

203

**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on  
2-25-2021 at 9:30am VIA VIDEO CONFERENCE AS A RESULT OF COVID-19  
AND IN ACCORDANCE WITH PERAC MEMO #15/2020**

**Join the meeting**

<https://global.gotomeeting.com/join/862484685>

**Dial in using your phone**

United States: +1 (312) 757-3121

**Access Code:** 862-484-685

1. 9:30am Call meeting to order  
Roll Call: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES",  
"YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"  
Present: Rick Jordan, Patrick Ripley, James Vieira, Aleesha Nunley-Benjamin,  
Robert Maiocco  
Absent:  
Others Present:  
9:30am: Scott Driscoll and Kiley Fischer from NEPC  
9:40am: Ann Marie Costello and Ed Hwang from Massachusetts Financial Services  
10:20am: Frank Sposato and Mike Bennett from Lazard
2. Reading of notice & certificate – Meeting Notice Posted on February 17, 2021  
Robert Maiocco motion to place on file the Board meeting notice and certificate that  
was posted on February 17, 2021. Motion second by James Vieira. 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 Aleesha Nunley Benjamin. 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 January 28, 2021  
Patrick Ripley motion to approve the minutes of the Board meeting held on January  
28, 2021. Motion second by Robert Maiocco. 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 S9**

Plymouth County Retirement - 3(8)C Payment	\$3,365.23
Greenfield Retirement System - 3(8)C Payment	\$6,538.05
Revere Retirement System - 3(8)C Payment	\$4,104.08
Lawrence Retirement Board - 3(8)C Payment	\$7,663.78
Lowell Retirement Board - 3(8)C Payment	\$10,173.57
Reading Retirement Board - 3(8)C Payment	\$4,979.00
Peabody Retirement Board - 3(8)C Payment	\$3,102.89
Somerville Retirement Board - 3(8)C Payment	\$2,922.78
Winchester Retirement Board - 3(8)C Payment	\$418.98
Middlesex County Retirement Board - 3(8)C Payment	\$18,350.05
Morgan Records Management, LLC - February 2021	\$21.00
Mark Minervini - Reimbursement for January 2021 VAST Conference	\$24.47
Law Offices of Michael Sacco, PC - Legal Services for January	\$125.00
People's United - Custodial Services 12/1/20-12/31/20	\$3,816.85
Franklin Regional Retirement System - 3(8)C Payment	\$2,242.70
Watertown Contributory Retirement Board - 3(8)C Payment	\$35,638.80
Ready Refresh - Water Delivery 1/20/2021	\$38.93

Melrose Retirement Board - 3(8)C Payment	\$4,813.36
Woburn Retirement Board - 3(8)C Payment	\$58.00
Amity Insurance - Insurance Policy 3/1/2021-3/1/2022	\$14,309.00
Town of Northbridge Retirement System - 3(8)C Payment	\$2,170.15
Worcester County Retirement System - 3(8)C Payment	\$9,651.89
Proshred Security - Shredding Service February 2021	\$35.00
<b>Total Bills Warrant S9</b>	<b>\$134,563.56</b>
Staff Salaries	3,357.64
Medicare	-
Massachusetts SUI	-
MA Health Ins/EMAC	-
Harpers Payroll Fee	-
<b>Expense Total</b>	<b>\$137,921.20</b>
Pension	1,461,652.99
Annuity	302,268.67
Retiree Payroll Total	<b>1,763,921.66</b>
<b>Warrant S9 Total</b>	<b>\$1,901,842.86</b>
<b>Prior Warrants</b>	
Schedule 6	3,451.89
Schedule 7	3,451.89
Schedule 8	5,457.64
<b>Reference Total</b>	<b>12,361.42</b>
<b>Grand Total Warrant S9 with Prior Warrants</b>	<b>1,914,204.28</b>

A motion was made by Robert Maiocco and second by James Vieira to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S6, S7, S8 and S9. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

6. Report of Chairman:

**Letter of Direction to Rhumblin Dated 2/17/2021**

Instructing Rhumblin to Transfer \$1,300,000 from the System's S&P 400 account on the next trade date and wire the funds to People's Bank.

Robert Maiocco motion to approve the Letter of Direction to Rhumblin Dated 2/17/2021 instructing Rhumblin to Transfer \$1,300,000 from the System's S&P 400 account on the next trade date and wire the funds to People's Bank. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**Wire Transmittal Letter Transferring \$1,550,000 From People's Bank to Century Bank.** This wire transfer was completed on February 19, 2021 by Mark Minervini to fund February 2021 expenses and pension payroll.

Patrick Ripley motion to approve the Wire Transmittal Transferring \$1,550,000 from People's Bank to Century Bank on 2/19/2021 to fund February 2021 expenses and pension payroll. 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"

**PRIT Confirmation Notice Dated 2/1/2021**

PRIT Private Equity Vintage Year Confirmation Dated 2/1/2021 notifying the Board that PRIM wired a distribution of \$ 309,276.87 to People's Bank on 2/1/2021

James Vieira motion to place on file the PRIT Confirmation Notice Dated 2/1/2021 notifying the Board that PRIM wired a distribution of \$309,276.87 to People's Bank on 2/1/2021. Motion second by Robert Maiocco. On the motion, Patrick Ripley asked Scott Driscoll if he heard that People's Bank has been sold? Scott Driscoll said



yes and he is going to reach out to Tony Teberio. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "YES", Rick Jordan: "YES"

**PRIT Private Equity Vintage Year Payment Due Notice Dated 3/1/2021**

Notifying the Board that a private equity vintage year payment of \$35,609.20 is due to PRIM on 3/1/2021

Robert Maiocco motion to approve the PRIT Private Equity Vintage Year Payment Due Notice Dated 3/1/2021 notifying the Board that a private equity vintage year payment of \$35,609.20 is due to PRIM on 3/1/2021. 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"

Patrick Ripley motion to suspend the normal order of business for NEPC, MFS and Lazard to present. 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"

**International Equity Manager Search Interviews:**

9:40am: Massachusetts Financial Services (MFS)

Ann Marie Costello and Ed Hwang from MFS presented at 9:40am referencing their handout dated February 25, 2021. Ann Marie Costello thanked the Board and apologized for not being able to meet in person indicating that she is from the south shore. Ms. Costello reviewed the plan's team members and experience along with their approach. She reviewed the goal, philosophy and risks indicating that they are focused on the long term and own stocks for greater than 7 years and focus on downside risk. Ms. Costello reviewed returns in different markets from 1996 through December 2020, reviewed their global teams and their strategy. Robert Maiocco said you mentioned that you don't speculate in your investments, that means no bitcoin? Ann Marie Costello answered, no bitcoin – steady businesses – and reviewed page 10 of their presentation which lists the types of companies they invest. Robert Maiocco said public retirement funds are restricted on companies they can invest in, for example tobacco companies etc.. Ed Hwang answered that historically they haven't had any exposure but do not have a mandate to not invest in those companies. Ann Marie Costello said in regards to PERAC, there is nominal exposure to some of these companies, but if you are in a fund you are purchasing the fund, not individual stocks. Ed Hwang said the fund is a comingled vehicle and everyone invested follows the same strategy and other Massachusetts pension funds have been invested in the fund without issues. The portfolio offers downside protection, using quality companies. Ed Hwang referred to page 3 of their presentation and explained the portfolio return in comparison to the benchmark rolling over 1,3,5 and 10 years. Ed Hwang and Ann Marie Costello thanked the Board for their time and asked if anyone has any questions. Chairman Rick Jordan asked if anyone has any additional questions? Robert Maiocco asked about their proposed fee. Ed Hwang answered 70 basis points. Is that fee negotiable? Ed Hwang answered that this is a comingled fund and the fee is standardized across all clients, so the fee is non-negotiable. Rick Jordan asked if they have any other Massachusetts pension clients in this strategy? Ed Hwang said yes, 4 public Massachusetts pension clients in this strategy. Scott Driscoll asked if they are used to dealing with PERAC? Ed Hwang said yes and no issues with PERAC with any of their clients and one of them have been in this strategy for 20 years. Rick Jordan asked if anyone else has any questions? Rick Jordan thanked MFS for presenting. MFS left the meeting.

Rick Jordan Asked Robert Maiocco if his questions were answered? Robert Maiocco said yes, they have experience with PERAC's rules and regulations. Rick Jordan said PERAC would have had to approve their other clients investing in the strategy.

Aleesha Nunley Benjamin asked Scott Driscoll what are paying for fees with Lazard? Scott Driscoll answered 80 basis points.



Patrick Ripley asked Scott Driscoll if the unit of basis points is the same for each company? Scott Driscoll answered yes .07% and .08%.

Robert Maiocco said that NEPC's report (page 42) is showing that Lazard fee is blended at 75 basis points. Scott Driscoll said Lazard is a mutual fund and there is no tiered fee schedule, pay one fee. 80 basis points. Robert Maiocco said page 42 is incorrect? Scott said 75 basis points is the estimate and he will look at the report and thanked Bob for pointing that out.

10:20am Frank Sposato and Mike Bennett from Lazard joined the meeting. Frank Sposato and Mike Bennett began their presentation referencing their handout dated February 25, 2021. Mr. Sposato thanked the Board for being a client for the last 7 years and summarized the firm indicating that assets under management are \$229.7B across all strategies and a lot of rebalancing throughout 2020. They are a relative value manager and international equity is the biggest section of the strategy – this is what they do every day. Mr. Sposato said they have a number of Massachusetts public pension fund clients and indicates that they do well in down markets focusing on value. Mike Bennet reviewed the strategy's team referencing page 8 of their presentation indicating a long tenure. Over this time their philosophy has not changed through different markets. Referencing page 16 of their handout, Mike Bennet compared the strategy's performance compared with the MSCI EAFE index rolling 3 year annualized returns since inception focusing on the consistency of the product. 2014 – 2016 were very fundamentally driven periods and those periods are where we do best. The last several years have been marked by growth and strong markets, but not our best periods, historically we give nice downside protection and well in fundamentally driven markets and feels that we are moving back towards a fundamentally driven market. Mike Bennet compared valuations and earnings growth referencing page 27 of their handout indicating looking at growth versus value over the next year are projected to be even, but growth cost is 27 x EPS vs value at 13 x EPS, so for the same returns, value is less than 50% of the cost for growth. Finding more value ideas at this time. Referencing page 29 of their handout, Mike Bennet compared value vs growth markets since inception, 2010 – 2013 did well. Over the last 4 years the extreme expensive growth market is rare and unlikely to return. Most expensive tech driven stocks will come down.

Rick Jordan asked if anyone has any questions?

Robert Maiocco asked your value bet; how does that group of stocks do in a rising rate environment? Mike Bennet answered that since the middle of 2016 monetary policy has been driving the markets and is great for growth stocks. The last 6 to 12 months there is a shift from monetary markets to fiscal policy, which is great for the real economy, financials, energy and autos but not so great for growth and technology stocks. Robert Maiocco asked what is your view on bitcoin? Mike Bennet said no bitcoin, not here.

Rick Jordan asked Scott Driscoll if he had any questions? Scott Driscoll asked if there has been any flows out of the fund more recently? Mike Bennet answered, we been seeing a lot of interest in international and positive flows in last quarter, yes very positive for the international platform.

Mike Bennett thanked the Board and hope to continue to move forward with the relationship. Lazard left the meeting.

Scott Driscoll said we just heard two different managers, look at MFS they are a growth at a reasonable price "GARP" manager and we can see this in looking at their longer-term performance, of MFS relative to the benchmark. Lazard is on the opposite side of the spectrum having more of a value tilt. So during these growth environment, value will underperform these GARP managers and when we come out of these markets, is when we see value and small companies adding more value. MFS is pretty much all large cap companies and is more in line or directional with the benchmark and Lazard has a higher tracking level. We are more favorable to a higher tracking level. Mike Bennet pointed out that markets are transitioning to a more



fiscal stimulus market and this is where value tends to outperform and post positive results. I don't think we can go wrong with either company, we should look at the growth, value metric and how they perform over the environments.

Rick Jordan asked if we increased our position with Lazard? Scott Driscoll answered yes, when we terminated the William Blair fund. Lazard's target is 11%.

Pat Ripley asked, if we view our plan as an arch, the center stone is the key part of the arch, if that's taken out the arch will collapse. Lazard said they perform well in a down market? Scott Driscoll answered yes, with a value tilt less volatility, they participate less in a down market. Patrick Ripley asked if Lazard is our "center stone"? Scott Driscoll answered international equity is part of the overall equity of the plan and they are all playing a key role. US and emerging markets are more favorable. US markets are favorable because of fiscal policy – we should think of them collectively.

Aleesha Nunley Benjamin said she feels MSF is more attractive with the cheaper fees. Comparing MFS performance with Lazard, not far off, the performance is comparable. As a Board member, I would want to move to MFS. Scott Driscoll answered, yes that's fair to look at. I do want to point out that MFS having a growth bias has done very well in a growth market and has been a key performer. 4Q2020 is the first time in a long time that we have seen value outperform growth. Lazard outperformed MFS by over 300 basis points during that quarter. Growth Stocks in the SP500, tech names, make up 25% of the benchmark and returned 60% in 2020 relative to 495 other stocks that returned 6%, it was all growth heavy. It comes down to the value, growth dynamic. If we see a huge sell off in tech, it could have a negative impact. Aleesha Nunley Benjamin referenced page 13 of NEPC's presentation and reviewed the following calendar year returns net of fees and said I feel they are so close and with MFS being a better performer, we can save on fees, so I would pick MFS.

## CALENDAR YEAR RETURNS - (NET OF FEES)

	Bench mark	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>International - EAFE</b>											
Lazard - Intl Strategic Eq	1	10.6%	21.6%	-10.4%	27.9%	-5.2%	-1.7%	-1.5%	25.0%	25.0%	-9.7%
MFS - International Equity	1	11.0%	28.4%	-10.8%	28.0%	0.1%	-0.2%	-4.4%	19.1%	22.4%	-9.5%
<b>Actual Index Return</b>											
1 MSCI EAFE-ND		7.8%	22.0%	-13.8%	25.0%	1.0%	-0.6%	-4.9%	22.8%	17.3%	-12.1%

Rick Jordan said that the returns are very close and we have entrusted Lazard with additional funds to increase our position and we had a relationship with them for 7 years and they have done what we needed them to do and I don't see us gaining much from moving from Lazard to MFS. I would make a motion to continue with Lazard. Aleesha Nunley Benjamin said her only issue with Lazard is the management fees, if they had the same management fees, I would agree. But since MFS is cheaper, I would go with MFS. Rick Jordan said we have different opinions.

James Vieira motions that we go with Lazard. On the motion, Robert Maiocco said in the investing game, it's the old Wayne Gretzky moto, skate where the puck is going, not where it has been and over the past 10 years, growth has outperformed value big time, people I follow in the investment business, their bet is value will outperform growth, and you can see it in the market now, and I think that will continue. I'm a stickler on fees especially when dealing with other people's money, but I don't see MFS outperforming Lazard to make a change. I'm going to stick with value, Lazard. Motion second by Pat Ripley. Pat Ripley on the motion, said he is a team guy and this team we put together collectively has worked well and I don't see to change it at the moment with the closeness of these two companies, I thought about MFS a lot and I like the home aspect, but I don't want to breakup "the arch" at this time, and will stick with Lazard. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Aleesha Nunley-Benjamin: "NO", Rick Jordan: "YES" Chairman Rick Jordan said 4 in favor, 1 negative, motion passes.



11:00am Aleesha Nunley-Benjamin left the meeting.

Scott Driscoll reviewed the Market and fund's January performance referencing NEPC's presentation dated February 25, 2021. Scott shared his presentation digitally with the group and reviewed the Market update as of January 31, 2021, comparing the equity and credits markets ytd, 1,3 5 and 10yr. The Russell 2000 was up 3% in January and this is in line with what was mentioned earlier, we are seeing value and smaller companies start to add value and participate in an up market. Discussion about covid and impact on the US and emerging markets. Discussion on rising rates impact on bond pricing. NEPC's exceptions on core bonds have come down over the past years and projecting performance 1.5% – 1.7% over 10 years and 2% to 2.5% over 30 years. Mr. Driscoll reviewed the vix index from 2011 to current and said volatility has reentered the market and we need to have a well-diversified plan to weather the volatility and I feel we have a good plan to protect assets and we also returned 12% in 2020. Mr. Driscoll reviewed the fund's performance as of January 31, 2021 indicating the fund balance was \$224.6M and reviewed the past 3 months, 1,3,57, years for each strategy indicating that City of London, and the S&P 500 added value. Discussion about PRIM's real estate and hedge funds and Mr. Driscoll said PRIM's hedge funds struggled in 2020, but had positive results in January. Mr. Driscoll said we will revisit hedge funds along with asset allocation recommendations next month. Mr. Driscoll reviewed the past 10 years fund growth (page 46 of handout) indicating that the fund had a net investment change of \$115.2M over 10 years and grew from a market value of \$146.6M to \$224.6M. Comparison of the fund's performance in comparison to peer universe indicating that Medford was very close to the median.

Rick Jordan asked if anyone had any questions or comments?

11:30am Scott Driscoll left the meeting.

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"

#### **PERAC Memo # 9 / 2021 – Actuarial Data**

Patrick Ripley motion to place on file PERAC Memo # 9 / 2021 – Actuarial Data. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

#### **PERAC Memo # 10 / 2021 – Forfeiture of Retirement Allowance for Dereliction of Duty by Members**

Patrick Ripley motion to place on file PERAC Memo # 10 / 2021 – Forfeiture of Retirement Allowance for Dereliction of Duty by Members. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

#### **The MACRS Fiduciary and Fidelity Coverage has been Renewed**

The certificate as proof of Insurance has been received.

James Vieira motion to place on file that the MACRS Fiduciary and Fidelity Coverage has been Renewed and the certificate as proof of Insurance has been received. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

### **7. Unfinished Business:**

#### **Job Posting to Fill Open Retiree Analyst Position**



Update: Received resumes, two potential candidates. Conducted one interview on 1/21/2021 and second interview on 2/10/21.

Mark Minervini updated the Board on the interview with Carol Powers and said she would be a good fit. She has the experience and skill sets needed to perform the duties of the job. Carol also brings additional experience; her knowledge of Medicare and retiree insurance benefits and knowledge of how the city operates is beneficial. Carol's current annual salary is \$64k and I told her that the position currently pays \$57.9k at step 5. She said she feels the position is a good fit, but cannot take a cut in pay and would be happy with a lateral pay move. Mr. Minervini continued and explained that the current office environment has changed over the years as we transitioned away from paper, pencil and calculators to spreadsheets, cloud based computing and digital files. These changes improved services to our members and retirees, allowed us to operate seamlessly during the pandemic, and streamlined our operation. In the past hiring clerks or bookkeepers worked well, but over the years Chapter 32 has become increasingly complex and we now rely on technology to complete some of the complex calculations. Mr. Minervini feels that we need employees who have experience working in a professional, office environment using the latest software and technical tools. This should be our "baseline" requirement for any candidate, and then determine if the candidate has additional skill sets and experience needed for the position, such as Chapter 32 experience or working in a municipal environment, financial background, etc. Mr. Minervini informed the Board that a 4<sup>th</sup> position is in the budget, this is a clerical position at union CAF-3, step 1 with an annual salary of \$46,720. Tasks that were once assigned to this 4<sup>th</sup> position have been absorbed by the other positions. Mr. Minervini recommends the Board consider eliminating the fourth position from the budget and reclassifying the pay scale for the Retiree Analyst and the Assistant Administrator's positions. Adjusting the pay scale in these positions will help in recruiting people with the professional experience and also with employee retention. Mr. Minervini would like the Board to consider reclassifying the retiree Analyst position from non-union CAF – 6 to CAF – 7. and offer the position to Carol Powers at CAF-7, step 5. At step 5, the annual salary is \$64,668 and this will be an annual increase of \$6,750 over CAF-6 step 5. I believe Carol would accept the position at \$64,668. To keep sufficient separation in pay between positions, Mr. Minervini asked the Board to consider reclassifying Michelle's position as Assistant Administrator from non-union CAF – 11 to CAF – 12. At CAF -12 step 4, the annual salary is \$76,692. This will be an annual increase of \$6,030 at step 4. Michelle is also scheduled to move to step 5 in April and begin receiving longevity pay. Michelle has the professional background, technical abilities and experience we are looking for. She is familiar with the city's operation and acquired Chapter 32 and PERAC knowledge over the past 5 years. Removing the 4<sup>th</sup> position and reclassifying both positions will reduce the budget by \$33,940 in salaries. In addition, remove estimated overhead cost of \$16k associated with the fourth position by eliminating the need to purchase a fourth computer, printer, software user licenses, desk space, health insurance, supplies, etc.

Rick Jordan asked James Vieira, with your HR background, how can we achieve this?

James Vieira answered that he supports Mark Minervini's idea and said we have kept up with the technology placed on the Board and he is introducing more of a professionalism into the positions in a way that is saving us money rather than costing money. Avoiding a salary collision is also improving our employee retention factor, and we can't blame Carol for not coming in for less than she is making now and is a good reason to elevate that position to a professional level. Another benefit is if Carol doesn't stay very long, the pay scale will be more attractive when recruiting. I support it 100%.

Rick Jordan asked if anyone has any other comments?

Robert Maiocco said he thinks the presentation is good, saving money and eliminating a position is good. The question is how long will Carol stay? But as Jim said, elevating the position's salary will make it more enticing if she has to be



replaced. Rick Jordan said people who work in City Hall tend to work longer. Robert Maiocco said he supports the position and the proposal.

Patrick Ripley said we have an excellent plan put together by our Administrator. We have a team that is crucial and the skills our Administrator brought with him is very applicable. We are looking forward and I have no issue with restructuring. People come and go, but the structure is more important.

Rick Jordan said he would like in the form of a motion to accept the new employment proposal presented by Mark Minervini and see if Carol is interested in coming to work for us.

Robert Maiocco motioned to accept the new employment proposal presented by Mark Minervini and ask Carol if she is interested in coming to work for us. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

James Vieira said he would like to make a recommendation, having accepted the employment proposal above, would like to address another responsibility we have and that is avoiding a salary collision and not only that, compensating Mark for keeping up with the responsibilities placed upon him, I would like to make a motion to create a performance review for Mark Minervini so we can evaluate his performance and document it for the record. With the idea of changing Mark Minervini's title to Executive Director and document his position description to give the Board the opportunity to rate performance and look at his salary and make recommendations on where his salary should be and provide cost of living increases so we can retain him.

James Vieira motions to change the Administrator's title to Executive Director, develop a clearly defined job description accompanied by a performance evaluation, and in the future evaluate his performance and salary. Patrick Ripley seconds the motion. On the motion, Robert Maiocco asked is there is a database of salaries for this position? Mark Minervini said there has been a recent salary survey that circulated, and he can request a copy of it. James Vieira said there's a lot of data out there and it's the direction to go in. Robert Maiocco said ok. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

#### **Stephen McAweeney's Medical Panel Results**

Panel Results sent to Michael Sacco for review because 2 out of 3 doctors indicated that Mr. McAweeney is permanently disabled. Mr. Sacco's review has been distributed to the Board.

Chairman Rick Jordan asked the Board if everyone read the medical panel results for Stephen McAweeney. Patrick Ripley answered that he did read the panel results, first the medical panel certificate and said that 2 doctors responded that Mr. McAweeney is permanently disabled, and 1 doctor said he was not, and anytime we had a 2 to 1 result, we would forward to our attorney, correct? Rick Jordan answered, yes you are correct. Patrick Ripley said ok, we did do that and I was a little confused about the report, and as far as I'm concerned, all our certifications are in order, it's a 2 to 1 in favor and I'm good with sending it to PERAC, and if there are issues, we can always address them later. Rick Jordan asked if anyone else has any comments? James Vieira said he is in agreement with Pat and agrees that when we have a 2 to 1 majority and if we feel comfortable passing it, we can send it to PERAC. Robert Maiocco said that in Mr. Sacco's opinion, the last paragraph sums it up and says the Board "may" wish, not shall, ask the panel for clarification and that's his recommendation, but also says we can decide, and I have no problem sending it in, the majority rules as far as I'm concerned. Rick Jordan said ok, a motion is in order.

Patrick Ripley motions to approve Stephen McAweeney accidental disability and send to PERAC. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES".  
4 affirmative, 1 absent. Motion passes.



## 8. New Business

### COLA Decision Deadline

By statute, a vote should be completed prior to June 30, 2021

Robert Maiocco asked the amount the Board approved for cola last year, 3%? Rick Jordan answered yes. Rick Jordan continued and said when we did the actuarial study last year we made some compromises that helped the city out and lowered the appropriation over \$1M, and when the meeting was over I stated there should be no questions with the Board giving a 3% cola next year based on what we have done for the city. Rick Jordan continued and said at that time, I made a statement about raising the cola base, but understanding the situation the city is in, claiming a \$6-8M deficit, I am willing to postpone the increase of the cola base until next year, but I'm pretty firm on the 3% cola for FY2022. Robert Maiocco asked Mark Minervini what is the dollar amount on a 3% cola? Mr. Minervini answered, the maximum is 3% of 16K is \$40/month, \$480 year per retiree. The monthly retiree payroll will increase approximately \$20k/ month or \$240k / year - approximate. Robert Maiocco asked Rick Jordan, you are recommending keep the base and approve 3%. Rick Jordan answered yes.

Robert Maiocco motions to approve 3% cola with 16k base. On the motion, Patrick Ripley asked who pays the 3% cola, the city or the retirement Board? Rick Jordan said it's included in the appropriation and was included in the actuarial valuation, the city already has the cola figures built into their appropriation, so we are not changing in that respect. Patrick Ripley asked, so it comes from the city's appropriation. Rick Jordan answered correct. Patrick Ripley said ok, I think it's wise to hold off on the base increase, although I know it's an issue with the Board, but the cola is there and retirees will be looking for it particularly now, when people need it most. I support the 3% cola. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES".  
4 affirmative, 1 absent. Motion passes.

### New Employees:

<u>Name</u>	<u>Unit</u>	<u>Position</u>	<u>Hire Date</u>	<u>FT/PT</u>
Ryan Donnelly	School	Paraprofessional	1/4/2021	Full Time
Grace (Cameron) Rusin	School	Paraprofessional	12/14/2020	Full Time
Michaela Maunsell	School	Paraprofessional	10/26/2020	Full Time
Nina Nazarian	City	Procurement Office	10/28/2020	Full Time
Stephanie Despins	School	Paraprofessional	11/16/2020	Full Time
Mwavita Muderhwa	School	Kindergarten Aide	10/19/2020	Full Time

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

### New Retirees:

<u>Name</u>	<u>Unit</u>	<u>Option</u>	<u>Retirement Date</u>
Richard Lebert	CTY	Superannuation Option C	4/30/2021

Patrick Ripley motion to approve retirement for Richard Lebert effective 4/30/21. Motion second by James Vieira. Robert Maiocco on the motion said he must recuse himself from the vote, Richard Lebert is a close relation and on the side of caution, I must recuse myself from the vote. Rick Jordan said ok. Roll Call Vote: Patrick Ripley: "YES", James Vieira: "YES", Rick Jordan: "YES". Rick Jordan said Robert Maiocco was present.



9. **Executive Session**

N/A

10. **Adjournment**

Next meeting scheduled for March 31, 2021 at 9:30am

Robert Maiocco motioned to adjourn meeting. Motion second by Patrick Ripley.  
Motion passed by all members voting in favor. Roll Call Vote: Patrick Ripley:  
"YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

A true Record by: Mark Minervini On 2-25-2021  
Mark Minervini

Rick Jordan Chairman Aleesha Nunley Benjamin Ex-Officio

James Vieira Patrick H. Ripley

Robert Maiocco