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**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on
10-28-2020 at 9:30am VIA CONFERENCE CALL AS A RESULT OF COVID-19
AND IN ACCORDANCE WITH PERAC MEMO #15/2020**

**THE PUBLIC ACCESS TO 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, James Vieira and Mark Minervini

Absent: Aleesha Nunley-Benjamin, James Vieira

Others Present: 9:30am: Scott Driscoll and Kiley Fischer from NEPC, William Blair and City of London for Manager Reviews

Patrick Ripley motion to suspend the normal order of business for NEPC and Rhumblin to present. Motion second by Robert Maiocco. Motion passed by all voting in favor. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", Rick Jordan: "YES"

9:35AM: James Vieira joined the meeting.

Thomas Clarke, Kyle Concannon and Cliff Kalish from William Blair reviewed the portfolio referencing their handout dated October 28, 2020. Tom Clarke discussed the macro allocation performance and positioning month to date, ytd and since inception. Mr. Clarke indicated that there have been losses YTD and referred to pages 7 and 8 of the handout indicating that market and currency are bad and that all 3 quarters of 2020 are down and that their top down strategy has struggled and as a portfolio manager, he is not pleased and apologizes, but doesn't feel that all is lost. Mr. Clarke indicated that most of the loss was in 1Q20 due to COVID-19 and de-risked the portfolio in 2Q20 by reducing exposure in equities and long emerging market. -685bs occurred in 1Q20. Since the end of April began moving into markets that felt had opportunities and avoiding markets like Japan, Switzerland United States and Canada. Taking more risk in Chili, Russia, Indonesia and UK. Building risk back up in low markets such as Russia. Now we need to be patient and increase risk where we feel there's potential. Discussion about central banks driving down interest rates. Discussion about optimism and the plan to increase risk on large opportunities as mentioned. Right now Mr. Clarke stated that he is not happy with the negative performance this year but feel that there is wide optimism in taking risks in currency. Scott Driscoll asked if there has been a pullback in multi asset strategies? Mr. Clarke answered yes. Bob Maiocco asked what percentage of portfolio is in currency and equities? Mr. Clarke answered it's dynamic. About 1/3 long or short equities plus bond exposure, 1/3 long or short and 1/3 active currency. Rick Jordan reviewed the returns and commented that progressively the returns have been negative and asked if we can expect positive performance moving forward? Mr. Clarke answered that it's a correct observation and that he cannot time the market but has taken additional risk in fundamentally attractive markets but no guarantees of the turning point. Patrick Ripley said it sounds as if William Blair is taking on more risk to get the returns discussed over the next year or two? Mr. Clarke answered yes that's correct in UK and Singapore, Russia equities. Several positions in the fund require significant risk in the correct markets. 10:00am William Blair left the meeting.

10:00am Todd Fowler, Mark Dwyer, Oliver Martin and Rebecca Hanlon from City of London reviewed their portfolio referencing their hadout dated October 28, 2020. Mark Dwyer provided an organization update discussing the merger that City of London holding company acquired Karpus Management last June and has no impact on investment fees or process and is independent from City of London with no plans to change. No change in the asset team. Stable assets with over \$6B under management with \$4.2B in management in the Global Emerging Markets County Fund. Assets have been stable over the year. 95% of staff working from home and all

systems are working very well. Staff will be working from home well into January. Reviewed performance back to 2018 through September 2020 and also indicated that to date in October the account is up approximately 4% slightly above the index. Oliver Martin discussed performance as of September 2020. Discussion about tendering and strategy. Robert Maiocco asked if the tenders are unique to emerging markets closed end funds? How do you identify which funds have a tender option? Mark Dwyer answered that there is a large universe of funds available where the price doesn't equal the NAV and sometimes trade at a discount with the objective to buy funds with the largest possible discount in targeted markets. City of London has a proprietary database that tracks all these funds. Patrick Ripley asked I'm not familiar with tender offers. It sounds like you look for tenders? Mark Dwyer answered that they have a process for identifying tender offers. 10:30am City of London left the meeting.

Rick Jordan asked Scott Driscoll what should we do about William Blair? Scott Driscoll replied that the presentation did not address some of their positioning on certain markets and with it being multi-asset, it has managed volatility in periods of time and has added value. In 2020 it has not achieved what other funds have and it will be interesting to see their performance in October. Scott Driscoll indicated that the pension fund has evolved over time with more dedicated asset classes. We built out fixed income with Garcia Hamilton and Loomis multisector and TIPS. Emerging market debt rounds out fixed income in the portfolio, so we are getting exposure and some overlapping with William Blair. It could be time to rebalance William Blair assets back into the retirement plan. William Blair has a 5% allocation so it would be seamless to move William Blair assets into other plans in the fund. Rick Jordan commented that we have discussed this over the past year. Patrick Ripley found the presentation flat and appears that they are taking on more risk to improve the numbers and this is not something I would do so I don't have any problem terminating and moving their assets. Patrick Ripley asked Scott if we are talking about the entire William Blair portfolio or a percentage. Scott Driscoll answered liquidating the entire portfolio and rebalancing back into other parts of the pension fund. Patrick Ripley said he agrees and doesn't have an issue. Rick Jordan asked if we should increase the TIPS fund? Scott Driscoll answered that this could be a possibility and that TIPS provide protection and indicated he would also consider emerging markets but will provide a formal allocation recommendation during the next meeting. Robert Maiocco said the presentation was shaky and feels that pension money should not be in the currency market and in favor of terminating the relationship.

Robert Maiocco motion to terminate the relationship with William Blair. On the motion, James Vieira asked Scott Driscoll opinion. Scott replied that he supports the decision. The fund has matured, and the William Blair portfolio is not providing the value it has in the past with the exposure in the asset classes. Motion second by Patrick Ripley. Roll call vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES", Aleesha Nunley-Benjamin absent.

Rick Jordan confirmed that Scott Driscoll will provide recommendation to redistribute the funds. Scott said yes he will have recommendations the next Board meeting.

Scott Driscoll referenced NEPC's handout dated October 28, 2020 and reviewed the fund's performance as of September 2020 indicating that the fund is up 1.1% YTD and has a total asset value of \$208M. Discussion about the presidential election and impact on the markets. Discussion about 5 technology stocks driving the market and impact on the market. 1,3 month and YTD composite returns reviewed indicating that the fund was up 5.1% the last three months and -.5 last month. Discussion around plan's total equity that returned 7.6% last quarter. Fixed income, TIPS, Loomis 1yr, YTD, last quarter and last month returns reviewed indicating that they have been driving the increases in the fund. PRIM private equity, real estate and hedge funds reviewed. Patrick Ripley asked about City of London tender funds and asked if they protect the Board or City of London? Scott Driscoll answered they help the Board when City of London purchases funds at a discount. Scott said it's similar to hedge fund without the liquidity issues.

Discussion about PRIM Private Equity Vintage Year (PEVY) 2021 recommendation. Scott Driscoll said that NEPC recommends committing \$5M and this will still keep the fund within 7% target. Patrick Ripley questioned where do we get the \$5M? Scott Driscoll answered that the \$5M is called over time, typically 5-6 years. Robert Maiocco asked do we sit on the cash in a money market? Scott Driscoll answered that the money is in invested the fund. Patrick Ripley asked Mark Minervini if we had a about a \$350k call recently? Mark Minervini said yes, and we had some larger calls over the past few months. Mr. Minervini explained that we have distributions and payments every month for each vintage year, depending on the sales and the purchases we may have a distribution if sales are larger than purchases. Rick Jordan asked how far back we have commitment calls? Scott Driscoll answered typically 5-6 years back and the statements indicate the activity.

James Vieira motion to commit \$5M to the PRIM Private Equity Vintage Year 2021. Motion second by Robert Maiocco. Roll call vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"

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

2. Reading of notice & certificate – Meeting Notice Posted on 10/19/2020
Robert Maiocco motion to place on file the Board meeting notice and certificate that was posted on October 19, 2020. Motion second by James Vieira.
Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"
3. Reading of Previous Meeting by Secretary
Robert Maiocco 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" Rick Jordan: "YES"
4. Vote to approve the minutes of the Board meeting held on September 29, 2020
Robert Maiocco motion to approve the minutes of the Board meeting held on September 29, 2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"
5. Bills, Communications, Refunds, Transfers, Payrolls, Etc.

Warrant S44

Law Offices of Michael Sacco PC - Professional Services Sept. 2020	\$100.00
NCPERS - Membership Renewal thru 12/31/2021	\$260.00
Morgan Records Management LLC - File Storage Sept. 2020	\$21.00
Mark Minervini - Reimbursement Conference Call Sept 2020	\$23.05
Proshred - Shredding Service 9/29/2020	\$35.00
People's United - Custodial Fee August 2020	\$3,583.91
Middlesex County Retirement - Transfer - Jacob Lessard	\$7,269.26
Middlesex County Retirement - Transfer - Joseph Pellegrino	\$7,309.29
Greg Silvestro - Refund Deductions	\$4,950.20
IRS a/c Greg Silvestro - Refund Deductions	\$1,237.55
Ready Refresh - Water Delivery 9/16	\$10.98
WB Mason - Office Supplies	\$289.58
Toshiba America Business Solut - Service 10/15/2020-11/14/2020	\$311.03
Rhumblin - Mgmt Fee Q3 2020 - BTIPS-P	\$1,062.00
Rhumblin - Mgmt Fee Q3 2020 - SP500MAP	\$4,163.00
Rhumblin - Mgmt Fee Q3 2020 - SP5400P	\$743.00
Garcia Hamilton & Associates LP - Mgmt Fee Q3 2020	\$15,037.77
Loomis Sayles - Mgmt Fee Q3 2020	\$23,330.44

Total Bills Warrant S44	\$69,737.06
Staff Salaries	4,428.79
Expense Total	\$74,165.85
Pension	1,483,101.21
Annuity	304,519.93
Retiree Payroll Total	1,787,621.14
Warrant S44 Total	\$1,861,786.99
Prior Warrants	
Schedule 41	4,650.35
Schedule 42	4,539.57
Schedule 43	6,683.32
Reference Total	15,873.24
Grand Total Warrant S44 with Prior Warrants	1,877,660.23

A motion was made by Patrick Ripley and second by Robert Maiocco to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S41, S42, S43 and S44. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"

6. Report of Chairman:

Rhumblin S&P 500 Letter of Direction (LOD) Dated 10/15/2020.

Robert Maiocco motion to approve the letter of direction dated 10/15/2020 instructing Rhumblin Advisors to withdraw \$750,000 from the system's S&P 500 account and transfer the funds to People's Bank. Motion second by James Vieira Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"

Wire Transmittal Letter Transferring \$1,550,000 From People's Bank to Century Bank.

Patrick Ripley motion to approve the Wire Transmittal Transferring \$1,550,000 From People's Bank to Century Bank on 10/21/2020 to fund October 2020 expenses and pension payroll. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"

PRIT Confirmation Notice Dated 10/1/2020

Robert Maiocco motion to place on file PRIT Distribution Confirmation Notice dated 10/1/2020 notifying the Board that a distribution of \$378,299.02 has been wired to People's Bank on 10/1/2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES" Rick Jordan: "YES"

PRIT Payment Due Notice Dated 11/2/2020

Patrick Ripley motion to place on file PRIT Payment Due Notice Dated 11/2/2020 notifying the Board that a payment of \$263,269.53 is due on 11/2/2020. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PRIM Private Equity Vintage Year 2021 Commitment Deadline

the deadline for notifying PRIM of an intention to participate in the upcoming Private Equity Vintage Year 2021 (PEVY 2021) portfolio is December 31, 2020.

Rick Jordan said we previously voted on this item. Robert Maiocco motion to place on file the PRIM Private Equity Vintage Year 2021 Commitment Deadline. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

MACRS Fiduciary Insurance Application

Amity Insurance Agency

Patrick Ripley motion to place on file MACRS Fiduciary Insurance Application for Amity Insurance Agency. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo #29/2020 - Mandatory Retirement Board Member Training-4th Quarter 2020

James Vieira motion to place on file PERAC Memo #29/2020 - Mandatory Retirement Board Member Training-4th Quarter 2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo #30/2020 – Compliance with the 2019 91A Process

James Vieira motion to place on file PERAC Memo #30/2020 – Compliance with the 2019 91A Process. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo #31/2020 - Appropriation Data Due October 31, 2020

Robert Maiocco motion to place on file PERAC Memo #31/2020 - Appropriation Data Due October 31, 2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo #32/2020 – Allowable Earnings Determination, Pursuant to G.L. c. 32 §91A

James Vieira motion to place on file PERAC Memo #32/2020 – Allowable Earnings Determination, Pursuant to G.L. c. 32 §91A. On the motion, Patrick Ripley asked if PERAC targeted any of our retirees? Mark Minervini answered yes and we will need to provide salary and retirement allowance data to PERAC. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Section 91A Hearings to be Scheduled November Board Meeting

Mark Minervini informed the Board that we currently have 8 retirees who have not submitted their 2019 Annual Statement of Earned Income to PERAC, this is down from 18. Mr. Minervini informed the Board that the staff has been in constant contact with the retirees in an effort to get the statements filed. Mr. Minervini would like to schedule hearings during the next Board meeting.

James Vieira motion to schedule Section 91A Hearings during the November Board Meeting. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Annual Report of Massachusetts Retirement Systems for 2019

Robert Maiocco motion to place on file that the PERAC Annual Report of Massachusetts Retirement Systems for 2019. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

August Accounting Reports Submitted to PERAC

Robert Maiocco motion to place on file that the August 2020 accounting reports have been sent to PERAC. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Funding Schedule Approval and Acknowledgement of Reduced Investment Return Assumption.

Patrick Ripley motion to place on file PERAC Funding Schedule Approval and Acknowledgement of Reduced Investment Return Assumption. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

FY2022 Appropriation Budget

Robert Maiocco motion to approve the FY2022 Appropriation Budget. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

7. Unfinished Business:

Robert Ferragamo Accidental Disability Medical Panel Results Received

Patrick Ripley said he reviewed the results of the medical panel. Also there is a time, date and location of the incident and has no problem sending into PERAC.

James Vieira motion to send the accidental disability retirement for Robert Ferragamo to PERAC for approval based on the results of the medical panel. Motion second by Patrick Ripley. Roll Call Vote: Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

8. New Business

New Retirees:

<u>Name</u>	<u>Unit</u>	<u>Option</u>	<u>Retirement Date</u>
William Butts	CTY	Superannuation Option B	1/9/2021
Edward Linehan	CTY	Superannuation Option A	10/13/2020

Motion by James Vieira to approve the retirement applications listed above. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

New Employees:

<u>Name</u>	<u>Unit</u>	<u>Position</u>	<u>Hire Date</u>	<u>FT/PT</u>
Lotmax Paraison	SCH	Building Monitor	12/31/2019	FT
Morgan Ronan	SCH	Paraprofessional	2/24/2020	FT
Kathryn Calpino	SCH	Athletic Trainer	8/12/2019	FT
Melanie McLaughlin	SCH	School Committee	1/6/2020	FT
Giselle Montiminy	SCH	Instructional Support Staff	8/27/2019	FT
Katherine Paras	SCH	Paraprofessional	1/28/2020	FT
Thomas Southwick	SCH	Instructional Support Staff	1/6/2020	FT

Mark Minervini informed the Board that the above listed school employees had missing or incomplete enrollment forms and after several attempts contacting the employees most completed their enrollment forms however, some have not completed the beneficiary selection form. Mr. Minervini informed the Board that the listed employees have been contributing all along. Rick Jordan asked that a letter from the Board be sent to the school administration reminding them that we need enrollment forms completed in a timely manner.

Motion by Robert Maiocco to accept membership for employees listed above. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

New Comptroller Position at The School Finance Office

This is a new permanent full-time position with the school.

Motion by James Vieira to accept the Comptroller Position as an eligible position for membership. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Wendy Pompeo Annual Review

Review included in the handouts. Wendy’s anniversary date is 11/28/2020

Rick Jordan asked if everyone had a chance to review her review? Jim Vieira said he reviewed and everything is in order. Wendy is CAF 6, step 5 and we are combining her city time with her retirement time. This brings her to \$1,113.81/week and \$800 annual longevity pay.

Motion by James Vieira to approve Wendy Pompeo’s review, step increase and \$800 longevity pay. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: “YES”, Robert Maiocco: “YES”, James Vieira: “YES”, Rick Jordan: “YES”

Rick Jordan asked to let Wendy know the Board appreciates all she does for us. Patrick Ripley said the Board is fortunate and has a great team in place.

Appointment of 5th Board Member

James Vieira appointment expires on 1/27/2021.

Rick Jordan asked if we are mandated to post the position. Mark Minervini answered yes, we should post the opening on the PERAC website. Jim Vieira asked if the Board would accept his willingness to serve or does he need to apply. Rick Jordan said if we have to go through the posting process, we need to do it.

Motion by Robert Maiocco to post opening of 5th Board member on PERAC website. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: “YES”, Robert Maiocco: “YES”, James Vieira: “YES”, Rick Jordan: “YES”

9. Executive Session

n/a

10. Adjournment

Next meeting scheduled for November 30, 2020 at 9:30am in Medford City Hall, Council Chambers or by conference call depending on COVID and city hall access.

Robert Maiocco motioned to adjourn meeting. Motion second by Patrick Ripley. Roll call vote: Patrick Ripley: “YES”, Robert Maiocco: “YES”, James Vieira: “YES”, Rick Jordan: “YES”

A true Record by: Mark Minervini On 10-28-2020

Rick Jordan Aleesha Nunley Benjamin ABSENT
Chairman Ex-Officio

James Vieira Patrick H. Ripley

Robert Maiocco Robert Maiocco

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