

**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on  
2-24-2022 at 9:30am in room 201 at Medford City Hall**

1. 9:30am Call meeting to order.  
Roll Call: Patrick Ripley "PRESENT", Robert Maiocco "PRESENT", William Fowler "PRESENT", Rick Jordan "PRESENT"  
Absent: James Vieira  
Others Present: Mark Minervini  
Scott Driscoll from NEPC
2. Reading of notice & certificate – Meeting Notice Posted on February 10, 2022  
William Fowler motion to place on file the Board meeting notice and certificate that was posted on February 10, 2022. Motion second by Robert Maiocco. Motion passed by all voting in favor.
3. Reading of Previous Meeting by Secretary  
Patrick Ripley motion to waive reading of previous meeting by secretary. Motion second by Robert Maiocco. Motion passed by all voting in favor.
4. Vote to approve the minutes of the Board meeting held on January 26, 2022  
William Fowler motion to approve the minutes of the Board meeting held on January 26, 2022. Motion second by Robert Maiocco. Motion passed by all voting in favor.
5. Bills, Communications, Refunds, Transfers, Payrolls, Etc.

**Warrant S8**

People's Bank - Custodial Services December 2021	\$4,369.43
Morgan Records - Services for January 2022	\$22.05
Mark Minervini - Reimbursement January 2022 Vast Conference and GoToMeeting	\$42.86
Cambridge Retirement Board - 3(8)(c)	\$8,128.96
Chelsea Retirement Board - 3(8)(c)	\$2,982.89
Peabody Retirement Board - 3(8)(c)	\$3,102.89
Plymouth Retirement Board - 3(8)(c)	\$3,365.23
Woburn Retirement Board - 3(8)(c)	\$58.00
Winchester Retirement Board - 3(8)(c)	\$418.98
Everett Retirement Board - 3(8)(c)	\$2,421.01
Katheen Greco, MD - Medical records for Brian Cronin	\$20.00
Kingsbury Press - 1000 pieces of letterhead	\$211.00
WB Mason -	\$175.66
WB Mason -	\$8.85
WB Mason -	\$78.03
Ready Refresh -	\$17.97
ShareCare - Medical records for Brian Cronin	\$113.02
Melrose Wakefield Healthcare - Medical records for Brian Cronin	\$59.67
Proshred -	\$36.75
Toshiba - Inv. 39437426	\$135.60
Haya Awwad - Refund	\$1,515.58
IRS a/c Haya Awwad - Federal tax withholding	\$378.89
Igor Tomaz - Refund	\$61,368.41
IRS a/c Igor Tomaz - Federal tax withholding	\$15,342.10
Staff Salaries	4,750.53
Medicare	64.06
Massachusetts SUI	4.75
MA Health Ins/EMAC	8.72
Harpers Payroll Fee	39.38
<b>Expense Total</b>	<b>\$109,241.27</b>
Pension	1,562,699.15
Annuity	349,272.16

COLA	-
Retiree Payroll Total	1,911,971.31
<b>Warrant S8 Total</b>	<b>\$2,021,212.58</b>
<b>Prior Warrants</b>	
Schedule 5	4,966.41
Schedule 6	4,874.58
Schedule 7	7,016.49
	-
<b>Reference Total</b>	<b>16,857.48</b>
<b>Grand Total Warrant S8 with Prior Warrants</b>	<b>2,038,070.06</b>

A motion was made by William Fowler and second by Robert Maiocco to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S5, S6, S7 and S8. Motion passed by all voting in favor.

#### 6. Report of Chairman:

##### **Letter of Direction to Rhumbline Dated 2/16/2022**

William Fowler motion to approve the letter of direction to Rhumbline dated 2/17/2022, instructing Rhumbline to transfer \$1,300,000 from the TIPS Account on the next trade date and wire the funds to People's Bank. Motion second by Patrick Ripley Motion passed by all voting in favor.

9:40am – James Vieira joined the Meeting

Patrick Ripley motion to suspend order of business. Motion second by James Vieira Motion passed by all voting in favor.

Scott Driscoll from NEPC informed the Board that the Rhumbline S&P 500 contract is coming up on 7 years in April, and due to PERAC's regulation, Mr. Driscoll recommends initiating a competitive search for an S&P500 index manager. Discussion about the search process and index managers.

Patrick Ripley motions to initiate a competitive search for an S&P 500 index provider. Motion second by William Fowler. Motion passed by all voting in favor.

Mr. Driscoll reviewed the Market and fund's January 2022 performance referencing NEPC's presentation dated February 24, 2022. Mr. Driscoll indicated that the Private Equity performance is not updated in the presentation and he will email an updated flash report to Mark Minervini. Discussion about the Federal Reserve's policy in response to inflation. Discussion about private credit vs private equity. Rick Jordan asked about companies that provide private debt? More detailed discussion about private debt. Mr. Driscoll said NEPC is favorable on private debt and will provide additional information at the March Board meeting. Mr. Driscoll discussed the fund's asset mix indicating that the current policy return is expected to be 6.5%, and that TIPS are overvalued, and recommends pulling down TIPS policy to 3% and increasing Private Equity policy to 10%, with this adjustment the expected return is 6.7%.

Patrick Ripley motions to reduce TIPS policy allocation to 3% and increase Private Equity policy allocation to 10%. Motion second by William Fowler. Motion passed by all members voting in favor.

Continued discussion about private equity and private debt. Mr. Driscoll said he will have recommendations for private debt for the March Board meeting.

Discussion about Ashmore. Robert Maiocco said Ashmore is still negative and we paid over \$60k in fees last year. Mr. Maiocco asked how long do we give them? Mr. Driscoll said he is not recommending that we terminate now, instead



wait about a year and continue to watch them. More discussion about inflation and Mr. Maiocco's concerns with Ashmore.

Discussion about the fund performance. Mr. Driscoll said the Fund's market value as of 1/31/22 is \$250.9M.

Additional discussion about private debt, inflation, geo political and market.

Patrick Ripley motions to have Scott Driscoll investigate private debt. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

10:45am Scott Driscoll left the meeting.

Patrick Ripley motion to return to normal order of business. Motion second by William Fowler. Motion passed by all voting in favor.

**Wire Transmittal Letter Dated 2/17/2022 Transferring \$1,500,000 From People's Bank to Brookline Bank.**

William Fowler motion to approve the Wire Transmittal Letter Dated 2/17/2022 Transferring \$1,500,000 from People's Bank to Brookline Bank. This wire transfer was completed on 2/17/2022 by Mark Minervini to fund February 2022 expenses and pension payroll. Motion second by James Vieira. Motion passed by all members voting in favor.

**PRIT Confirmation Notice Dated 2/1/2022**

William Fowler motion to place on file the PRIT Confirmation Notice Dated 2/1/2022 Notifying the Board that a Private Equity Vintage Year Program redemption of \$338,365.87 was wired to People's Bank on 2/1/2022. Motion second by James Vieira. Motion passed by all members voting in favor.

**PRIT Payment Due Notice Dated 3/1/2022**

Patrick Ripley motion to place on file the PRIT Private Equity Vintage Year payment due notice notifying the Board that a payment of \$248,756.09 is due 3/1/2022. Motion second by William Fowler. Motion passed by all members voting in favor.

**Michael Sacco All Client Memo – Vernava II**

Discussion about the memo from Michael Sacco. Decision to wait for PERAC to provide a memo with instructions.

William Fowler motion to place on file Michael Sacco All Client Memo – Vernava II. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

**Michael Sacco All Client Memo – Section 3(8)(c)**

Discussion about the memo. Rick Jordan asked if we have any 3(8)(c) billings that are affected? Mark Minervini answered not at this time.

Patrick Ripley motion to place on file Michael Sacco All Client Memo – Section 3(8)(c). Motion second by William Fowler. Motion passed by all members voting in favor.

**Davis Proctor Section 3(8)(c) Billing**

PERAC denying 3(8)(c) billing based on Option D retirement

Mark Minervini informed the Board that PERAC denied 3(8)(c) billings for Suzanne Proctor (survivor of Davis Proctor) because the survivor is an Option D. Michael Sacco said he believes this is incorrect and can draft a letter to PERAC or pursue with DALA. Mark Minervini informed the Board that the combined billing is approximately \$15k per year. Discussion about writing letter to PERAC and see if they change their position.

Patrick Ripley motion to have Michael Sacco compose a letter to PERAC. Motion second by William Fowler. Motion passed by all members voting in favor.

**PERAC Memo #8 /2022 – Actuarial Data**

William Fowler motion to place on file PERAC Memo #8 /2022 – Actuarial Data. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

**December 2021 Accounting Submitted to PERAC**

Rick Jordan asked Mr. Fowler if he had a chance to review the monthly accounting. Mr. Fowler said he has not and is only working 2 days per week. Mr. Fowler said he talked with Mark and expects to have time soon.

James Vieira motion to place on file that the December 2021 Accounting Submitted to PERAC. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

**Financial Annual Statement**

Mark Minervini informed the Board that a preliminary version of the Financial Annual statement is completed. Rick Jordan said the Board can review the statement over the month.

Patrick Ripley motion to place on file the preliminary version of the Financial Annual statement. Motion second by William Fowler. Motion passed by all members voting in favor.

**7. Unfinished Business**

**Paul Giordano Accidental Disability Application**

The medical panel results have been received and uploaded to Dropbox

Patrick Ripley said that he looked at all the documents and feels this case falls under the presumption and said Mr. Giordano had some unrelated issues that held up the process.

Patrick Ripley motion to approve Paul Giordano's accidental disability based on the medical panel results. Motion second by William Fowler. Motion passed by all members voting in favor.

**8. New Business**

**New Employees:**

<u>Name</u>	<u>Unit</u>	<u>Position</u>	<u>Hire Date</u>	<u>FT/PT</u>
Michael Viola	CTY	Lead Parking Meter Repairperson	1/10/2022	Full-time
Joanne Contaldi	SCH	Para - Connections Program	10/12/2021	Full-time

The Board requested the Lead Parking Meter Repairperson's job description for review before approving Michael Viola membership. Mark Minervini will provide the description for the March Board meeting.

William Fowler motion to approve membership for Joanne Contaldi. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

**Retirements:**

<u>Name</u>	<u>Unit</u>	<u>Option</u>	<u>Retirement Date</u>
Joseph Byrnes	CTY	Superannuation Option C	2/28/2022
Eunice Marcin	MHA	Superannuation Option B	4/5/2022
John Fusco	SCH	Superannuation Option C	5/6/2022

Patrick Ripley motion to approve retirement listed above. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

There was discussion about the legal process of notifying city council and the Mayor about the COLA base increase. Mark Minervini will ask an opinion from Michael Sacco.

9. Executive Session

N/A

10. Adjournment

Next meeting scheduled Thursday March 31, 2022 at 9:30am in City Hall Room 201.

Robert Maiocco motioned to adjourn meeting. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

A true Record by: Mark Minervini On 2-24-2022  
Mark Minervini

Rick Jordan Rick Jordan Chairman William Fowler William Fowler Ex-Officio

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

Robert Maiocco Robert Maiocco



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