

MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on 1-29-2024 at 9:30am in room 201 at Medford City Hall

1. 9:30am Call meeting to order.
Absent: None
Others Present:
10:15am Scott Driscoll, NEPC on Conference Call
2. Reading of notice & certificate – Meeting Notice Posted on 1/3/2024
Robert Maiocco motion to place on file the Board meeting notice and certificate that was posted on 1/3/2024. Motion second by Patrick Ripley Motion passed by all voting in favor.
3. Reading of Previous Meeting by Secretary
James Vieira 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 12/28/2023
Patrick Ripley motion to approve the minutes of the Board meeting held on 12/28/2023. Motion second by Robert Maiocco. Motion passed by all voting in favor.
5. Bills, Communications, Refunds, Transfers, Payrolls, Etc.

Warrant S5	
Brookline Positive Pay Fee - December 2023	\$16.36
Morgan Records - December 2023	\$52.22
Law Offices of Michael Sacco - December 2023	\$260.00
Mark Minervini - Go To Meeting & Vast Conference	\$45.30
Jennifer Intoppa - Mailing - Certified	\$43.65
Franklin Regional Retirement - 3(8)(c) Payment	\$2,242.70
Lawrence Retirement Board - 3(8)(c) Payment	\$7,663.78
Watertown Contributory Retirement System - 3(8)(c) Payment	\$35,332.50
Somerville Retirement Board - 3(8)(c) Payment	\$2,922.78
Greenfield Retirement Board - 3(8)(c) Payment	\$6,538.05
Lowell Retirement Board - 3(8)(c) Payment	\$10,173.57
ProShred - December 2023	\$40.43
Lydon & Murphy Insurance - Cyber liability Insurance Annual Premium	\$11,002.12
Ready Refresh - Water	\$3.00
Toshiba - January 2024	\$120.50
MACRS - 2024 Board dues	\$650.00
Garcia Hamilton - 4Q23 management fees	\$15,726.40
M&T Bank - November 2023	\$4,081.29
Rhumline - 4Q23 - SP500MAP	\$2,500.00
Rhumline - 4Q23 - SP400P	\$639.00
Rhumline - 4Q23- RU1000VP	\$1,457.00
Staff Salaries	\$5,239.65
Medicare	\$0.00
Massachusetts SUI	\$0.00
MA Health Ins/EMAC	\$0.00
Harpers Payroll Fee	\$0.00
Expense Total	\$106,750.30
Pension	1,656,225.47
Annuity	384,231.62
COLA	-
Retiree Payroll Total	2,040,457.09
Warrant S5 Total	\$2,147,207.39

Prior Warrants	
Schedule 1	5,500.28
Schedule 2	5,379.64
Schedule 3	5,379.64
Schedule 4	7,753.48
Reference Total	24,013.04
Grand Total Warrant S5 with Prior Warrants	\$2,171,220.43

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 S1, S2, S3, S4 and S5. Motion passed by all voting in favor.

Patrick Ripley asked for clarification of the 3(8)(c) invoice payments. Mr. Minervini answered questions.

6. Report of Chairman:

Letter of Direction to Rhumblin Advisors Dated 1/10/2024

James Vieira motion to approve the Letter of Direction to Rhumblin Advisors Dated 1/10/2024 Instructing Rhumblin to withdraw \$500,000 from the system's S&P 400 account 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 Advisors Dated 1/10/2024

James Vieira motion to approve the Letter of Direction to Rhumblin Advisors Dated 1/10/2024 Instructing Rhumblin to withdraw \$1,000,000 from the system's R1000 account on the next trade date and wire the funds to M&T Bank. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Wire Transmittal Letter Dated 1/16/2024 Transferring \$1,650,000 From M&T Bank to Brookline Bank.

James Vieira motion to approve the Wire Transmittal Dated 1/16/2024 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 1/2/2024

Robert Maiocco motion to place on file the PRIT Confirmation Notice Dated 1/2/2024 notifying the Board that a Private Equity Vintage Year Distribution of \$333,080.14 was wired to M&T Bank on 1/2/2024. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

PRIT Payment Due Notice Dated 2/1/2024

Patrick Ripley motion to place on file the PRIT Payment Due Notice Dated 2/1/2024 notifying the Board that a that a payment of \$132,077.26 is due 2/1/2024. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Letter from GoldenTree Dated January 15, 2024 Notifying the Board that a Capital Call of \$493,600 is Due January 25, 2024

Mr. Minervini informed the Board that GoldenTree commitment is \$8M and \$2,373,600 has been called, the unfunded commitment is \$5,626,400.

Robert Maiocco motion to approve the GoldenTree Capital Call in the amount of \$493,600 dated 1/25/2024. Motion second by James Vieira. Motion passed by all members voting in favor.

November 2023 Reconciliation and Accounting Reports Review and Approval

The following November 2023 cash books and accounting reports have been distributed and reviewed by the Board.

- Trial Balance
- General Ledger
- Cash Receipt journals
- Cash Disbursements Journals
- Adjustments
- Bank Statements
- Bank Reconciliations Reports
- Custodian Cash Account Reconciliation

Mr. Minervini explained the \$79.38 difference between the ledger balance and the Brookline Bank reconciliation report, the difference is two positive pay fees that were booked incorrectly. The error has been corrected and will be reflected in next month's report.

James Vieira motion to approve November 2023 Reconciliation for Brookline Bank and cash books listed above. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Patrick Ripley motion to approve November 2023 Reconciliation for Eastern bank, M&T Bank. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Robert Maiocco motion to approve November 2023 Reconciliation for M&T Bank and cash books listed above. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

PERAC Memo #1 / 2024 – 840 CMR 10:10(3) & 10:15(1)(c) – Annual Review of Medical Testing Fee

James Vieira motion to place on file PERAC Memo #1 / 2024 – 840 CMR 10:10(3) & 10:15(1)(c) – Annual Review of Medical Testing Fee. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PERAC Memo #2 / 2024 – 2024 Interest Rate set at 0.1%

Bob Dickinson motion to place on file PERAC Memo #2 / 2024 – 2024 Interest Rate set at 0.1%. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PERAC Memo #3 / 2024 – Required Minimum Distribution: Now Age 73 for This Year's Notifications

Robert Maiocco motion to place on file PERAC Memo #3 / 2024 – Required Minimum Distribution: Now Age 73 for This Year's Notifications. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

PERAC Memo #4 / 2024 – 2024 Limits under Chapter 46 of the Acts of 2002

Robert Maiocco motion to place on file PERAC Memo #4 / 2024 – 2024 Limits under Chapter 46 of the Acts of 2002. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

PERAC Memo #5 / 2024 – 2024 Limits under Chapter 23 of Chapter 131 of the Acts of 2010

James Vieira motion to place on file PERAC Memo #5 / 2024 – 2024 Limits under Chapter 23 of Chapter 131 of the Acts of 2010. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PERAC Memo #6 / 2024 – COLA Notice

Patrick Ripley motion to place on file PERAC Memo #6 / 2024 – COLA Notice. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Discussion about retiree COLA. Robert Maiocco asked when do we have to vote it by? Rick Jordan said we need to make a decision by June 30th. Robert Maiocco asked if we should vote on it today? Rick Jordan asked do you want to vote on it now? Robert Maiocco asked 3% correct? Rick Jordan yes and it can be voted anytime and we always vote it early.

Robert Maiocco motion to approve 3% retiree COLA with \$18k base. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Coalition \$2M Cyber Liability Insurance Application Complete

James Vieira motion to place on file the Coalition \$2M Cyber Liability Insurance Application Complete. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Toshiba Copier Lease Renewal

Mr. Minervini informed the Board that the current copier lease expires on 2/15/2024. We are looking to replace the black and white copier with a color copier. The 5-year lease cost is \$198/month. The service contract cost is .037 per color page and .0065 per black page includes parts, labor and toner. Mr. Minervini said that \$215/month is budgeted for the copier lease.

James Vieira Motion to approve the Toshiba 5-year lease as outlined above. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

PERAC Pension News # 64

James Vieira Motion to place on file the PERAC Pension News # 64. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Sheila Quinn Buyback

Mr. Minervini explained that we made many requests from the School Finance and HR department for payroll records from 1993 – 1994 for Ms. Quinn, specifically, the hourly rates Ms. Quinn has been paid during that time. We have been informed that the records do not exist and requested that the school department provide a letter indicating the hourly rate Ms. Quinn has been paid. We have the total amount paid, but not the hours worked.

Patrick Ripley said that during the last meeting he said he would go to the school department and look into it, Mr. Ripley continued I went to the school, and they gave me a sticker to wear that said the time and date that I was there. I spoke with Connie, the original person contacted, and she was very nice and told me that she does not write letters, she is a payroll clerk. Mr. Ripley said he understands. He was sent to HR and the woman there said they don't write letters and told Connie that this request has to go to finance. Connie spoke with the finance director, and he said he will look over it in the next few days. Mr. Minervini said he hadn't heard from anyone and contacted Connie last week. Connie responded and said Gerald McCue is the finance director she spoke with on the day Mr. Ripley went to the school department. Mr. Ripley said he went the on January 3rd and I don't know, but they must be very busy. Bob Dickinson said that Gerald McCue only works 3 days per week. Mr. Minervini said, per Mr. Ripley's suggestion, we can send the payroll records to PERAC and see if they will approve an hourly rate and the number of hours worked.

Bob Dickinson Motion to place on file Sheila Quinn Buyback. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Sherman Actuary Services Contract

Mr. Minervini informed the Board that we have a 5-year contract with the option to extend it an additional 2 years, the contract will expire after the 1/1/24 study. Dan sent an amended contract, but it has not been reviewed by Michael Sacco.

Patrick Ripley motion to extend Sherman Actuary Service Contract and additional 2 years and begin the 1/1/24 actuarial study. Motion second by Robert Maiocco
Motion passed by all members voting in favor.

Mr. Minervini said he will forward the contract to Michael Sacco for review.

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

10:15AM Scott Driscoll joined the meeting.

Scott Driscoll said he plans to provide a market update, the fund performance, and private credit manager search. He also informed the Board that we need to initiate a custody bank search because the M&T Bank contract ends in May. We also will need to conduct a search for an emerging market manager, City of London is coming up on 7 years in August. M&T is due to go out as soon as possible. Rick Jordan said we need a motion to initiate a custody search.

Robert Maiocco motions to initiate an RFP for a custody bank. Motion second by James Vieira. Motion passed by all voting in favor.

Mr. Driscoll distributed NEPC's handout dated January 29, 2024 and reviewed the December 31, 2023 performance indicating that the fund's market value on December 31, 2023 was \$244 million. Mr. Driscoll said the fund returned YTD 10.1% net of fees which is above the assumed rate of return of 7.25%. Mr. Driscoll reviewed the fund's performance in segments, reviewing equity, fixed income, private equity, private debt, and hedge funds with strong results in December. Real estate is struggling and down YTD -6.2%. Discussion about PRIM real-estate and NEPC confident in PRIM's real estate program.

Rick Jordan asked if we should start manager reviews? Mr. Driscoll said yes, we should begin in March, we will have interviews in February for the private credit search.

Rick Jordan asked if anyone has any questions? No Questions, then Mr. Driscoll can review the private credit search.

Mr. Driscoll said we had 24 respondents, but not all met PERAC regulations. NEPC reviewed all 24 and narrowed it down to four: Siguler Guff, Kayne Anderson, Monroe Capital and O'Connor Capital Solutions. All four do business in Massachusetts. Responses were due by November 30, 2023 at 2:00PM EST.

Mr. Driscoll provided a detail review of all the firms looking at their profiles - target/cap minimum investment, target number of investments, management fees, preferred return and carried credit. Mr. Driscoll informed the Board that management fees are paid on funds invested, not the committed amount. Mr. Driscoll informed the Board that Kayne Anderson will remove the carried interest for NEPC clients if NEPC clients aggregate \$75M. Mr. Driscoll asked if anyone had any questions.

Rick Jordan asked what is our initial commitment going to be? Mr. Driscoll answered \$2M. Rick Jordan asked is a smaller firm such as Sigular Guff more desirable over a larger firm such as O'Connor? What fits our needs better? Out of the 4, the 2 best to consider would be the Sigular Guff and Kayne Anderson - both are very strong funds. This is Kayne's 5th fund they are running and have

exposure to Massachusetts public funds. Rick Jordan asked to review previous performance. Mr. Driscoll reviewed the net TVPI, Net DPI and Net IRR for each firm indicating that O'Connor net IRR is lower most likely because of non-US exposure. Pat Ripley asked to explain the management fee, preferred return, and the carried interest, how does that work? Mr. Driscoll explained in detail. Mr. Jordan said there are 4 firms, which would be the least advantageous? Mr. Driscoll said Kayne is offering, if NEPC clients represent over \$75M in assets, they will eliminate the carried interest, and this is huge. It's a marketing strategy that a lot of asset managers will use and a complete option. Patrick Ripley asked about Kayne's reduced management fee. Mr. Driscoll explained that Kayne Anderson is also offering a reduced management fee for NEPC clients, reducing their fee from 1 bps to .95 bps. Rick Jordan asked if Scott knows the current NEPC aggregate amount of assets investing in Kayne? How close are they to \$75M? Mr. Driscoll said he will get that information. Rick Jordan asked the Board do we want to interview all four? Robert Maiocco asked if NEPC has an incentive? Mr. Driscoll answered no, we do not have any incentives. Mr., Maiocco asked if this raises any red flags? Mr. Driscoll said this is common, seen reduced management fees but eliminating the carried interest is rare. But firms do this. Mr. Miaocco asked about Kayne's fee reduction, what does NEPC get out of this? Mr. Driscoll answered, absolutely nothing, we are trying to get you the best fee. Mr. Jordan asked again, do we want to bring in all four next month? James Vieira said he feels we should eliminate the biggest firm. Rick Jordan agrees, they also had the lowest return.

Jamesa Vieira motions to interview Siguler Guff, Kayne Anderson and Monroe Capital at our next Board meeting. Motion second by Patrick Ripley Motion passed by all members voting in favor.

Next meeting scheduled for Tuesday February 27, 2024.

11:10 Scott Driscoll left the meeting.

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

7. Unfinished Business

Email from Attorney Gerry McDonough Re: Joseph Albano Home Rule Petition for 2021 91A Excess Earnings (tabled December 28, 2023)

Rick Jordan informed the Board that Mark Minervini spoke with the Mayor and gave her information about setting precedence. Patrick Ripley asked what is our next step? James Vieira said it's PERAC's responsibility and precedence has already been set by rejecting home rule petitions. Discussion about the retirement board's next steps.

James Vieira motion to place on file Email from Attorney Gerry McDonough Re: Joseph Albano Home Rule Petition for 2021 91A Excess Earnings (tabled December 28, 2023). Motion second by Robert Maiocco Motion passed by all members voting in favor.

8. New Business

Jennifer Intoppa Annual Review

James Vieira said he read the review and said Jennifer learned a lot in two years. Mr. Vieira said he is happy with the review and recommends Jennifer for an appropriate salary increase.

James Vieira motions to increase Jennifer Intoppa's salary to the next level in the compensation plan. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Alysia LaGambina (Makeup)

Community Social Worker

Date of Membership: 6/25/2018

Ms. LaGambina is making up previous service time from 10/12/2016 - 7/12/2017 (3 months of service). Makeup Cost = \$799.61 and includes half actuarial interest through 1/31/24. Interest is added to unpaid balance annually during the 5-year payment period.

Patrick Ripley motion to approve Alysia LaGambina's Makeup as outlined above. Motion second by Robert Maiocco Motion passed by all members voting in favor.

Partick Ripley on the motion, this makeup was calculated in no time, I'm dumbfounded about Shelia Quinn's makeup.

Cynthina Howe Buyback

Program Compliance Administrator (Medford Housing Authority)

Ms. Howe would like to Buyback her previous time with the Needham Retirement Board and Worcester Regional Retirement Board. She withdrew her funds in 2006. Total Cost of the Buyback with interest through 12/31/23 is \$91,195.90 (half actuarial interest). Needham accepts liability for 6 years and 9 months of service, Worcester Regional accepts liability for 2 years of service. Total service purchased is 8 years, 9 months. Interest is added to unpaid balance annually during the 5-year payment period.

James Vieira motion to approve Cynthina Howe's Buyback as outlined above. Motion second by Bob Dickinson Motion passed by all members voting in favor.

New Employees:

Name	Unit	Position	Hire Date	FT/PT
Todd Headley	MHA	Custodian	11/27/2023	Full Time
Ellen Regan	SCH	Kindergarten Aide	8/28/2023	Full Time
Carissa Dell'Anno	SCH	Paraprofessional	9/13/2023	Full Time
Joseph Colozzo	SCH	Paraprofessional	8/30/2023	Full Time
William Kostick	SCH	Paraprofessional	8/28/2023	Full Time
Missouri Ammons	SCH	ISS / Academic Lead	8/30/2023	Full Time
Adithi Moogoor	CTY	Staff Planner OCD	1/2/2023	Full Time
Jessica Martinez	CTY	Economic Development Planner	1/3/2024	Full Time
Jack Manning	CTY	Student Police Officer	1/7/2024	Full Time
James Hawkins	CTY	Student Police Officer	1/7/2024	Full Time
Veronica Shaw	CTY	Director of Veteran's Services	1/2/2023	Full Time

Robert Maiocco motion to approve membership for the employees listed above. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Retirements:

Name	Unit	Option	Retirement Date
Judith Sousa	SCH	Superannuation Option A	2/8/2024
Michael Ferretti	CTY	Superannuation Option B	1/15/2024

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

Received Letter from Lawrence Crowley Withdrawing his Voluntary Accidental Disability Application

Patrick Ripley motion to accept the Letter from Lawrence Crowley Withdrawing his Voluntary Accidental Disability Application. Motion second by Robert Maiocco. Motion passed by all members voting in voting in favor.

Patrick Ripley on the motion said we received one involuntary disability application from the Chief and 1 voluntary from the member. I feel it's appropriate to accept the letter because the member is ok with the involuntary.

Received Lawrence Crowley's Involuntary Accidental Disability Medical Panel Results

Patrick Ripley said he reviewed the panel results and everything looks good.

Patrick Ripley motion to approve Lawrence Crowley's involuntary accidental disability retirement based on the results of the medical panel. Motion second by Bob Dickinson. Motion passed by all members voting in voting in favor.

9. Executive Session

N/A

10. Adjournment

Next meeting scheduled for Tuesday February 27, 2024 at 9:30am in City Hall Room 201.

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

A true Record
by:



Mark Minervini

On 1-29-2024

Rick Jordan



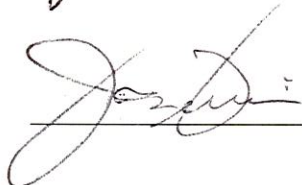
Chairman

Robert Dickinson

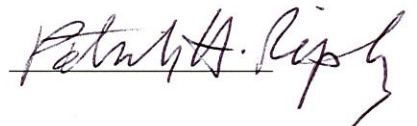


Ex-Officio

James Vieira



Patrick H. Ripley



Robert
Maiocco

