Exhibit A-1

BOARD OF TRUSTEES FOR THE MARYLAND TEACHERS & STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS MINUTES OF THE March 31, 2020 SPECIAL MEETING

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The Board of Trustees of the Maryland Teachers & State Employees Supplemental Retirement Plans ("MSRP") held a Special Meeting by video conference call (with call-in number for public access to the Special Meeting published on the MSRP website with the notice of the Special Meeting) at 2:00 p.m. on March 31, 2020. A quorum was present.

Members Present
Ms. T. Eloise Foster
Mr. Thomas Brandt, Jr.
Ms. Lynne Durbin
Mr. Thomas Hickey
Treasurer Nancy Kopp
Mr. John Lewis
Mr. Johnathan West

Representatives and Guests
Ms. Lara L. Hjortsberg, Board Counsel
Mr. Richard Arthur, Staff
Ms. Debra Roberts, Staff
Mr. Louis Holcomb, Staff
Ms. Anna Marie Smith, Staff
Mr. Daniel Wrzesien, Nationwide
Mr. Jeffrey Francis, Nationwide
Ms. Tami Pearse, Galliard Capital Management
Ms. Andrea Johnson, Galliard Capital Management
Mr. John DeMairo, Segal Marco Advisors
Ms. Vanessa Vargas, Segal Marco Advisors
Ms. Rachel Cohen, Principal Counsel, Maryland State Retirement Agency

I. Chairperson's Remarks

Ms. Foster welcomed those in attendance to the meeting and thanked the vendors and staff for their quick action in preparing materials for the meeting in response to the Board's request for the Special Meeting.

II. Administrator's Report

Mr. Wrzesien presented a special Administrator's Report at the request of the Board (Exhibit 1). He highlighted the following:

- *Contingency Planning*. Almost 100% of Nationwide's employees in Columbus, Ohio were teleworking and that the home office was fully functional; at the local office in Hunt Valley, mail and faxes were being checked at least three times per week and voicemail was being checked multiple times per day; Nationwide was able to leverage technology, including the use of virtual meetings, that was being used prior to the shut-down and ensuing market volatility.
- *Participant Communications*. Nationwide had prepared a piece on market volatility, which had been tailored to MSRP (copies of which had been distributed to the Board prior to the meeting), and posted this material to www.MarylandDC.com for participant access; Nationwide had also developed an Online Resource Center for participants and plan sponsors to access communications, education, videos, webinars, and other content related to COVID-19 and the associated market volatility.
- *Participant Behaviors*. The following was snapshot from local team member consultations from February 24 to March 27th:

Plan Statistics

Consultations	1,720 (as compared to approximately 1,300 for a similar period)
Customer service (concerns about market/news)	1,064 (as compared to 100 or few for a similar period); nature of calls also different
Enrollments	292
Increases	207
Decreases/Suspensions	53
Rollovers	61/$2,849,355
Managed Accounts	128/$9,272,604
Loans	198 year-to-date (YTD)=36/week (with expectation that these would increase)
Hardships/UE	152 (avg. 30.4/week/365 YTD=28.1/week (with expectation that these would increase)

Nationwide Solutions Center

Nationwide Solution Center Weekly Call Volume	1,469 (as compared to 1,175/week)
Average Time Per Call	7 minutes, 55 seconds (as compared to 6 minutes, 38 seconds)
Average Time to Answer	26 minutes (as compared to 16 minutes); queue to call back feature added in order to allow participants to leave number for representative to return call

Website Activity (February 24th to March 27th)

Website Hits	334,897 (avg. of 70,000/week, as compared to 60,000/week for similar period)
Web Enrollments	54
Web Allocation Changes	423
Web Deferral (Contribution) Changes	1,235
Web Exchanges	925

III. Investment Advisors' Reports

A. Segal Marco Advisors ("Segal")

John DeMairo began the special investment advisor report by providing comments on business continuity for Segal, noting that Segal had been working remotely since March 13 and that the firm had suspended business travel. He stated that the transition to remote operations had gone smoothly, Segal had experienced no work interruption, client meetings were being performed by phone and video platforms, and that Segal's management held a business continuity call each morning.

Vanessa Vargas next proceeded to provide a market and performance update for the Plans (Exhibit 2). After noting that even as the written materials had been completed on March 27th the market had continued to change, and highlighted the following:

- The market continued to be stable the day prior (March 30) and the day of the meeting but that the biggest issue that we will continue to have is volatility because infection numbers continue to rise in the U.S. and worldwide.

- The volatility in the U.S. market was similar to that seen in prior crises but with a faster peak; current volatility was within range but that the issue remains how long the volatility will continue, which is the unknown.
- With respect to fixed income and equity markets the magnitude and duration of the economic contraction is the unknown factor, which will depend on the containment of the virus and that volatility will likely continue worldwide for the foreseeable future.

Ms. Vargas provided a risk and return analysis of the MSRP line-up, highlighting the following:

- Participants have been presented with variety to build their own portfolios based on their individual risk tolerances, which is in line with the Board's fiduciary duty for defined contribution plans such as MSRP.
- Year-to-date (YTD) (3/25/2020),
    - All fixed income funds have positive returns ranged from 0.33% to 1.50%;
    - Balanced funds both performed between -13.00% and -14.73%;
    - U.S. Large Cap Equities options ranged from -30.48% to -18.07%;
    - U.S. Mid Cap Equities options ranged from -30.96% to -25.72%;
    - U.S. Small Cap Equities options ranged from -32.37% (passive) to -29.17% (active); and
    - Non-U.S. Equities ranged from -32.37 to -29.17.
- YTD (3/25/2020), Target Date Funds (which transitioned to collective trust funds in the 457(b), 401(k) and 401(a) Match Plans in an in-kind transfer in mid-March) performance ranged from -22.6% (2045, 2050, 2055 and 2060) to -12.63% (2005), with those collective trusts with a higher equity allocation performing worse than those with a higher fixed income allocation.
- Comparing two illustrative portfolio examples comprised of investment options from the MSRP line-up, one passive diversified and one active diversified, it was noted that the passive diversified would have returned -14.5% whereas the active diversified would have returned -14.8%, a 30 basis point difference (net of fees).

There followed a discussion of the relative underperformance of the TDFs as compared to their respective benchmarks for the YTD period, the Board noting that T. Rowe Price uses custom built benchmarks for its TDFs and questioning why its portfolios would underperform its own benchmarks. Ms. Vargas noted that TRP tends to overweight equities, which will impact the TDFs and also that the investment viewpoint at T. Rowe Price was of "through" rather than "to" retirement. She also explained that the shorter-terms TDFs also have international fixed income and commodities allocations such that these vehicles did not have a pure fixed income allocation and that in this current scenario, being diversified hurt the performance of these funds. Ms. Vargas noted that once the quarter completed it will be possible to determine where the performance shortfall is in the TDFs from an allocation standpoint. There was also a question from the Board as to what T. Rowe Price's response to the market underperformance was.

C. Galliard Capital Management ("Galliard")

Tami Pearse opened the special report to the Board by noting that Galliard had begun a partial remote work process over the last several weeks and was now 100% remote, that Galliard had tested its business continuity and that no material issues had been detected. She next provided an update as to the stable value and fixed income markets and the MSRP investment contract pool ("ICP") (Exhibit 3), during which they emphasized the following:

- *Stable Value Market*
    - Galliard has seen cash flows increase 5% to 6%, approximately $5 billion, and has invested $3 billion of this into contracts, holding the remainder as a liquidity buffer, with the expectation that once the market stabilizes some of this cash flow could go back out of the product; wrap providers have confirmed commitment to the market.
    - Cash flow usually leaves stable value less dramatically than it comes into stable value.
    - Banks and insurance companies as wrap providers are in a much better position financially than they were after the 2008 financial crisis.
    - In response to a question regarding how an increase in mortality across life insurance could affect the wrap market, it was noted that insurance companies were well-situated due to the reinsurance market and could benefit because mortality reduces long term care exposure.
    - Although Galliard feels good about the wrap issuers it will continue to monitor them.
- *MSRP ICP (as of 2/29/2020)*

o Assets under Management:	$777.4 million (*as compared to $776 million at 12/31/2019*)
o Market-to-Book:	103.19% (*as compared to 101.36 at 12/31/2019 and 102.29 1/31/2020*)
o Yield:	1.48% (*as compared to 2.14% at 12/31/2019 and 1.84% at 1/30/2020*)
o Cash Flows:	Increased by 2.5% (*as compared to 5-6% inflows in stable value market in general*); showing population has comfort around jobs and investment options available to them
o Contract Issuers:	5, all of which have been proactive in

	confirming commitment to the market and willing to work with Galliard if the Plans want to adopt CARES Act provisions; Mass Mutual wrap fee reduced to 17 bps effective 4/1/2020
o YTD ICP Performance (*1st two months*):	The portfolio return of +0.39% through 2/29/2020 compared to the 3 CMT index return of +-.23%, which was +0.14% value added (net of fees) as compared to index

- *Underlying Manager Performance as of 2/29/2020*
  - The 20% allocation to each manager has not significantly changed.
  - Managers are focused on strategies with shifts at the margins.
  - Overall, the portfolio is very stable and there is nothing significant to add to risk profile:
    - Underlying duration: shortened 0.2 years since 12/31/2019 to 2.70 as of 2/29/2020
    - Underlying quality distribution:
      - AAA – 68.3%
      - AA – 3.6%
      - A – 11.3%
      - BBB – 16.6%
      - <BBB – 0.2%
  - Galliard has been in contact with the underlying managers, and they are approaching the market with a certain degree of caution as would be expected in this market.

Andrea Johnson next provided a report on the investment outlook and portfolio positioning for the ICP, highlighting the following:

- Federal Reserve and Congress have acted quickly and significantly to put together programs, which will buy time, with the goal to get through however many months necessary.
- Congress has approved $2 trillion stimulus package.
- Federal Reserve the Term Asset Backed Loan Facility (TALF)) and stepped into Corporate markets for the first time with two new lending programs designed to provide liquidity to both primary and secondary markets.
- Federal Reserve has expanded quantitative easing, viewed as important for Agency market-backed securities (MBS).
- Galliard believes the Federal Reserve programs and the stimulus package will help weather the storm; noted that spreads are still much wider than they were in January and February but the market seems to be functioning better than at the beginning of the crisis.

IV. Staff Reports

A. Finance

Ms. Roberts presented a report on spending and reserve balance (Exhibit 4), noting that the market uncertainty is expected to decrease Plan net asset values, which would result in lower fee income. She stated that assuming monthly fees decreased by up to 25%, the ending reserve at June 30, 2020 is expected to be $969,200, which is well above the 25% threshold of $461,209. She also noted that operating expenditures were expected to increase slightly to replace obsolete computers and software.

B. Field Services

Mr. Holcomb provided an update on Field Staff activity with a focus on the response and outreach related to the Covid-19 Virus, (Exhibit 5), highlighting the following:

- Galliard-provided simplified ICP educational piece for use in participant communications;
- MSRP e-News "Special Communications Report" sent to Maryland.gov recipients on March 27, 2020;
- Market Volatility Communications email sent to State agency Benefit Coordinators on March 27, 2020; and
- MSRP Field is creating "Market Volatility" presentation to share during upcoming webinars.

V. Board Secretary's Report

Ms. Hjortsberg reviewed with the Board the provisions of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") affecting the Plans, a summary of which was provided with the materials for the meeting (Exhibit 6), highlighting the following:

- *Corona-related distributions ("CRDs")(optional)* – participants who meet the definition of a "*qualified individual*" (as defined in the CARES Act) permitted withdrawals of up to $100,000 across all plans sponsored by the employer, without 10% penalty, between 1/1/20 to 12/31/2020; included in gross income ratably over 3 tax years beginning with year of the distribution; repayment to eligible retirement plan permitted (unlike hardship/unexpected emergency (UE))
- *Early Distribution Penalty Relief* (*self-executing*) – distribution that would otherwise qualify as CRD but for the fact that Plan did not permit CRDs (i.e., would qualify as hardship/UE), 10% penalty does not apply
- *Increased Loan Limits (optional)* – loan limits increased to the lesser of 100% of participant account value and $100,000; Plan has to permit loans in order to implement
- *Extended Loan Repayment Dates* – repayment dates falling between 3/27/2020 and 12/31/2020 delayed for 1 year, with subsequent dates similarly adjusted
- *Waiver of 2020 RMDs* (*self-executing*) – Required minimum distributions for 2019 due by April 1, 2020 and RMDs for 2020 due by April 1, 2021 waived

Ms. Hjortsberg noted that at this time, the Board could consider adopting the optional provisions of the CARES Act it deemed appropriate so that implementation of the provisions could begin, with assistance from Nationwide, as soon as possible. She noted that the loan provisions would not be applicable to the 401(a) Match Plan because the Plan did not permit loans. She also noted that the Plan amendment deadline for the Plans was December 31, 2024 because the Plans were government plans but that because there were other Plan amendments in process related to hardship withdrawals and the SECURE Act, it was likely that Plan amendments would be ready to be presented for approval to the Board prior to that time. There followed a discussion of the Board's desire to provide participants with as much flexibility as possible under the CARES Act and access to their funds during the anticipated difficult financial times, paired with the need to provide adequate communication as to the impact of these provisions on the retirement savings as is done with other withdrawals (e.g., loans and hardship/UE). Upon motion duly made and seconded, it was unanimously

> **RESOLVED**, that the adoption of the optional provisions of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), including, without limitation, the corona-related distribution and increased loan limits provisions, and to the extent adoption is necessary, the provisions with respect to extension of loan repayment dates, with respect to each of the 457 Plan, the 401(k) Plan, the 403(b) Plan and the 401(a) Match Plan (each a "Plan" and collectively, the "Plans") (except that the loan limit and repayment date extension provisions shall not be applicable to the 401(a) Match Plan), be, and it hereby is, approved, and that the appropriate officers of the agency and Board Counsel be, and each of them hereby is, authorized, directed and empowered, to work with Nationwide Retirement Solutions, the plan administrator and recordkeeper to the Plans, to implement such provisions (including a notice to Plan participants with respect to the availability of such provisions) and to execute all documents and instruments deemed necessary and appropriate and to take all actions deemed necessary and appropriate to carry out the foregoing resolution (the execution of such documents and instruments and the taking of such actions to serve as conclusive evidence of such determinations) and that any provisions of the CARES Act requiring amendment following such implementation be made to the Plan documents of the affected Plans be incorporated into the affected Plan documents by Plan amendment at or prior to the plan amendment deadline for government plans set forth in the CARES Act.

VI. Adjournment

A motion to adjourn was entered at 3:58 p.m., seconded, and carried unanimously.