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**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on
9-29-2022 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", Bob Dickinson "PRESENT", Rick Jordan "PRESENT", James Vieira "PRESENT"
Absent: None
Others Present: Mark Minervini, Michelle LaJoie
10:00am: Scott Driscoll from NEPC

2. Reading of notice & certificate – Meeting Notice Posted on September 12, 2022

Robert Maiocco motion to place on file the Board meeting notice and certificate that was posted on September 12, 2022. Motion second by Bob Dickinson.
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 August 30, 2022

Robert Maiocco motion to approve the minutes of the Board meeting held on August 30, 2022. Motion second by Patrick Ripley. Motion passed by all voting in favor.

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

Warrant S39

Morgan Records - August 22	\$22.05
Law Offices of Michael Sacco - Services for August 2022	\$1,234.00
Mark Minervini - Reimbursement August Vast Conference and GoToMeeting	\$42.75
Danielle Pelletier - Refund	\$20,822.75
IRS a/c Danielle Pelletier - Federal Tax Withholding	\$5,205.69
Frederick Perry - Refund on deductions owed	\$145.70
IRS a/c Fredrick Perry - Federal Tax Withholding	\$36.42
Frank Cappuccio - refund of excess deductions - no federal tax	\$69.10
Watertown Retirement Board - Transfer Jacqueline Ghoizzi: 1 month service	\$593.81
Somerville Retirement Board - Transfer Nicole Branley: 2 years 10 months service	\$5,043.26
MTRS - Transfer Corina Kapetanakis: 4 years 8 months of service	\$7,943.88
MTRS - Transfer Domenic D'Orsi: 1 month service	\$266.16
State Retirement Board - Transfer Christopher LaGrutta: 2 years 4 months service	\$11,007.17
PBI - Aug 22 - July 23	\$2,000.00
Proshred - August 2022	\$40.43
Proshred - September 2022	\$40.43
Ready Refresh - August 2022	\$17.97
Toshiba - July - Aug 22 overage, Sept contract, Aug-Sept overage	\$170.46
WB Mason - Office Supplies	\$11.91
WB Mason - Office Supplies	\$226.53
WB Mason - Office Supplies	\$73.41
M&T Global Custody Bank - July 2022	\$4,153.47
NEPC - Q3 2022	\$20,000.00
Staff Salaries	4,750.53
Board Stipends	-
Medicare	62.83
Massachusetts SUI	4.75

MA Health Ins/EMAC	-
Harpers Payroll Fee	39.38
Expense Total	\$84,024.84
Pension	1,599,849.39
Annuity	362,296.30
COLA	22,643.77
Retiree Payroll Total	1,984,789.46
Warrant S39 Total	\$2,068,814.30
Prior Warrants	
Schedule 36	5,864.45
Schedule 37	4,857.49
Schedule 38	7,132.58
Reference Total	17,854.52
Grand Total Warrant S39 with Prior Warrants	\$2,086,668.82

A motion was made by Robert Maiocco and second by Bob Dickinson. to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S36, S37, S38 and S39. Motion passed by all voting in favor.

6. Report of Chairman:

Letter of Direction to Loomis Sayles Dated 9/7/2022

Patrick Ripley motion to approve the Wire Transmittal Letter Dated 9/7/2022 Instructing Loomis Sayles to withdraw \$1,500,000 from the Multisector Full Discretion Fund on the next trade date and wire the funds to M&T Bank. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Letter of Direction to Rhumblin Dated 9/7/2022

Robert Maiocco motion to approve the Wire Transmittal Letter Dated 9/7/2022 Instructing Rhumblin to withdraw \$700,000 from the system's S&P500 Pooled Fund Index account on the next trade date and wire the funds to M&T Bank. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Letter of Direction to Rhumblin Dated 8/31/2022

Patrick Ripley confirmed that we talked about this? Rick Jordan said yes, we did a search and Rhumblin was the only company to respond.

Patrick Ripley motion to place on file the Wire Transmittal Letter Dated 8/31/2022 Instructing Rhumblin to redeem \$19,500,000 from the S&P 500 Pooled Index Fund (Account #L801) and transfer that amount to the new Russell 1000 Value Index Fund (Account #L840) on the next trade date. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Wire Transmittal Letter Dated 9/21/2022 Transferring \$1,650,000 From M&T Bank to Brookline Bank.

Robert Maiocco motion to approve the Wire Transmittal Letter Dated 9/21/2022 Transferring \$1,650,000 From M&T Bank to Brookline Bank. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

PRIT Confirmation Notice Dated 9/1/2022

Patrick Ripley motion to place on file the PRIT Confirmation Notice Dated 9/1/2022 notifying the Board that a Private Equity Vintage Year Program payment \$100,437.83 was received by PRIM on 9/1/2022. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

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PRIT Payment Due Notice Dated 10/3/2022

Patrick Ripley motion to place on file the PRIT Private Equity Vintage Year payment due notice notifying the Board that a payment of \$44,994.75 is due 10/3/2022. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

GoldenTree Distressed Fund IV LP Capital Call Notice Dated 8/31/2022

Robert Maiocco motion to place on file the GoldenTree Distressed Fund IV LP Capital Call Notice dated 8/31/2022 notifying the Board that a payment of \$657,664.38 is due on 9/12/2022. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Robert Maiocco asked if the paperwork for GoldenTree has been completed? Mark Minervini answered yes. The paperwork is complete and has been accepted by GoldenTree. Patrick Ripley asked if the payment has been made on 9/12? Mark Minervini answered yes.

GoldenTree Distressed Fund IV LP Capital Call Notice Dated 9/27/2022

Robert Maiocco motion to approve the GoldenTree Distressed Fund IV LP Capital Call Notice Dated 9/27/2022 Notifying the Board that a payment of \$553,600.00 is due on 10/7/2022. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

PERAC Memo #23 /2022 – Vacation Buybacks as Regular Compensation

Patrick Ripley asked if this affects us? Mark Minervini and Michelle Lajoie answered no.

James Vieira motion to place on file PERAC Memo #23 /2022 – Vacation Buybacks as Regular Compensation. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PERAC Memo #24 /2022 – Mandatory Retirement Board Training – 4th Quarter 2022

James Vieira motion to place on file PERAC Memo #24 /2022 – Mandatory Retirement Board Training – 4th Quarter 2022. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PERAC Memo #25 /2022 – Tobacco Company List

James Vieira motion to place on file PERAC Memo #25 /2022 – Tobacco Company List. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

PERAC Pension News

Robert Maiocco motion to place on file the PERAC Pension News. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

7. Unfinished Business

Funding Schedule Approval by PERAC

Mark Minervini explained that PERAC notified us that the funding schedule accepted by the Board has UAL on a 6.9% increasing through FY23, but Chapter 32 allows a maximum 4% increasing. However, since the Board has adopted a schedule with similar payments over the next few years, PERAC will allow the schedule adopted by the Board. Mark Minervini said that John Boorack talked with Dan Sherman.

Robert Maiocco motion to place on file PERAC Funding Schedule Approval. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Joseph Albano III - 91A Over Earnings Letter from PERAC

The hearing is scheduled for 10/25 at 9:00am in room 201. Michael Sacco is hearing officer. The Board meeting will follow the hearing. Rick will not be available for the meeting that day.

Patrick Ripley asked if Mr. Albano is pursuing this? Mark Minervini said yes and a 91A hearing is scheduled for October 25 at 9am and we will have the regular Board meeting following the hearing. Rick Jordan said he will not be available for the hearing and the meeting next month. Mark Minervini informed the Board that Michael Sacco is the hearing officer and he notified PERAC and Mr. Albano of the date and time for the hearing. Ken Hill from PERAC responded that he will attend, but Mr. Albano has not responded. A second notice (email) has been sent this morning (9/29) to Mr. Albano informing him that we have not received his confirmation and that a certified letter is being mailed to his home address.

James Vieira motion to place on file Joseph Albano III - 91A Over Earnings Letter from PERAC. Motion second by Bob Dickinson. 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>
Brianna Hansen	CTY	Technology / Reference Librarian	7/25/2022	full time
Sandra Reiniger	MHA	Resident Services Supervisor	7/25/2022	full time
Liam Brennan	CTY	911 Public Safety Officer	8/8/2022	full time
Lia Almekies	SCH	Behavior Specialist	8/29/2022	full time
Emilia Fajardo	SCH	Non unit English Learner Aide	8/30/2022	full time
Megan Souza	SCH	Paraprofessional	8/31/2022	full time
L'erin Cross	SCH	Paraprofessional	8/31/2022	full time
Ahmet Caus	CTY	Assistant Civil Engineer	9/12/2022	full time
Eric Brogna	CTY	Firefighter	9/18/2022	full time

Patrick Ripley asked if the above positions have been approved for membership? Mark Minervini answered yes.

James Vieira motion to approve membership for the employees listed above. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Retirements:

<u>Name</u>	<u>Unit</u>	<u>Option</u>	<u>Retirement Date</u>
Ann LaGambina	CTY	Superannuation Option B	9/30/2022
Steven Figelski	CTY	Superannuation Option C	9/6/2022

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

Discussion about an upcoming disability application and refunds due to deductions withheld on supplemental pay in conjunction with work comp (Vernava). Discussion about the 91A hearing next month and it was decided that Patrick Ripley will Chair the meeting and hearing next month. Discussion about Mr. Cappuccio's disability status and his retirement date. Michelle Lajoie informed the Board that his retirement date is 9/2 and that the retirement calculation has been sent to PERAC for approval.

10:00am Scott Driscoll joined the meeting.

James Vieira motion to suspend the normal order of business for NEPC to present.
Motion second by Patrick Ripley Motion passed by all voting in favor

Mr. Driscoll distributed the NEPC presentation dated September 29, 2022 and provided the Board with a market update as of 8/31/2022. Mr. Driscoll recapped July 2022 and reviewed the indexes indicating that most of the indexes are down - 15% year to date. Discussion about recent and continuation of Fed actions and expecting the interest rate to be 4.4% by year end – the Feds very aggressive posture as a reaction to inflation. Discussion about inflation and the impact on the markets. Discussion about bond prices, energy and real estate markets. Discussion about real estate, home prices and office real estate exposure. Discussion about companies work from home policies and the impact on commercial real estate. Discussion about inflation as compared to prior years, currently 8% plus. Discussion about value vs growth stocks and how growth stocks tend to perform better with rising rates and during inflationary periods. The Board made an investment into Rhumblin Russell 1000 Value Index Fund. Discussion about yield curve. Mr. Driscoll reviewed the fund performance and indicated the fund market value as of 8/31/2022 is \$234.2M. Patrick Ripley asked about our strategy and we have been holding our own, and asked about our strategy moving forward. Mr. Driscoll said that the strategy has been more conservative relative to other pension funds, we are going to have negative performance, but our defensive position will help. Discussion about private equity and private debt. Discussion about GoldenTree and opportunity available now because of the market sell off. This should help protect assets. Jim Vieira commented that we have made changes and asked about when NEPC thinks the Fed will reduce rate hikes. Discussion about private equity, the Board's commitments and policy versus portfolio position. Discussion about private equity following the market and future returns. Discussion about cash balances, capital calls and monthly operating cash requirements. Mr. Driscoll said he has been in contact with Mark Minervini and we have three managers that need review before year end, Loomis, Lazard and City of London. Rick Jordan said we had a motion that managers need to provide an update on-site every two years. Mr. Driscoll will reach out to the managers and coordinate with Mark Minervini. Discussion about coordinating the hearing and manager review. Additional discussion about private equity funding next year and concern about pulling money out of equity to fund private equity when the market is down. 11:00 Mr. 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

9. Executive Session

N/A

10. Adjournment

Next meeting scheduled for October 25, 2022 at 9:00am in City Hall Room 201.

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

A true Record
by:

Mark Minervini
Mark Minervini

On 9-29-2022

Rick Jordan

Chairman

Robert Dickinson

Ex-Officio

James Vieira

Patrick H. Ripley

Robert
Maiocco