

203

**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on
3-31-2021 at 9:30am VIA VIDEO CONFERENCE AS A RESULT OF COVID-19
AND IN ACCORDANCE WITH PERAC MEMO #15/2020**

Please join my meeting from your computer, tablet or smartphone.

<https://www.gotomeet.me/MedfordRetirementBoard>

You can participate without video using your phone.

United States: +1 (571) 317-3122

Access Code: 254-798-029

1. 9:30am Call meeting to order.
Roll Call: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES",
"YES", Rick Jordan: "YES"
Present: Rick Jordan, Patrick Ripley, James Vieira, Robert Maiocco
Absent: Aleesha Nunley-Benjamin
Others Present: 9:30am: Scott Driscoll and Kiley Fischer from NEPC
2. Reading of notice & certificate – Meeting Notice Posted on March 22, 2021
Patrick Ripley motion to place on file the Board meeting notice and certificate that
was posted on March 22, 2021. 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
James Vieira motion to waive reading of previous meeting by secretary. Motion
second by Robert Maiocco. 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 February 25, 2021.
Robert Maiocco motion to approve the minutes of the Board meeting held on
February 25, 2021. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley:
"YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Patrick Ripley motion to suspend the normal order of business for NEPC to present.
Motion second by James Vieira. 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"

Scott Driscoll from NEPC began his presentation referencing NEPC's handout dated
March 31, 2021. Scott Driscoll provided a market update referencing page 4 of
NRPC's handout. Mr. Driscoll reviewed month to date as of February 2021
indicating that the S&P500 was up 2.8% for the month and 31.3% for the one-year
trailing. Mr. Driscoll indicated that the one-month trailing will change next month
when March 2020 drops off. The Russell 2000 is up 11.6% YTD. Mr. Driscoll
indicated that value stocks are turning around and starting to outperform growth,
referencing page 13 of the handout. Rick Jordan asked Scott Driscoll how do you
think the infrastructure package will affect the economy? Scott Driscoll answered
that he hopes the infrastructure package will help sectors that have been left behind
such as the labor and service sectors. Robert Maiocco asked Scott Driscoll what's his
perspective if the fixed income continues to underperform, regarding the fixed
income portion of the fund which represents 23.8%, what's your projection? Scott
Driscoll answered that income core bonds, NEPC is projecting over 10 years 1.7%
and over 30 years 2.7%. So we don't want to be over allocated. The fixed income
portion of the fund added value during the sell off in 2020. Some of the risks are in
credit and interest rate sensitivity. The TIPS portfolio will protect in an inflationary
period but also provides protection by offsetting equity risk. Mr. Driscoll reviewed
the net performance of the plan indicating the fund balance as of February 2021 is
\$224.4M and was up 1.5% in February and 1.2% YTD. Mr. Driscoll indicated that
total equity was up 3.4% in February and 2.9% YTD. Mr. Driscoll continued and
reviewed prior month, YTD, 1, 3, 5, 7 and 10 years return for international equity, fixed
income, private equity, real estate and hedge funds. Robert Maiocco asked if we

discussed asset allocation last meeting? Scott Driscoll answered that last December the Board made a change to asset allocation terminating global asset manager William Blair and redistributed into equity markets and fixed income, this redistribution is in line with NEPS's current themes going into 2021. Dr. Driscoll added that NEC's assumptions have been pulled back and forecasting US large cap equities over a 30-year period to return 6.3% and a year ago we were forecasting 7% over 30 years, so our assumptions have definitely pulled back. We are striking an appropriate risk balance where we can move towards the actuarial rate of return. Scott Driscoll informed the Board that we should begin manager reviews next month and suggested we invite Loomis to the next Board meeting. Rick Jordan said ok and to coordinate with Mark Minervini.

Discussion about meeting in person next month and it was decided to continue meeting using gotomeeting.

10:15AM Scott Driscoll left the meeting.

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", Rick Jordan: "YES"

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

Warrant S14

Chelsea Retirement System - 3(8)C Payment	\$2,982.89
Concord Retirement System - 3(8)C Payment	\$16,342.52
New Bedford Retirement System - 3(8)C Payment	\$15,670.43
Stoneham Retirement System - 3(8)C Payment	\$7,946.95
Massport Retirement System - 3(8)C Payment	\$4,183.79
Morgan Records Management, LLC - March 2021	\$21.00
Mark Minervini - Reimbursement for February 2021 Conference call & Gotomeeting	\$43.47
Law Offices of Michael Sacco, PC - Legal Services for January	\$1,025.00
Toshiba America - Copier Lease	\$26.36
Mass. Teachers Retirement System - 3(8)C Payment	\$171,942.91
Cecelia Ryan-Mouncey - Refund	\$16,544.79
IRS a/c Cecelia Ryan-Mouncey - Refund	\$4,136.20
Vanguard - Rollover Heather Grada-Durbeck (School)	\$1,561.55
Andresa Ata - Refund	\$7,950.00
IRS a/c Andresa Ata - Refund	\$1,987.50
Barbara Dalessio - Death Refund (Frank Dalessio DOD 1/27/21)	\$49,676.78
IRS a/c Barbara Dalessio - Death Refund (Frank Dalessio DOD 1/27/21)	\$12,419.20
Formax - Pressure Sealer	\$3,729.25
Cambridge Retirement System - 3(8)C Payment	\$8,128.96
Everett Retirement System - 3(8)C Payment	\$2,731.19
Ready Refresh - Office Water	\$3.00
People's United - Custodial Services Jan 2021	\$3,729.42
State Retirement Board - Transfer Shabnam Khan (4 Years, 1 Month Service)	\$144,237.20
State Retirement Board - Transfer Allysha Roth (4 Months Service)	\$843.49
NEPC - 1Q2021	\$20,000.00
Proshred -	\$35.00
Framingham Retirement Board - 3(8)C Payment	\$7,654.97
Kingsbury Press -	\$256.64
Boston Retirement Board - 3(8)C Payment	\$8,543.51
Wakefield Retirement Board - 3(8)C Payment	\$3,353.73
Total Bills Warrant S14	\$517,707.70
Staff Salaries	3,473.48
Medicare	-
Massachusetts SUI	-

MA Helth Ins/EMAC	-
Harpers Payroll Fee	-
Expense Total	\$521,181.18
Pension	1,503,646.47
Annuity	326,713.13
*Retiree Payroll Total	1,830,359.60
Warrant S14 Total	\$2,351,540.78
Prior Warrants	
Schedule 10	3,550.06
Schedule 11	3,564.81
Schedule 12	3,589.32
Schedule 13	6,975.22
Reference Total	17,679.41
Grand Total Warrant S14 with Prior Warrants	2,369,220.19

***Leona Greenwood Deceased Retiree Option B Payment**

Leona Greenwood passed away 10/22/2016. After several unsuccessful attempts to notify her spouse, Robert J. Greenwood, the Option B payment was not paid. Robert J. Greenwood passed away on 2/14/2021 and his family found the letters we sent when Leona passed away notifying him of the option B refund. The following Option B refund is included in the pension payroll, 20% federal tax withheld on gross amounts below

Robert E.H. Greenwood (Opt B Refund Payment)	2,771.07
The Estate of Robert J. Greenwood (Opt B Refund Payment)	5,542.13
Nancy Greenwood (Opt B Refund Payment)	<u>2,771.07</u>
Total	11,084.27

Robert Maiocco asked if the \$144,237.20 transfer to State is for Shabnam Khan, the previous procurement officer? Mark Minervini answered yes. Robert Maiocco asked why the amount is so high? Mark Minervini explained that Shabnam Khan had a transfer in from the State when she was hired.

Patrick Ripley asked if the warrants total of \$2,369,220.19 is abnormally high? Mark Minervini answered, yes because we have a lot of 3(8)C payments and a large transfer to State.

A motion was made by Patrick Ripley and second by James Vieira to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S10, S11, S12, S13 and S14. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

6. Report of Chairman:

Letter of Direction to Rhumblin Dated 3/11/2021

James Vieira motion to place of file the Letter of Direction to Rhumblin Dated 3/11/2021 instructing Rhumblin to Transfer \$750,000 from the System's S&P 500 account on the next trade date and wire the funds to People's Bank. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Letter of Direction to Loomis Sayles Dated 3/11/2021

Patrick Ripley motion to approve the Letter of Direction to Loomis Sayles Dated 3/11/2021 instructing Loomis Sayles to Transfer \$750,000 from the System's Small Cap Value Fund on the next trade date and wire the funds to People's Bank. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Wire Transmittal Letter Transferring \$1,750,000 From People's Bank to Century Bank.

Robert Maiocco motion to place on file the Wire Transmittal Transferring \$1,750,000 from People's Bank to Century Bank on 3/18/2021 to fund March 2021 expenses and pension payroll. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PRIT Confirmation Notice Dated 3/1/2021

Patrick Ripley motion to place on file the PRIT Private Equity Vintage Year Confirmation Dated 3/1/2021 notifying the Board that PRIM received a payment of \$35,609.20 on 3/1/2021. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PRIT Distribution Notice Dated 4/1/2021

Robert Maiocco motion to place on file the PRIT Distribution Notice Dated 4/1/2021 notifying the Board that a distribution of \$33,043.02 will be wired to People's Bank 4/1/2021. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo # 11 / 2021 – Benefit Calculation Submissions Via PROSPER

James Vieira motion to place on file PERAC Memo # 11 / 2021 – Benefit Calculation Submissions Via PROSPER. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo # 12 / 2021 – Tobacco Company Approval

James Vieira motion to place on file PERAC Memo # 12 / 2021 – Tobacco Company Approval. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Memo # 13 / 2021 – 2020 Annual Statement of Earned Income Filing (91A)

Robert Maiocco motion to place on file PERAC Memo # 13 / 2021 – 2020 Annual Statement of Earned Income Filing (91A). Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Superannuation Waiver Approval

Robert Maiocco motion to place on file PERAC Superannuation Waiver Approval. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Annual Statement of the Financial Condition of The Medford Retirement Board

Robert Maiocco motion to approve Annual Statement of the Financial Condition of The Medford Retirement Board and submit to PERAC. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC 3(8)(c) Letter to Somerville

Robert Maiocco motion to place on file the PERAC 3(8)(c) Letter to Somerville Retirement Board Instructing the Retirement Board to reimburse the Medford Retirement Board \$7488.30 a year toward the retirement allowance of EDWARD LINEHAN, who retired October 13, 2020. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC 3(8)(c) Letter to State Retirement Board

James Vieira motion to place on file the PERAC 3(8)(c) Letter to State Retirement Board Instructing the Retirement Board to reimburse the Medford Retirement Board \$5689.94 a year toward the retirement allowance of LEONARD RILEY, who retired January 08, 2021. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC 3(8)(c) Letter to State Retirement Board

Patrick Ripley motion to place on file the PERAC 3(8)(c) Letter to State Retirement Board instructing the State Retirement Board to reimburse the Medford Retirement Board \$6410.72 a year toward the retirement allowance of WILLIAM BUTTS, who retired January 09, 2021. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

PERAC Actuarial Data Submission Confirmation

Patrick Ripley motion to place on file the PERAC Actuarial Data Submission Confirmation. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Carol Powers PROSPER Account Approval Application

Patrick Ripley motion to approve Carol Powers PROSPER Account Approval Application. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Lazard PERAC Procurement Approval Received 3/8/2021

Robert Maiocco motion to place on file Lazard PERAC Procurement Approval Received 3/8/2021. Motion second by Patrick Ripley. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

7. Unfinished Business:

Personnel Recommendations

Follow-up to last month's recommendations on performance appraisal and salary. Rick Jordan asked if we need to review anything from last month? James Vieira answered yes. James Vieira said last month we classified two positions, for Carol Powers we classified her position as CAF 7, Step 5 and for Michelle LaJoie's position CAF 12- Step 5 and there is a 22% difference in salary to avoid a salary collision. During last month's meeting we voted to change the functional title of Mark Minervini's position to Executive Director and we agreed that I (James Vieira) would do a survey and have a recommendation for the Board on the salary, using the money that was funding the 4th position and the recommendation being made will stay within budget. In the survey, there is a salary comparison of 10 Boards with a membership size comparable to ours and looked at the average salary for the Executive Director, which was \$110k and looked at the experience and compared them to our Executive Director and what he brings to the table, which is an average of 28 years. So, I'm (James Vieira) making a recommendation that we upgrade Mark Minervini title to Executive Director and fit it into the salary scale at a CAF 19 Step 3. This is going from a CAF 17 to CAF 19 and will elevate his salary to \$109,317 and allows 2 more years growth to step 5. This is an increase of \$450/month and including the other two upgrades, stays within the salary we budgeted for the 4th position that we agreed, due to our advancement in technology, we do not need in the future.

James Vieira motions to upgrade the Executive Director's salary to CAF 19 Step 3 at \$109,317. Motion second by Robert Maiocco. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Rick Jordan said vote is unanimous and agrees with what James Vieira spoke about and it's appropriate that we get Mark in line with the people who are in our universe.

James Vieira said there's one more piece we need to discuss to wrap this up, that we discussed lightly at the last meeting, and it addresses our fiduciary responsibility and I'm recommending that we put in place a performance appraisal review for Mark Minervini. There are three ways we can do this; Mark Minervini sent a copy of an appraisal form and we can use this form together at a meeting and do an evaluation as a discussion, or we can use that form to evaluate him individually and compress the results into one form or we can sit at the table and come up with a form, but there should be something in our files that shows we evaluated our Executive Director and

that we are satisfied with his performance and we all sign to it. The banking commission does it for banks and the national credit union league does it for credit unions and I feel we should have something on file just in case PERAC auditors ask for it. Rick Jordan said very good Jim and asked if someone will put that in the form of a motion.

Patrick Ripley motions to setup a performance appraisal review form to evaluate the Executive Director. Motion second by Robert Maiocco. Robert Maiocco commends Jim on his work and said Mark you deserve it. Patrick Ripley on the motion, said that he is totally happy with the Administrator and thanked James Vieira for his professionalism in handling this and presenting it in a way easy to understand. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

8. New Business

Michelle LaJoie's Annual Review

Patrick Ripley motion to place on file Michelle LaJoie's Annual Review. On the motion, Rick Jordan said to let Michelle know the Board appreciates her hard work. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Work Comp Insurance Renewal with The Hartford

Robert Maiocco motion to place on file Work Comp Insurance Renewal with The Hartford, Policy renews on 5/8/21 with an estimated annual cost of \$362.00. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", Robert Maiocco: "YES", James Vieira: "YES", Rick Jordan: "YES"

Consider Parent Information Center (PIC) Support Specialist as an Eligible Position for Membership. This is a part time school position, 25 hours per week. James Vieira motion to approve the school's Parent Information Center (PIC) Support Specialist as an Eligible Position for Membership. Motion second by Robert Maiocco. 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>
Sara Harris	CTY	Nurse	3/22/2021	FT

Robert Maiocco motion to accept membership for Sara Harris as indicated above. Motion second by James Vieira. Roll Call Vote: Patrick Ripley: "YES", James Vieira: "YES", Rick Jordan: "YES"

New Retirees:

<u>Name</u>	<u>Unit</u>	<u>Option</u>	<u>Retirement Date</u>
Peggy Kelley	SCH	Superannuation Option A	6/30/2021
Linda Bottari	SCH	Superannuation Option B	6/30/2021

Robert Maiocco motion to approve retirements listed above. 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 Thursday April 29, 2021 at 9:30am

James Vieira 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 3-31-2021
Mark Minervini

Rick Jordan Rick Jordan Chairman Aleesha Nunley Benjamin ABSENT
Ex-Officio

James Vieira James Vieira Patrick H. Ripley Patrick H. Ripley

Robert Maiocco Robert Maiocco

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