

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

October 16, 2018

The Board of Trustees for the Maryland State Retirement and Pension System convened at the DoubleTree by Hilton Hotel, Baltimore-BWI Airport, Harbor Room, 890 Elkridge Landing Road, Linthicum, Maryland 21090 beginning at 4:13 p.m.

The Trustees present included:

Nancy K. Kopp, Chairman, Presiding	Sheila Hill
Peter Franchot, Vice Chairman (via phone)	F. Patrick Hughes
David Brinkley	Charles Johnson
Eric Brotman	Theresa Lochte
Jamaal Craddock	Richard Norman
David Hamilton (via phone)	Douglas Prouty
Linda Herman (via phone)	Michael Stafford

Agency Staff members attending included: R. Dean Kenderdine, Executive Director/Board Secretary

Melody Countess	Ira Greenstein	Harvey Raitzyk
Anne Gawthrop	Angie Jenkins	Janet Sirkis
Michael Golden	Andrew Palmer	Toni Voglino

Assistant Attorneys General present included: Rachel Cohen, Alex Harisiadis, Jody Shaw and Kathleen Wherthey

Other attendees included: Bernadette Benik, John Kenney, Lamont Tarbox, Brad Armstrong, Jeff Tebeau, Phillip Anthony, Jeannette Fernandez, Michael Rubenstein, and Jennifer O'Dell

Consent Agenda On a motion made by Ms. Hill and seconded by Mr. Brotman, the Board approved the consent agenda, which included:

- September 18, 2018 Open Meeting Board Minutes
- October 2, 2018 Administrative Committee Meeting Summary
- Status Report on Benefits Administration as of June 30, 2018

Gabriel Roeder
Smith & Company
(GRS) - FY2018
Valuation
Preliminary Results

Mr. Brad Armstrong and Mr. Jeff Tebeau from Gabriel Roeder Smith & Company (GRS) presented the results of the State Retirement and Pension System's Actuarial Valuation for the period ending June 30, 2018 for the Board's review and consideration.

Mr. Armstrong reported that the preliminary contribution rates presented to the Board at its September meeting had not changed and were being recommended to the Board of Trustees for certification.

On a motion made by Mr. Prouty and seconded by Mr. Norman, the Board certified the Fiscal Year 2020 State employer contribution rates, as follows:

Fiscal Year 2020	
Teachers	15.59%
Employees	19.56%
State Police	79.58%
Judges	44.44%
LEOPS	41.37%

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Mr. Kenderdine reminded the Board that the first meeting of the Objective Criteria Committee as being held on October 22, 2018 in the Agency's Board Room.

The Committee is comprised of Trustee Brotman as Chairman, Trustee Lochte, Treasurer Kopp or her designee, Secretary Brinkley or his designee, Senator Andrew Serafini, Delegate Brooke Lierman and Mary Miller.

Mr. Kenderdine also reminded the Board that the Board Governance Workshop will be held on Wednesday, October 24, 2018 beginning at 9:00 a.m. in Agency's Board Room. Mr. Kenderdine reported that the Board will receive the governance review report from Funston Advisory Services, who will facilitate the workshop.

Mr. Kenderdine provided the Board with a copy of the correspondence that the Maryland Retired School Personnel Association (MRSPA) plans to mail to school retirees to recruit new members. Mr. Kenderdine reminded the Board that its review of the material is required by law.

Mr. Kenderdine reported that the System received from Queen Anne's County, a Participating Governmental Unit (PGU) currently enrolled in the Employees' Pension System (EPS), a request to move certain employees from the EPS to the Correctional Officers' Pension System (CORS). Mr. Kenderdine reported that this request is being made directly to the Board due to a change in law during the 2017 legislative session.

Treasurer Kopp asked if the delegation representing Queen Anne's County had been informed of this request.

Ms. Gawthrop responded that she did not think so, but that she would reach out to the delegation directly.

On a motion made by Ms. Hill and seconded by Ms. Lochte, the Board approved the request made by Queen Anne's County to move its employees from the EPS to CORS.

Mr. Kenderdine thanked the presenters who contributed to this year's Board education session; Andy Palmer and Rachel Cohen for putting together the topics and coordinating with each presenter; and Janet Sirkis and Angie Jenkins for their help with organizing the event.

CIO Report

Mr. Palmer reported that as of September, 2018 the total fund return for the month was up 6.25% and the total fund value was \$52.355 billion.

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On a motion made by Mr. Prouty and seconded by Ms. Hill, the Board voted to meet in a Closed Session, beginning at 4:45 p.m., DoubleTree by Hilton Hotel, Baltimore-BWI Airport, Harbor Room, 890 Elkridge Landing Road, Linthicum, Maryland 21090 for the purpose of:

- a) reviewing the September 18, 2018 closed session Board minutes, pursuant to General Provisions Art., § 3-103(a)(1)(i), the exercise of an administrative function;
- b) reviewing the Medical Board reports from September 19, September 27, October 3, and October 11, 2018, 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) reviewing a report regarding extraordinary salary increases, pursuant to General Provisions Art., § 3-305(b)(13), to comply with a specific statutory requirement that prevents public disclosure, namely General Provisions Art., § 4-312 regarding the prohibition on disclosing retirement records.

CLOSED SESSION

The Trustees present included:

Nancy K. Kopp, Chairman, Presiding	Sheila Hill
Peter Franchot, Vice Chairman (via phone)	F. Patrick Hughes
David Brinkley	Charles Johnson
Eric Brotman	Theresa Lochte
Jamaal Craddock	Richard Norman
David Hamilton (via phone)	Douglas Prouty
Linda Herman (via phone)	Michael Stafford

Agency Staff members attending included: R. Dean Kenderdine, Executive Director/Board Secretary

Melody Countess	Ira Greenstein	Harvey Raitzyk
Anne Gawthrop	Angie Jenkins	Janet Sirkis
Michael Golden	Andrew Palmer	Toni Voglino

Assistant Attorneys General present included: Rachel Cohen, Alex Harisiadis, Jody Shaw and Kathleen Wherthey

Other attendees included: Bernadette Benik, John Kenney, Lamont Tarbox

On a motion made by Ms. Hill and seconded by Mr. Hughes, the Board returned to open session at 4:48 p.m. DoubleTree by Hilton Hotel, Baltimore-BWI Airport, Harbor Room, 890 Elkridge Landing Road, Linthicum, Maryland 21090.

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OPEN SESSION

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During closed session, the Board of Trustees discussed and took action on the following:

Closed Session Minutes	The Board reviewed and approved the September 18, 2018 closed session minutes.
Medical Board Reports	The Board reviewed and adopted the medical board reports from September 19, September 27 with correction, October 3 and October 11, 2018.
Extraordinary Salary Increases	The Board reviewed and approved the recommendations regarding the extraordinary salary increases as presented.
Adjournment	There being no further business before the Board, on a motion made by Ms. Hill and seconded by Mr. Brotman, the meeting adjourned at 4:49 p.m.

Respectfully submitted,



R. Dean Kenderdine
Secretary to the Board

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

***ADMINISTRATIVE COMMITTEE MEETING SUMMARY
OCTOBER 2, 2018***

Demonstration of the Benefit Estimator Wizard of the Member Portal

Harris Kaplan, Deputy Chief Business Operations Officer, conducted a demonstration of the benefit estimator now under development by the MPAS project team. The benefit estimator wizard is just one function of what the future Member Portal will allow a member to do when it goes “live” in September 2019.

Adoption of Proposed Amendments to COMAR Regulations:

THIS MATTER WILL BE DISCUSSED OUTSIDE OF THE CONSENT AGENDA IN OPEN SESSION.

- 22.01.09– Interest – Annuity Savings Fund
- 22.01.10 – Transfer of Membership to the Pension System

Mr. Reott presented to the Administrative Committee proposed amendments to COMAR 22.01.09 and 22.01.10. Before discussion, the Committee agreed to vote on the regulation amendments as a whole.

On a motion made by Mr. Norman and seconded by Mr. Nicole, the Administrative Committee voted to recommend that the Board of Trustees vote to submit the proposed amendments to COMAR 22.01.09 and 22.01.10 to the Administrative, Executive, and Legislative Review Committee, and publish them for comment in the Maryland Register.

Member Services Update

Mr. Raitzyk reported that the Member Services unit was able to meet its goals for the call abandonment rate and average call wait time for the month of August 2018. The unit’s call abandonment rate was 4.54% and the average speed of answer was 80 seconds for the month of August.