

Having established that there was a quorum present, Treasurer Davis called the meeting to order.

**Consent Agenda:**

On a motion made by Ms. English-Brown and seconded by Mr. Sandlass, the Board approved the open-session meeting minutes for September 17, 2024.

**Gabriel Roeder Smith & Company presentation of the FY2024 Valuation Results and Recommendations for FY2026 Contribution Rates:**

Brad Armstrong, Brian Murphy, Jeff Tebeau, and Amy Williams from Gabriel Roeder Smith & Co.

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(GRS), presented the results of the FY24 valuation and recommendations for FY26 employer contribution rates, for the Board's consideration and certification. Following the presentation, the matter was deferred by the Chair.

**Gabriel Roeder Smith & Company Contract Renewal:**

The Board was presented with a memorandum recommending that the Board exercise the System's third one-year contract extension option with Gabriel Roeder Smith & Company at the cost of \$516,000.

On a motion made by Mr. Sandlass and seconded by Ms. RhodesBrown, the Board voted to approve staff's recommendation that it exercise the third one-year extension option of the contract for actuarial services provided by GRS. Ms. Pittman abstained.

**Certification of Administrative Fees:**

The Board was presented with the Certification Notice of FY 2026 State Pension Administrative Cost Fees due from Local Board of Education, Community Colleges and Participating Governmental Units.

The matter was deferred by the Chair.

**Proposed Changes to the Board Operations Policy Regarding Public Comment:**

The Board was presented with proposed changes to the language in the Board Operations Policy regarding public comment at meetings.

On a motion made by Ms. RhodesBrown and seconded by Mr. Norman, the Board approved the proposed changes to the Board Operations Policy regarding public comment at meetings.

**Recommendation of the Administrative Committee Regarding Board Requested Legislation:**

The Board received two additional proposals for the 2025 legislative session, regarding administrative fees and the repeal of the law establishing the Objective Criteria Committee.

There was discussion regarding the legislative proposal that would repeal provisions establishing the Objective Criteria Committee and replace it with a compensation committee established by the Board.

On a motion made by Mr. Norman and seconded by the Committee, the Board approved the first legislative proposal, as presented.

Following discussion, the Board approved the second legislative proposal to repeal the establishment of the Objective Criteria Committee, with an amendment to give the legislative director flexibility regarding the specific statutory language.

**Recommendation of the Administrative Committee Regarding Proposed Amendments to COMAR 22.01.12 - Enrollment in the State System:**

On a motion made by Mr. Norman and seconded by the Administrative Committee, the Board approved the proposed amendments to COMAR 22.01.12, as presented.

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**Recommendation of the Administrative Committee Regarding Proposed Amendments to COMAR**

**22.01.05 - Proof of Date of Birth:**

On a motion made by Mr. Norman and seconded by the Administrative Committee, the Board approved the proposed amendments to COMAR 22.01.05, as presented.

**Recommendation of the Investment Committee Regarding Policy Edits Pertaining to Political Contributions and Placement Agents:**

On a motion made by Comptroller Lierman and seconded by the Investment Committee, the Board approved the recommended amendments to the Investment Policy regarding Political Contributions and Placement Agents, as presented.

**Recommendation of the Investment Committee Regarding Policy Edits Pertaining to Criteria for Compensation and Financial Incentives for the CIO and Staff:**

On a motion made by Comptroller Lierman and seconded by the Investment Committee, the Board approved the amendments to the criteria for compensation and financial incentives for the CIO and investment staff, as presented.

**Recommendation of the Investment Committee Regarding the Adoption of Investment Policy Statement for the Optional Retirement Plan:**

The matter was deferred.

**Chief Investment Officer's Report:**

Mr. Palmer began his report by referencing the projections from the GRS presentation, noting that the 2017 forecast estimated the asset value would reach \$70.5 billion by 2025. As of September 2023, the actual value was \$70.4 billion, demonstrating the accuracy of the forecast. Mr. Palmer also reported the strong performance of the investment portfolio, with a fiscal year-to-date return of 2.49%, a year-to-date of 9.6%, and a 10-year average return of 6.5%.

**Executive Director's Report:**

Mr. Noven thanked staff for organizing the Board of Trustees Education session.

**On a motion made by Ms. English-Brown and seconded by Comptroller Lierman, the Board voted to meet in a Closed Session, beginning at 3:01 p.m., to:**

(a) review the closed session Board Minutes, in order to comply with the requirement that closed session minutes be sealed and not open to public inspection, pursuant to General Provisions Art., § 3-103(a)(1), the exercise of an administrative function; and General Provisions Art., § 3-305(b)(13), to comply with a specific statutory 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;

(b) review the Medical Board Reports regarding individual participants' claims for disability retirement benefits, in order to prevent public disclosure of confidential retirement records and medical information,

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pursuant to General Provisions Art., § 3-305(b)(13), to comply with a specific statutory constitutional, statutory, or judicially imposed requirement that prevents public disclosure 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;

(c) consider the administrative appeal of an individual participant, in order to conduct a quasi-judicial proceeding and protect the confidential retirement records of an individual, pursuant to General Provisions Art., § 3-103(a)(1)(iii), a quasi-judicial 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., § 4-312 regarding the prohibition on disclosing retirement records.

(d) review staff's request for a remand of an individual participant's request for ordinary disability retirement benefit, pursuant to 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., § 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

(e) discuss recommendations concerning the approved investment options for the Optional Retirement Program, in order to consider potential changes to the ORP investment fund lineup, pursuant to General Provisions Art., § 3-103(a)(1), the exercise of an administrative function; and General Provisions Art., § 3-305(b)(5), to consider the investment of public funds.

(f) consider the award of financial incentives for certain employees of the Investment Division, in order to consider a confidential personnel matter, 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 appointees, employees, or officials over whom the Committee has jurisdiction.

(g) consider the award of financial incentives to the CIO, in order to consider a confidential personnel matter, 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 appointees, employees, or officials over whom the Committee has jurisdiction.

(h) discuss evaluation forms pertaining to the performance evaluation of the Executive Director, in order to consider a confidential personnel matter, pursuant to General Provisions Art., Section 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

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**Closed Session**

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Comptroller Brooke Lierman, Vice Chair	Mia Pittman
Jamaal Craddock	Douglas Prouty
Ayana English-Brown	Tarrus Richardson
Secretary Helene Grady	Michelle RhodesBrown
Sheila Hill	Robert Sandlass
Charles Hopkins	

Staff members present included: Martin Noven, Executive Director/Secretary of the Board

Melody Countess	Thomas Kim
Cheryl Davis-Shaw	Megan Myers (for Items a through d)
Anne Gawthrop	Kim O'Keeffe (for Items a through d)
Derrick Johnson (for Items a through d)	Andy Palmer
Lisa Jordan	David Rongione
Courtney Key	

Assistant Attorneys General present included: Theresa Carnell, Rachel Cohen, Alex Harisiadis, Emily Spiering, and Michael Watts.

Other attendees included: Jon Martin and Megan Schutz (Treasurer's Office); Devaughn Blackburn and Dani DiPietro (Comptroller's Officer)

**On a motion made by Ms. English-Brown and seconded by Mr. Craddock, the Board returned to open session beginning at 3:30 pm.**

**Open Session**

The Trustees present included:

Treasurer Dereck Davis, Chair	Richard Norman
Comptroller Brooke Lierman, Vice Chair	Mia Pittman
Jamaal Craddock	Douglas Prouty
Ayana English-Brown	Tarrus Richardson
Secretary Helene Grady	Michelle RhodesBrown
Sheila Hill	Robert Sandlass
Charles Hopkins	

Staff members present included: Martin Noven, Executive Director/Secretary of the Board

Cheryl Davis-Shaw	John Lane
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Assistant Attorneys General present included: Rachel Cohen, Alex Harisiadis, and Emily Spiering.

Other attendees included: Megan Schutz (Treasurer's Office); Devaughn Blackburn and Dani DiPietro (Comptroller's Officer); Philip Anthony, Tyler Babich, and Michael Rubenstein (DLS); Kevin Baload (With Intelligence); Michele Chow-Tai and Damaris Rivera (Fairview Capital); and Michael Howard (MJH);

**During closed session, the Board of Trustees discussed the matters identified in the motion to meet in closed session, and acted on the following matters:**

**Closed Session Board Minutes:**

The Board approved the closed session meeting minutes for the September 17<sup>th</sup> meeting.

**Medical Board Reports:**

The Board approved the medical board reports for the following dates:

- September 19, 2024
- September 25, 2024
- October 3, 2024
- October 9, 2024

**Administrative Appeal for Anthony Ephremides:**

The Board adopted the Administrative Committee's proposed summary decision as the final administrative decision of the Board.

**Request to Remand a Participant's Request for Ordinary Disability Retirement Benefits:**

The Board approved the staff's recommendation to remand a participant's disability claim to the medical board.

**Recommendation of the Investment Committee Regarding the Investment Option Changes for the ORP:**

The Board approved the recommended changes to the investment options for the ORP.

**Recommendation to Defer the Award of the Incentive Compensation Awards for Investment Division Staff:**

The matter was deferred.

**Recommendation to Defer the Award of the Incentive Compensation Awards for the CIO:**

The matter was deferred.

**Results of the Executive Director's Performance Evaluation:**

The matter was deferred.

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**Adjournment:**

There being no further business before the Board, on a motion made by Ms. English-Brown and seconded by Mr. Norman, the meeting adjourned at 3:31 pm.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Martin Noven", written in a cursive style.

Martin Noven  
Secretary of the Board