

**ADMINISTRATIVE COMMITTEE FOR THE
MARYLAND STATE RETIREMENT AND PENSION SYSTEM
MINUTES OF MEETING**

MARCH 5,2024

The Administrative Committee for the Maryland State Retirement and Pension System convened, via a WebEx video/audio conference call at 9:31 a.m.

The Committee Members present included:

Richard Norman, Chair	Ayana English-Brown
Treasurer Dereck Davis	Marc Nicole (Designee for Helene Grady)
Jamaal Craddock	Robert Sandlass

Agency Staff members present included: Martin Noven, Executive Director/Secretary of the Board	
Melody Countess	Courtney Key
Cheryl Davis-Shaw	Megan Myers
Robert Diehl	Van Lewis
Anne Gawthrop	Ben Robb
Derrick Johnson	David Rongione
Harris Kaplan	

Assistant Attorneys General: Rachel Cohen, Emily Spiering, and Michael Watts

Other attendees included: Laura Atas, Jon Martin, and Megan Schutz (Treasurer's Office); Jefferson Blomquist, and Joseph Clasing (Harford County Gov.)

Call Meeting to Order:

Mr. Norman, Chair of the Committee, having established there was a quorum, called the meeting to order.

Legislative Update:

Anne Gawthrop, Director of Legislative Affairs, provided an update on legislation currently being considered in the current legislative session. The first bill she reviewed was Senate Bill 1114, which allows employees in the local fire and police plan with a break in service of more than 30 days to transfer their service credit into the State Police Retirement System. Ms. Gawthrop also reviewed and provided an update on Senate Bills 143 and 366.

On a motion made by Mr. Nicole and seconded by Ms. English Brown, the committee approved the staff's recommendation to oppose Senate Bill 1114.

Prior to the motion being made to meet in closed session, Trustee Robert Sandlass, for the record, advised the Committee that as the Treasurer of Harford County Government, he would be recusing himself from the appeal.

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CLOSED SESSION

On a motion made by Mr. Nicole and seconded by Mr. Craddock, the Committee voted to meet in closed session, beginning at 9:43 a.m. via WebEx video/audio conference call, for the purpose of:

conducting an administrative appeal of an individual participant, 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.

The Committee members present included:

Richard Norman, Chair	Ayana English-Brown
Treasurer Dereck Davis	Marc Nicole (Designee for Helene Grady)
Jamaal Craddock	

Agency Staff members present included: Martin Noven, Executive Director/Secretary of the Board
Cheryl Davis-Shaw Megan Myers
Derrick Johnson David Rongione
Courtney Key

Assistant Attorneys General: Rachel Cohen, Emily Spiering, and Michael Watts

Other attendees included: Jon Martin (Treasurer's Office); Jefferson Blomquist, and Joseph Clasing (Harford County Gov.)

On a motion made by Treasurer Davis and seconded by Ms. English-Brown, the Committee returned to open session at 9:51 a.m. via a WebEx video/audio conference call.

OPEN SESSION

The Committee Members present included:

Richard Norman, Chair	Ayana English-Brown
Treasurer Dereck Davis	Marc Nicole (Designee for Helene Grady)
Jamaal Craddock	Robert Sandlass

Agency Staff members present included: Martin Noven, Executive Director/Secretary of the Board
Melody Countess Megan Myers
Cheryl Davis-Shaw Van Lewis
Robert Diehl Ben Robb
Derrick Johnson David Rongione
Courtney Key

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Assistant Attorneys General: Rachel Cohen and Michael Watts

Other attendees included: Laura Atas, Jon Martin, and Megan Schutz (Treasurer's Office); Jefferson Blomquist, and Joseph Clasing (Harford County Gov.)

Minutes:

On a motion made by Ms. English-Brown and seconded by Mr. Nicole, the Committee approved the open session meeting minutes for February 6, 2024.

Benefits Administration Update:

Derrick Johnson, Deputy Retirement Administrator, provided an update, highlighting an increase in call volumes which was attributed to tax season. He also mentioned an increase in enrollment which was attributed to staff's processing efforts in preparation for fiscal year end.

Finance Reports for Quarter Ending December 31, 2023:

Ms. Countess and Mr. Lewis presented to the Committee the Administrative Expense Report Dashboard, which provided an overview of how the Agency expended or encumbered 46.66% of its FY2024 appropriation through the second quarter.

	<u>12/31/23</u>	<u>12/31/22</u>
APPROPRIATION EXPENDED/ENCUMBERED	46.66%	40.66%
REGULAR SALARIES	45.28%	44.16%
CONTRACTUAL PAYROLL AND TECHNICAL SUPPORT	38.82%	33.28%
COMMUNICATIONS (INCLUDES POSTAGE)	73.78%	74.78%
TRAVEL	21.61%	
VEHICLE COSTS	38.36%	
CONTRACTUAL SERVICES (incl., EQUIP. LEASING, BLDG. MAINT., PRINTING)	47.37%	20.55%
SUPPLIES	69.80%	86.71%
EQUIPMENT PURCHASES	22.68%	55.91%
RENT AND INSURANCE	60.18%	57.07%
DUES, SUBSCRIPTIONS AND LICENSES	15.56%	42.13%

*Amounts are rounded to the nearest hundredth

Mr. Lewis also reported that the second quarter expense schedule projects a year-end deficit of approximately \$974k with the primary drivers of the forecasted end-of-year deficit being salaries and

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contractual services and a reversion of a healthcare surplus. He also reported that the salary deficit component would be mitigated before the end of the year.

Mr. Lewis presented the MBE performance report for the quarter ending December 31, 2023. The report showed that the agency's MBE participation rate was 24.88%, falling approximately four points short of the state's participation goal. He reported that the MBE schedule was impacted by the renewal of an actuarial contract, that did not have an MBE participation goal.

CLOSED SESSION

On a motion made by Ms. English-Brown and seconded by Treasurer Davis, the Committee voted to meet in closed session, beginning at 10.30 a.m. via WebEx video/audio conference call, for the purposes of:

(a) reviewing the closed session Committee 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 statutory requirement that prevents public disclosure, 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) discussing the administrative appeal of an individual participant, 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.

The Committee members present included:

Richard Norman, Chair	Ayana English-Brown
Jamaal Craddock	Marc Nicole (Designee for Helene Grady)
Treasurer Dereck Davis	Robert Sandlass (for Item A only)

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

Cheryl Davis-Shaw	Megan Myers
Derrick Johnson	David Rongione
Courtney Key	

Assistant Attorneys General: Rachel Cohen and Michael Watts

Other attendees included: Jon Martin (Treasurer's Office)

On a motion made by Treasurer Davis and seconded by Mr. Craddock, the Committee returned to open session at 10:40 a.m. via a WebEx video/audio conference call.

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OPEN SESSION

The Committee Members present included:

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Jamaal Craddock

Ayana English-Brown
Marc Nicole (Designee for Helene Grady)
Robert Sandlass

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

Melody Countess

Megan Myers

Cheryl Davis-Shaw

Van Lewis

Robert Diehl

Ben Robb

Derrick Johnson

David Rongione

Courtney Key

Assistant Attorneys General: Rachel Cohen and Michael Watts

Other attendees included: Laura Atas, Jon Martin, and Megan Schutz (Treasurer's Office)

During closed session, the Administrative Committee discussed and acted on the following matters:

Closed Meeting Minutes:

The Committee approved the February 6, 2024 closed session Administrative Committee meeting minutes.

Administrative Appeal of J. Blomquist:

The Committee adopted the Executive Director's recommendation for summary decision for recommendation to the Board of Trustees.

Adjournment:

There being no further business before the Committee, on a motion made by Ms. English-Brown and seconded by Mr. Nicole, the meeting adjourned at 10:41 a.m.

Respectfully submitted,



Martin Noven
Secretary of the Board