

**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on
4-30-2024 at 9:30am in room 201 at Medford City Hall**

1. 9:30am Call meeting to order.

Board Members Present: Rick Jordan, Patrick Ripley, James Vieira, Robert Maiocco and Bob Dickinson.

Others Present:

Mark Minervini, Executive Director

9:30am: Scott Driscoll, NEPC

9:30am: Denise D'Entremont, Rhumblin

Robert Maiocco motion to suspend the normal order of business for NEPC and Rhumblin to present. Motion second by Bob Dickinson. Motion passed by all voting in favor.

Denise D'Entremont from Rhumblin distributed her handout dated April 30, 2024. Ms. D'Entremont thanked the Board and said that Medford has been a client for many years. Ms. D'Entremont provided a corporate update and said there has been no changes at Rhumblin and they currently have \$116B under management. Ms. D'Entremont said they will be reviewing the S&P 400 Pooled Index Fund, the S&P 500 Pooled Index Fund and the Russell 1000 Value Pooled Index Fund. The S&P 400 fund had an initial contribution of \$14.3M on 8/31/1999 and additional contributions totaling \$6.6M and withdrawals totaling \$32M. The fund currently has a market value of \$9.5M as of 3/31/2024. Ms. D'Entremont compared the fund's performance with the index. The commission fee is .7 cents per share. The S&P 500 fund had an initial contribution of \$11.5M on 6/29/2007 and additional contributions totaling \$43.4M and withdrawals totaling \$65M. The fund currently has a market value of \$35.6M as of 3/31/2024 and an average trade commission cost of .9 cents per share. The fund's performance was compared with index and outperformed the S&P500 index by 3 bps since inception. The Russell 1000 Pooled Index fund had an initial contribution of \$19.5M on 9/2/2022 and withdrawals totaling \$2.6M. The fund currently has a market value of \$17.8M as of 3/31/2024. The fund's performance was compared against the index. 10:15 Rhumblin left the meeting.

Scott Driscoll from NEPC distributed his handout dated April 30, 2024 and reviewed the fund's performance as of 3/31/2024 informing the Board that the fund's market value as of 3/31/2024 is \$248.4M. Mr. Driscoll reviewed the YTD, and prior 1, 3, 5 and 7 year performance for equity, private equity, hedge funds and real-estate. Mr. Driscoll informed the Board that April has been a struggle and he will have results at the next Board meeting.

Mr. Driscoll said he has the results of the custodian RFP and that we had 4 responses: US Bank, Principal Financial, Wilmington Trust and State Street. State Street after looking at the asset level, decided that they would not pursue the bid and pulled out. The other three respondents were compared. Mr. Driscoll said that US Bank and Principal Financial have a more global platform than Wilmington Trust, which is more of a regional platform however, they use BNY Mellon as their operating platform. BNY Mellon is a giant custodian, so Wilmington does have the back office resources. The one thing you do get with Wilmington Bank is the relationship with the team, which has been fantastic. Mr. Driscoll compared the servicing team and similar clients, US Bank has 638 public fund clients with 11 MA public clients, Principal has 339 public fund clients with 3 MA public clients. Wilmington Trust has 220 public fund clients with 34 MA public clients and is very well versed with PERAC requirements. US Bank and Principal does not have the same exposure to PERAC regulations as Wilmington Trust. Mr. Driscoll reviewed the estimated annual fee structure as follows: US Bank \$52,278, Principal \$39,330, and Wilmington Trust \$48,701. Wilmington Trust falls in the middle relative to US Bank and Principal. Mr. Driscoll said when he looks at the responses, he compares the services provided and services required. Mr. Driscoll

said his recommendation is to retain Wilmington Trust, they have been doing a fantastic job and they have a great team. Robert Maiocco asked about the fees structure. Mr. Driscoll provided a detailed pricing analysis and indicated that the one adjustment depending on the number of trades with Garcia Hamilton, fund asset value and adding new managers. Rick Jordan asked Mark Minervini if he is happy with Wilmington Trust? Mr. Minervini answered yes, they have been great and very responsive. Mr. Jordan said based on the review, a motion is in order.

Robert Maiocco motion to retain Wilmington Trust. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Rick Jordan asked when does the contract start? Mr. Driscoll answered May and we need to resubmit documents to PERAC compliance. Mr. Driscoll will contact Wilmington Trust and follow up with Mr. Minervini.

Mr. Driscoll said he has the revised investment policy statement for the plan. There are 3 changes from the prior plan, assumed rate of return is now 7.25%, the ability to invest in private credit has been added, and the target asset allocation broken down by percentages and ranges have been revised. Mr. Driscoll reviewed the policy. Discussion about private equity allocation and the policy. Rick Jordan said a motion is order to accept the revised investment policy.

Robert Maiocco motion to approve the investment policy. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

11:25 Mr. Driscoll left the meeting.

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

2. Reading of notice & certificate – Meeting Notice Posted on 4/11/2024
James Vieira motion to place on file the Board meeting notice and certificate that was posted on 4/11/2024. Motion second by Robert Maiocco 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 Bob Dickinson Motion passed by all voting in favor.
4. Vote to approve the minutes of the Board meeting held on 3/27/2024
Patrick Ripley motion to approve the minutes of the Board meeting held on 3/27/2024. Motion second by Bob Dickinson. Motion passed by all voting in favor.

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

Warrant S18	
Morgan Records - March 2024	52.22
Law Offices of Michael Sacco - March 2024	2,715.00
Mark Minervini - Reimbursement Vast Conference	26.10
MACRS - 2024 Spring Conference - 5 attendees	2,420.00
Concord Retirement System - 38c	15,978.14
Stoneham Retirement System - 38c	7,985.78
Melrose Retirement System - 38c	4,813.36
Revere Retirement System - 38c	4,104.08
Essex Regional Retirement System - 38c	4,586.97
Boston Retirement System - 38c	8,543.51
Winchester Ret System - Trf Daniel Stoneking - 10 years 4 months service	66,748.33

Newton Retirement System - Matthew McDermitt - Trailing Deductions	5.11
Mass Deferred Comp Smart Plan Empower - Rollover Kathleen Kreatz	9,114.07
Joseph Misuraca - Refund	8,966.53
IRS - A/C Misuraca	1,810.38
Janine Straccia - Refund	1,093.68
IRS - A/C Straccia	273.42
Formax - 12 month contract folding machine	538.00
Toshiba - March - April 2024	198.00
Toshiba - April - May 2024	198.00
ProShred - March 2024	40.43
WB Mason - Office supplies	4.38
Ready Refresh - Water	25.76
M&T Bank - February 2024	4,192.40
Rhumblin - SP500MAP 2024 Q1	2,646.00
Rumblin - SP400P 2024 Q1	681.00
Rhumblin - RU1000VP 2024 Q1	1,533.00
Garcia Hamilton - 2024 Q1 management fees	15,549.60
Loomis & Sayles - 2024 Q1 management fees	23,853.64
Staff Salaries	5,239.65
Medicare	-
Massachusetts SUI	-
MA Health Ins/EMAC	-
Harpers Payroll Fee	-
Expense Total	193,936.54
Pension	1,694,610.66
Annuity	396,388.74
COLA	-
Retiree Payroll Total	2,090,999.40
Warrant S18 Total	2,284,935.94
Prior Warrants	
Schedule 14	6,534.01
Schedule 15	5,361.83
Schedule 16	7,630.72
Schedule 17	5,361.83
Reference Total	24,888.39
Grand Total Warrant S18 with Prior Warrants	2,309,824.33

A motion was made by James Vieira and second by Robert Maiocco to approve all bills, transfers, refunds, staff payrolls and retirement payroll listed above on schedules S14, S15, S16, S17 and S18. Motion passed by all voting in favor.

6. Report of Chairman:

Letter of Direction to Rhumblin Dated 4/17/2024

James Vieira motion to approve the Letter of Direction to Rhumblin Advisors Dated 4/17/2024. 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 Robert Maiocco. Motion passed by all members voting in favor.

Letter of Direction to Rhumblin Advisors Dated 4/17/2024.

James Vieira motion to approve the Letter of Direction to Rhumblin Advisors Dated 4/17/2024. Instructing Rhumblin to withdraw \$500,000 from the system's R1000 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.

Wire Transmittal Letter Dated 4/22/2024 Transferring \$1,400,000 From M&T Bank to Brookline Bank.

Bob Dickinson. motion to approve the Wire Transmittal Letter Dated 4/22/2024 Transferring \$1,400,000 From M&T Bank to Brookline Bank. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PRIT Confirmation Notice Dated 4/1/2024

Patrick Ripley motion to place on file the PRIT Confirmation Notice Dated 4/1/2024 notifying the Board that a Private Equity Vintage Year Distribution of \$148,140.33 has been wired to M&T Bank on 4/1/2024. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

PRIT Distribution Notice Dated 5/1/2024

Bob Dickinson motion to place on file the PRIT Private Equity Vintage Year distribution notice notifying the Board that a distribution of \$105,360.41 will be wired to M&T Bank on 5/1/2024. Motion second by James Vieira. Motion passed by all members voting in favor.

Kayne Anderson Contract and Side Letter Complete

Michael Sacco's office provided the execution version of the side letter.

Mr. Minervini informed the Board that the contracts have been reviewed by Michael Sacco's office. The contracts and side letter can be executed. Patrick Ripley motion to approve the Kayne Anderson Contract and Side Letter. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Loomis Small Cap Redemption Change in Process

Mr. Minervini informed the Board that we originally intended to withdraw \$500K from the Loomis Small Cap Value Fund, but Loomis rejected the withdrawal letter. Mr. Minervini contacted Teresa Woo who said this is how redemptions from this fund are processed. Ms. Woo also stated that they do not have our banking information. Mr. Minervini asked why we were not notified of this new process and said it's unreasonable to process all withdrawals requiring a medallion signature, I would need to travel to our custodial bank to get the medallion stamp. Ms. Woo said we need to complete a certificate of authorization with authorized signature and an account option form with banking information. We had this account for many years and are not sure why our information is not on file. In addition, no reason was given as to why we were not notified about this process. Mr. Minervini said we have the forms and need to identify authorized signatures. Once the forms are completed, I will send them to Ms. Woo for review before making a trip to our custodian bank for the medallion stamp.

Robert Maiocco motion to place on file Loomis Small Cap Redemption Change in Process. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

James Vieira motion to authorize Mark Minervini, Michelle LaJoie and Bob Dickinson as authorized signatures on the Loomis Small Cap Value Fund. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

PERAC Memo #11/2024 – Mandatory Retirement Board Member Training – 2nd Quarter 2024

James Vieira motion to place on file PERAC Memo #11/2024 – Mandatory Retirement Board Member Training – 2nd Quarter 2024. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

PERAC Memo #12/2024 – PERAC Regulations 840 CMR 4.00 and 25.00

James Vieira motion to place on file PERAC Memo #12/2024 – PERAC Regulations 840 CMR 4.00 and 25.00. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

PERAC Memo #13/2024 – PERAC Regulations 840 CMR 2.00, 8.00, 11.00, 12.00 & 15.00

Robert Maiocco motion to place on file PERAC Memo #13/2024 – PERAC Regulations 840 CMR 2.00, 8.00, 11.00, 12.00 & 15.00. Motion second by James Vieira. Motion passed by all members voting in favor.

Email from Michael Sacco – PERAC Memo #13/2024

Mr. Minervini explained that Michael Sacco's email on PERAC memo #13/2024 explains the necessary steps to amend the travel regulation to comply with the regulation changes, and Michael Sacco provided a template regulation. Discussion about travel regulation. Rick Jordan said he believes we already have a written process. Additional discussion about the template.

James Vieira motion to place on file Email from Michael Sacco regarding PERAC Memo #13/2024. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Mr. Minervini informed the Board that 840 CMR 15.01 changed to allow Boards to use a data/death match service instead of mailing attestations. Mr. Minervini informed the Board that we have been using PBI death/data search for approximately 3 years and a search is performed every week.

Robert Maiocco Motion to use PBI death/data search in place of mailing affidavits to retirees. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Michelle LaJoie Annual Review

Discussion about Michelle's review. Mr. Minervini said she is doing a great job and ran the office when I was out for surgery. Because we are such a small office, it's important that employees are cross-trained. Mr. Minervini said that during the review, Michelle said she enjoys working for the Board and is more comfortable attending Board meetings and she looks forward to learning more administration processes from Mark, attending MACRS conferences and PERAC trainings. Jim Vieira said we would need to re-write her job description to include more administration processes. Michelle's compensation plan and job description was discussed. Rick Jordan feels the Board should move her up a CAF and asked Mr. Minervini what is her current salary. Mr. Minervini said Michelle's compensation plan is a modified CAF -12, On 6/28/23 she received a 1% increase. Her weekly salary is currently \$1,644.13/wk (step 5). She also receives a \$125/month stipend for managing the public requests, \$800/yr longevity, 3 weeks vacation, 3 personal days and 15 sick days. Rick Jordan asked if we should move her to CAF 13? Discussion about CAF 13 compensation for each step. Patrick Ripley said the Board has a responsibility to protect its assets, meaning our "human" assets, administration. Rick Jordan asked what is the compensation for CAF-13, step 1? Bob Dickinson said \$1,498.55. Rick Jordan and Jim Vieira said we can start her at step 4, \$1,65.35/wk. Bob Dickinson said there will be a 2% increase on

7/1/24, this would increase her weekly by \$33.05, Step 5 is \$1,784.55 and with an additional 2% increase 7/1/25, her compensation will be \$1,820. Discussion about job description and adding some administration tasks as backup to the Executive Director.

James Vieira Motion to move Michelle LaJoie to CAF 13 step4, (\$1,652.35/week) effective 4/19/2023. Re-write her job description to reflect the increase. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Roselli, Clark and Associates Financial Audit

Mr. Minervini informed the Board that the audit is completed, with no issues or findings other than updating the investment policy. The final report will be generated after the Board votes on the updated funding schedule and the actuarial study report is finalized. The finalized actuarial report will be forwarded to Roselli, Calrk and Associates.

Bob Dickinson motions to place on file Roselli, Clark and Associates Financial Audit. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Investment Policy Review

Rick Jordan said we discussed this earlier.

James Vieira Motion to place the Investment Policy on file. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

February 2024 Reconciliation and Accounting Reports Review and Approval

The following February 2024 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 reviewed the reconciliation reports and answered questions.

James Vieira motion to approve February 2024 Reconciliation for Brookline Bank, and February 2024 cash books listed above. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

James Vieira motion to approve February 2024 Reconciliation for Eastern Bank as listed above. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

James Vieira motion to approve February 2024 Reconciliation for M&T Bank and as listed above. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

QuickBooks Cloud Based Software Upgrade Pricing

Mr. Minervini informed the Board that the IT department will be removing the server where Quickbooks is stored, and the server will not be replaced. He is moving all the city's applications to cloud based. The Quickbooks version we have is currently outdated and is not cloud based. The cloud-based version (Quickbooks Online Advanced) is a subscription, the cost is \$1,200/ year for the first year and \$2400/yr the following years. 10% discount is available if the year is paid in advance. Mr. Minervini explained that he spoke with IT yesterday and

they may be able to move the system to another server. If we can move the system, we would not have the need to purchase the cloud based version. Rick Jordan said OK, let us know.

Bob Dickinson motion to place on file the Quickbooks online Advanced software. Motion second by James Vieira. Motion passed by all members voting in favor.

7. Unfinished Business

Sheila Quinn's Buyback – Letter to PERAC confirming Buyback Service

Patrick Ripley motion to place on file the Letter to PERAC confirming Buyback Service Sheila Quinn's buyback service. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Patrick Ripley said a lot of work went into this for a small amount of service.

1/1/2024 Preliminary Actuarial Valuation Results Comparison

Discussion about the actuarial study and options. Bob Dickinson said he hasn't had time to review and asked if we can discuss it next Board meeting. Rick Jordan said yes, we can table until May.

James Vieira motion to table the Preliminary Actuarial Valuation Results Comparison until May. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Joseph Albano v. Medford Retirement Board and PERAC – Pre-Hearing Memorandum

Rick Jordan asked if everyone is familiar with Joe Albano hearing. Mr. Jordan continued and said Mr. Albano is claiming he was not informed about going out superannuation as opposed to disability. Mr. Jordan asked Mr. Ripley if he spoke with Mr. Albano? Mr. Ripley said Mr. Albano had called him once or twice. Mr. Ripley said when people call him, he answers questions that are brought to him. Mr. Albano said he needed a little time to prepare for retirement, and I warned him about his business and disability, and I also warned him "don't become a poster boy for PERAC". Mr. Albano said he needed time to prepare. Mr. Ripley said you need to look into Chapter 32. Mr. Minervini said he talked with Mr. Albano after the hearing and informed him of 91A and said he should consider superannuation. At that time, I gave him an estimate for both disability and superannuation. Mr. Albano said he spoke with his CPA and because his business is an s-corp, he can take distributions instead of a salary. I highly recommended to him that he speak with an attorney familiar with chapter 32, 91A. I explained that PERAC takes this seriously and if you over earn, you will be required to return the excess earnings. Rick Jordan said based on what's going on, we will get involved with DALA case and will asked to testify on what happened. Additional discussion about the hearing. Mark will deal with the situation with Michael Sacco. There's also a situation with his DRO. Rick Jordan said at this point, we can place this on file.

James Vieira motion to place on file Joseph Albano v. Medford Retirement Board and PERAC – Pre-Hearing Memorandum. Motion second by Bob Dickinson. Motion passed by all members voting in favor.

Judith Baker – Section 101 PERAC Approval Letter

James Vieira motion to place on file the Judith Baker's Section 101 PERAC Approval Letter. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Received PERAC Approval Letter for John Freedman’s Retirement Allowance

Robert Maiocco motion to place on file the PERAC Approval Letter for John Freedman’s Retirement Allowance. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

8. New Business

New Employees:

Name	Unit	Position	Hire Date	FT/PT
Erika Reinfeld	SCH	School Committee	1/1/2024	Full Time
Nicole Branley	SCH	School Committee	1/1/2024	Full Time
Theresa Pietrolungo	CTY	Parking Clerk	2/26/2024	Full Time
Rajaa Boumzil	SCH	Paraprofessional	2/12/2024	Full Time
Tiffani Russell	SCH	Security Building Monitor	3/11/2024	Full Time
Jared McDonald	SCH	School Building Monitor	3/13/2024	Full Time
Megan McMillen	CTY	Crime Analyst	3/12/2024	Full Time
Christina Walker	SCH	Paraprofessional	3/11/2024	Full Time
Diane Smith-DiPrizio	SCH	Cafeteria Worker	3/14/2024	Full Time
John Intoppa	SCH	School Committee	3/6/2024	Full Time
Krista Deveau	CTY	Program Manager Rec	4/2/2024	Full Time
Christian Garnett	SCH	Paraprofessional	3/11/2024	Full Time

Rick Jordan asked if Crime Analyst is an approved position? Mr. Minervini said he believes it is. Rick Jordan asked if we should vote based on research if the position is approved? Mr. Minervini said he will check to see if the position has already been approved.

James Vieira motion to approve membership for the employees listed above. With respect to Megan McMillen, if the position has been approved. 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>
Mark Shea	CTY	Superannuation Option B	6/30/2024
Linda Selinger	CTY	Superannuation Option C	6/30/2024
Eleanor Whalen	CTY	Superannuation Option B	5/9/2024

Patrick Ripley motion to approve retirements listed above. 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 Thursday May 30, 2024 at 9:30am in City Hall Room 201.

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

171

A true Record
by:

Mark Minervini
Mark Minervini

On 4-30-2024

Rick Jordan

Chairman

Robert Dickinson

Ex-Officio

James Vieira

Patrick H. Ripley

Robert
Maiocco

172

PAGE INTENTIONALITY LEFT BLANK