**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on 8-31-2020 at 9:30am VIA CONFERENCE CALL AS A RESULT OF COVID-19 AND IN ACCORDANCE WITH PERAC MEMO #15/2020**

**THE PUBLIC MAY ACCESS THE MEETING BY CALLING 1-857-444-0744 CONFERENCE CODE: 969957**

1. 9:30am Call meeting to order
   Roll Call:
   Present: Patrick Ripley, Rick Jordan, Robert Maiocco, Aleesha Nunley-Benjamin, James Vieira and Mark Minervini
   Absent: James Vieira
   Others Present:
   9:30am Dan Sherman from Sherman Actuarial Services
   11:00am Doug Mosley from NEPC, Paul Todisco, Francesco Daniele and Emily Green from PRIM for manager Review

   Patrick Ripley motion to suspend the normal order of business for Dan Sherman to present. Motion second by Aleesha Nunley Benjamin. Motion passed by all voting in favor. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: ABSENT, Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

   Jim Vieira joined the meeting

   **Decision on Assumed Rate of Return and Actuary Options presented By Dan Sherman.** Minutes from this agenda item from April – July are included in the handouts along with Dan's analysis.

   Dan Sherman reviewed the preliminary results comparison indicating that the population went up and payroll increased 6% over last 2 years. Actuarial accrued liability is up to $311M and funded ratio is at 66.2%. The unfunded liability increased to $105M with $81M expected resulting in an actuarial loss of $23.5M due to investment did not attain 7.5% return as expected, salary increases and less retirements than expected. Dan Sherman reviewed the study options indicating that if the Board remained on the same funding schedule, the FY2022 appropriation will be $15.8M. Dan reviewed option b,c and d. Dan explained new mortality tables for public sector and differences between group 1 and group 4 and people living longer. Page 8 of the results comparison show the appropriation increase with the new mortality tables. Dan explains that PERAC is more conservative and pushing the assumed actuarial rate lower. Aleesha Nunley-Benjamin said that the city is looking at 7.4% and pushing the funding schedule out to 2035 (due to covid-19) and asked Dan Sherman if the city's portion of the appropriation would be $14,588,110 with this scenario? Dan answered yes and that PERAC will not provide a lot of resistance to Boards increasing their funding scheduling. Patrick Ripley said that for 9 years the Board always worked good faith with the city the Board has done well with protecting assets, Dan agrees. Patrick questioned Dan if the Board needs to extend the funding schedule 4 years? Any changes begin August 2021? Dan said yes. Patrick Ripley asked if the Board can renegotiate, the length of the funding schedule and the assumed rate of return (up or down) at any time in the future? Dan answered yes, the funding schedule and assume rate of return can be changed every year. Patrick Ripley said we protected our assets over the years, but we need input from the city to know where they are? What's going on in the city? Aleesha Nunley-Benjamin said the city did not receive federal stimulus for revenue loss and the city revenue is down millions and local aide has been cut. Patrick said he understands and would like a plan that works for everyone and it helps to know where the city is at. Chairman Rick Jordan said the Board worked very hard to get the funding schedule down to 2031 and he understands that no one expected the virus, but hesitant about increasing the funding schedule 4 years. Rick Jordan said he feels that the city doesn't budget for the appropriation – that what ever is left over is used for the appropriation. Members pay their deductions every week, year over year, and when it comes time for the city to pay, they never have the funds. I don't like the idea of increasing the funding schedule 4 years. Rick continues, if we do that the rate of

return should be reduced to 7.25% and cola base should be increased to 17k this year and 18k following year. Aleesha Nunley Benjamin responded that the city doesn't have the money to do this without federal funding, we will need to cut members. Rick Jordan asks Dan Sherman if there's an option for a deferral? Dan said, yes according to chapter 32, the Board can have a temporary schedule with an 8% increase each year until the Board is back on schedule. Rick asked Dan if that schedule would allow the Board to reduce assumed rate of return to 7.25% immediately? Dan said the Board may need to go to 2032. Robert Maiocco questioned Aleesha Nunley Benjamin about the tax rate and the city's free cash account. Aleesha answered that $5.2M remain in the account at year end. Robert Maiocco said he would like to see Dan Sherman's deferral numbers. James Vieira said he would like to take a look at the 8% deferral.

Dan said he can work on this now, and the Board can continue with normal business and Dan will email everyone with proposed schedules.

Patrick Ripley motion to return to normal order of business. Motion second by Robert Maiocco. Motion passed by all voting in favor. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: YES, Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

2. Reading of notice & certificate – Meeting Notice Posted on 8/20/2020

   Aleesha Nunley Benjamin motion to place on file the Board meeting notice and certificate that was posted on August 20, 2020. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

3. Reading of Previous Meeting by Secretary

   James Vieira motion to waive reading of previous meeting by secretary. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

4. Vote to approve the minutes of the Board meeting held on July 30, 2020

   Aleesha Nunley Benjamin motion to approve the minutes of the Board meeting held on July 30, 2020. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

5. Bills, Communications, Refunds, Transfers, Payrolls, Etc.

**Warrant S36**

| | |
|---|---|
| Morgan Records Management LLC - File Storage July 2020 | $21.00 |
| Mark Minervini - Reimbursement - Conference call July 2020 | $22.99 |
| Mark Minervini - Reimbursement - GoDaddy Annual Website Hosting Renewal | $89.12 |
| WB Mason - Office Supplies | $175.66 |
| Law Offices of Michael Sacco PC - Professional Services July 2020 | $200.00 |
| People's United Bank - Custodial Fee June 2020 | $3,247.32 |
| Proshred - Shredding Service 8/4/2020 | $35.00 |
| Ready Refresh - Water Delivery 7/17/2020 | $18.96 |
| WB Mason - Office Supplies | $43.50 |
| WB Mason - Office Supplies | $72.65 |
| WB Mason - Office Supplies | $11.45 |
| Morgan Stanley - Refund - Cheryl Sciarappa | $953.19 |
| Leah Smith - Refund Deductions | $256.09 |
| IRS a/c Leah Smith - Refund Federal Tax Withholding | $64.02 |
| Kingsbury Press - Envelopes | $547.48 |
| State Retirement Board - 38c Payment | $71,787.71 |

| | |
|---|---|
| Michael R. Tyminski - Refund Deductions | $1,422.52 |
| IRS a/c Michael R. Tyminski - Refund | $355.63 |
| James Rabbitt - Option B Payout (Brian Rabbitt) | $75,595.75 |
| IRS a/c James Rabbitt - Option B Payout (Brian Rabbitt) | $18,898.94 |
| Leominster Retirement Board - Transfer - Kathleen Fortier | $89,861.44 |
| Denise K. McGilvery - Option B Payout (Patricia White) | $793.69 |
| IRS a/c Denise K. McGilvery - Option B Payout (Patricia White) | $198.42 |
| James McGilvery - Option B Payout (Patricia White) | $793.69 |
| IRS a/c James McGilvery - Option B Payout (Patricia White) | $198.42 |
| Raymonde Felix - Refund Deductions | $8,024.98 |
| IRS a/c Raymonde Felix - Refund | $2,006.24 |
| Stephen McAveeney - Refund Deductions | $32.34 |
| IRS a/c Stephen McAveeney - Refund | $8.09 |
| Toshiba - Copier Lease | $154.48 |
| | |
| **Total Bills Warrant S36** | **$275,890.77** |
| Staff Salaries | 4,428.79 |
| | |
| **Expense Total** | **$280,319.56** |
| Pension | 1,475,184.17 |
| Annuity | 300,148.51 |
| Retiree Payroll Total | 1,775,332.68 |
| **Warrant S36 Total** | **$2,055,652.24** |
| **Prior Warrants** | |
| Schedule 32 | 4,650.35 |
| Schedule 33 | 4,579.37 |
| Schedule 34 | 6,683.32 |
| Schedule 35 | 4,539.57 |
| **Reference Total** | **20,452.61** |
| **Grand Total Warrant S36 with Prior Warrants** | **2,076,104.85** |

A motion was made by Patrick Ripley and second by Aleesha Nunley Benjamin to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S32, S33, S34, S35 and S36. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

6. Report of Chairman:

**Wire Transmittal Letter Transferring $1,650,000 From People's Bank to Century Bank.** This wire transfer was completed on 8/20/2020 by Mark Minervini to fund August 2020 expenses and pension payroll.
Aleesha Nunley Benjamin motion to approve the Wire Transmittal Transferring $1,650,000 from People's Bank to Century Bank on August 20, 2020 to fund August 2020 expenses and pension payroll. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**City of London Subscription Agreement dated 7/31/2020 notifying City of London the Board's intention to contribute $1,000,000 on 8/31/2020**
Aleesha Nunley Benjamin motion to approve the City of London Subscription Agreement dated 7/31/2020 notifying City of London the Board's intention to contribute $1,000,000 on 8/31/2020. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Letter of Direction dated 8/25/2020 instructing People's Bank to wire $1,000,000 to City of London on 8/31/2020**
Robert Maiocco motion to approve the Letter of Direction dated 8/25/2020 instructing People's Bank to wire $1,000,000 to City of London on 8/31/2020.

Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Letter of Direction dated 7/31/2020 instructing People's Bank to wire $1,500,000 to Lazard International Equity on 8/3/2020**

Aleesha Nunley Benjamin motion to approve the Letter of Direction dated 7/31/2020 instructing People's Bank to wire $1,500,000 to Lazard International Equity on 8/3/2020. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Letter of Direction dated 7/31/2020 instructing People's Bank to wire $1,000,000 to Loomis Small Cap Portfolio on 8/3/2020**

Patrick Ripley motion to approve the Letter of Direction dated 7/31/2020 instructing People's Bank to wire $1,000,000 to Loomis Small Cap Portfolio on 8/3/2020. Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Letter of Direction dated 7/30/2020 instructing People's Bank to wire $2,000,000 to Rhumbline S&P 500 (L801), $1,000,000 to Rhumbline S&P 400 (L830) and $1,000,000 to Rhumbline TIPS (L865) on 7/31/2020.**

Aleesha Nunley Benjamin motion to place of file the Letter of Direction dated 7/30/2020 instructing People's Bank to wire $2,000,000 to Rhumbline S&P 500 (L801), $1,000,000 to Rhumbline S&P 400 (L830) and $1,000,000 to Rhumbline TIPS (L865) on 7/31/2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Letter of Direction dated 7/30/2020 instructing People's Bank to wire $500,000 to William Blair Macro Allocation Fund Account on 7/31/2020**

Aleesha Nunley Benjamin motion to approve the Letter of Direction dated 7/30/2020 instructing People's Bank to wire $500,000 to William Blair Macro Allocation Fund Account on 7/31/2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**PRIT Confirmation Notice Dated 8/3/2020**

Aleesha Nunley Benjamin motion to approve the PRIT Confirmation Notice Dated 8/3/2020 PRIT Private Equity Vintage Year Confirmation notifying the Board that a payment of $136,608.46 has been received by PRIM on 8/3/2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**PRIT Payment Due Notice Dated 9/1/2020**

Aleesha Nunley Benjamin motion to approve the PRIT Payment Due Notice Dated 9/1/2020, Private Equity Vintage Year Confirmation notifying the Board that a payment of $70,203.93 is due on 8/3/2020. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Section 3 (8) (c) Reimbursement amount of $1,163.76 to Teachers' Retirement Board Towards the Retirement of Audrey Depatto-Brown who retired 7/31/2019**

Aleesha Nunley Benjamin motion to approve the Section 3 (8) (c) Reimbursement amount of $1,163.76 to Teachers' Retirement Board Towards the Retirement of Audrey Depatto-Brown who retired 7/31/2019. On the motion, Patrick Ripley asked if we are paying Teachers'? Mark Minervini answered yes and said the documents supporting the 3 8 (c) payment are on file. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**June Accounting Reports Submitted to PERAC**
Patrick Ripley motion to place of file the June Accounting Reports Submitted to PERAC. Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**January – June 2020 Accounting Reports Reviewed by Aleesha Nunley-Benjamin**
Patrick Ripley motion to approve the January – June 2020 Accounting Reports Reviewed by Aleesha Nunley-Benjamin. Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

Rick Jordan thanked Aleesha Nunley-Benjamin for reviewing. Patrick Ripley also thanked Aleesha Nunley Benjamin

**Budget vs. Actual YTD Report as of January - June 30, 2020**
Patrick Ripley motion to place of file the Budget vs. Actual YTD Report as of January - June 30, 2020. Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Zoom for Future Retirement Board Meetings**
Rick Jordan said he talked with Mark Minervini and that city hall could not be open for months for Board meeting

Mark Minervini explained that the City provided him with their Zoom account that we can use for meetings. Or we could look into Webex or GoToWeb or another product. IPads could be used but all of them would need to be configured in the retirement office. Or personal computers could be used. Mark Minervini to look into this. Aleesha Nunley-Benjamin said that the city should create the Zoom meeting due to meeting length time constraints.

Aleesha Nunley Benjamin motion to place on file Zoom for retirement Board meetings. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Election officers for Board Election (Rick Jordan's Position)**
Mark Minervini explained that the Board paid a $600 stipend ($200/each employee) for election. Robert Maiocco motion appoint Mark Minervini as election officer and pay stipend of $600 ($200/each). Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

7. **Unfinished Business:**

**Aleesha Nunley-Benjamin asked if she could speak off topic and asked that Mark Minervini help her in the OPEB trust election with mailing and recovering ballots.** Discussion tabled until a decision comes back from the Mayor about the OPEB trust election.

Aleesha Nunley-Benjamin notified the Board that Mark Minervini provided labels for the mailing and as of yet, no retiree came forward.

Aleesha Nunley Benjamin motion to place OPEB election on file. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

8. **New Business**

**Office Laser Printer Needs Replacing**
Replacement cost approx. $650.00.

Motion by James Vieira to approve purchase of Laser Printer. Motion second by Aleesha Nunley Benjamin. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**New Retirees:**

| Name | Unit | Option | Retirement Date |
|---|---|---|---|
| John Bavuso | CTY | Superannuation Option C | 9/4/2020 |
| Margaret Simcox | SCH | Superannuation Option A | 8/31/2020 |
| Ann Farina | SCH | Superannuation Option B | 9/25/2020 |

Motion by Aleesha Nunley Benjamin to approve retirements of all three members listed above. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Aleesha Nunley-Benjamin requests a list from Retirement of who put in for retirement on a monthly basis**
The City needs to check if retired employees have any voluntary life insurance plans so Carol can send out conversion forms if necessary. Aleesha copied the Board and the City's Administration on her request

Motion by Patrick Ripley to approve the retirement office to provide the list of retirements to the City each month. Patrick Ripley asked if this is related to the conversation from last month? Aleesha Nunley answered yes, and she is complying with the Board's request. Aleesha continued that members who retire have 30 days to make a decision on life insurance and Carol Powers needs to know when a member retires. Aleesha is requesting a list of retirements be sent to Carol Powers each month. Motion second by James Vieira. Patrick Ripley on the motion, asked Mark Minervini if he is ok with providing the list monthly. Mark Minervini answered yes, that this is a basic request and he can send the list of retirement from the meeting agenda to Carol each month. Patrick Ripley said good. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Patrick Ripley asked Mark Minervini if he can supply a list of retired firefighters** Mark Minervini said yes but cannot include addresses. Patrick Ripley will contact Mark Minervini after the meeting.

10:20AM: Dan Sherman returned to meeting.

Patrick Ripley motions to suspend the normal order of business for Dan Sherman to continue discussion of actuary options. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"
Dan Sherman distributed two reports with 8% increasing appropriation until full funding. The first document is using a 7.5% investment return and the second document is using 7.25% investment return. Dan informed the Board that a 7.4% investment return would be in between these two. Dan reviewed the 7.5% report indicating that the FY2022 will be $14,028,325 and the city's portion is approximately 97% of the appropriation and will be approximately $13.6M. The appropriation goes up 8% per year instead of 4% and there will be a partial payment in FY2032, adding about 6 months to the schedule. With the 7.25% schedule, the appropriation stays the same with a partial payment in 2033. 7.4% will be somewhere in between. Rick Jordan asked Aleesha Nunley Benjamin if the city can

live with the 8% increasing schedules? Aleesha answered yes for 2022 and 2023 and we can adjust if needed. Rick Jordan asked Dan about the drop in funded ratio. Dan said yes, a 1.5% drop between 7.5% and 7.25%. Jams Vieira asked where does this put us in the universe of retirement systems? Dan Sherman answered that Medford would be in the middle of the pack. Rick Jordan asked is the 60.1% is in the middle? Dan answered yes, 60% is in the middles of the pack. Rick Jordan asked what are the effects? Dan answered that moving from 7.5% to 7.25 that liabilities go up, but this is an assumption and if the Board beats 7.5%, there's an actuarial gain that will help further down the road. A loss would be smaller. The Board will likely attain 65% funded ratio a little later. 65% is the ratio for not moving money to PRIT. Rick Jordan asked Dan Sherman if there is a risk of this coming up. Dan said he doubts it and he hasn't heard of any Board having to send their money to PRIT in the last several years. Dan explained that the Board has to be within 2% return of PRIT or more than 65% funded. Must pass one or the other measurement to be sent to PRIT. Rick Jordan said he didn't think it was either or, and thought it was both, 65% funded and within 2% of Prit's returns, thought it was both. Dan said if a Board is over 65% funded, you don't look at the other measurement. Rick Jordan confirmed with Dan that there's not a problem created with this? Dan Said for the 65% measurement, take the higher of market value and actuarial value and currently our market value is above the actuarial value 63.5%, and feels we may hit the 65% next year and Dan said it not an issue. Robert Maiocco asked if the Board can change the schedule? Dan answered yes, every year. Patrick Ripley asked Dan what will this cost the Board? The system will reach full funding at the same time, but will be deferring payments until later, more money later and less money earlier. It effects the timing of payments. This is not a ballon payment situation. Patrick Ripley askes which schedule is more advantageous, 7.25% or 7.5%? Dan answered that this is effecting the timing of payments. Aleesha Nunley Benjamin thanks the chair for asking about the deferral option.

Dan Sherman said there are three votes that need to be taken:

- Vote to decide to accept the new mortality tables
- Vote on an interest rate
- Vote on the funding schedule.

Aleesha Nunley Benjamin motion to accept the new mortality tables. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

Patrick Ripley motion to accept 7.25% assumed rate of return. Motion second by Aleesha Nunley Benjamin. On the motion, Robert Maiocco asks if this rate is year specific? Dan Sherman answered that the assumption rate is for all years in the future and can be changed. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

Rick Jordan asked to confirm the new funding schedule. Dan said there's a full payment in 2032 and a partial payment in 2033. It's technically a 2033 funding schedule. The motion is to accept the new 8% increasing schedule until unfunded liability is paid off. Rick Jordan asked how many years does this add to our schedule? Dan Sherman answered about 1 and ¼ year.

Robert Maiocco motion to accept the new 8% increasing schedule until unfunded liability is paid off. On the motion, Patrick Ripley asked Dan Sherman if the Board could vote to change the 8% increasing schedule and to change the 7.25% assumed rate of return at any time? Dan Sherman answered yes. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

Dan Sherman said he will finish the funding report and GASB reports. Rick Jordan asked Aleesha if the city will be happy with this decision. Aleesha answered yes.

Rick Jordan said next year with the 17k and 18k increase to cola base, we should be all set. Aleesha Nunley Benjamin said it all depends on covid and different strains.

**Prim Manager Review**
Paul Todisco, Francesco Daniele and Emily Green from PRIM present.

Paul Todisco referenced the PRIM presentation dated August 31, 2020 and Francesco Daniele reviewed organizational updates and informed the Board that PRIM had 9 new hires and PRIM is working at 100% with 30% of employees working in the office during the covid epidemic. PRIM has $5.4B in new investments, no liquidity issues and no rebalancing issues during the pandemic. PRIM ranked 2nd in private equity returns among 176 public pension plans based on 10-year returns. Medford has exposure to this in the private equity vintage year. When the pandemic hit, the markets were down about 34% and recent quick return but still expecting volatility. Discussion about the government stimulus package and PRIM's transparency. No asset allocation changes since last meeting with the exception of increasing private equity approx. 1%. Paul Todisco reviewed performance ending second quarter 2020 indicating that PE was down 8.3% and also indicating that PE lags one quarter, so the performance reported is reflective of March 31, 2020 and expecting PE to rebound September 30, 2020. Discussion about real estate, private equity and hedge funds returns. Hedge Funds returned -5.5%, PE is up 4.4% estate returned 1.1% for the year. Paul Todisco reviewed annualized returns for the past 1,3,5 and 10 years. 1,3,5 and 10 year fund performance reviewed indicating that for the last 15 years Medford has a steady investment in PRIM's private equity program and the fund had 9.28% return since inception. Robert Maiocco asked if PRIM can supply a list of the hedge fund managers. Paul Todisco said the list is available on t heir website and he will forward the list to Mark Minervini. Rick Jordan asked if NEPC is on the line and Doug Mosley said yes and he listened to PRIM's entire presentation. Rick Jordan asked if Doug has any questions for PRIM? Doug said they covered all the important issues and he doesn't have any questions. Robert Maiocco asked Paul Todisco if any of the funds have exposure to precious metals? Paul responded no, zero. PRIM Left the meeting

Doug Mosley from NEPC referenced their presentation dated August 31, 2020 that contains the July performance. Doug reviewed the market and the impact of covid and market sell off with the market down as much as 34% and now has mostly recovered. Doug reviewed the July flash report indicating a strong second quarter that was up over 9% and 3% positive in July and now YTD is just about flat -.7%. The portfolio value is $206,857,865 as of 6/30/2020. Doug indicated that the Russel 2000 and mid cap indexes are down which is reflective of small business that have been struggling during the covid pandemic. Lazard is doing better than the benchmark but non-US stocks are trailing US stocks. The strong rally seems to outpace fundamentals and volatility is expected over the next quarters. Doug reviewed the prior month, YTD, 1-year fund return. Doug said that it's good that PRIM is under weight on office and retail in their real estate portfolio. Doug reviewed the asset allocation vs targets and indicated that the rebalancing of excess cash has been completed and will be reflected in the August reports. 11:45am NEPC left the meeting

Aleesha Nunley Benjamin motion to return to normal order of business. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

9. **Executive Session**

N/A

10. **Adjournment**

Next meeting scheduled for Tuesday 9/29/20 at 9:30am in Medford City Hall, Council Chambers

James Vieira motioned to adjourn meeting. Motion second by Aleesha Nunley Benjamin. Roll call vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

A true Record by: _____ On 8-31-2020
Mark Minervini

Rick Jordan _____ Chairman

Aleesha Nunley Benjamin _____ Ex-Officio

James Vieira _____

Patrick H. Ripley _____

Robert Maiocco _____

**PAGE INTENTIONALITY LEFT BLANK**