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**MINUTES OF THE MEDFORD RETIREMENT BOARD MEETING HELD on
12-23-2024 at 9:30am in room 201 at Medford City Hall**

1. 9:30am Call meeting to order.

Board Members Present: Rick Jordan, Patrick Ripley, Robert Maiocco, James Vieira

Absent: Bob Dickinson

Others Present:

Mark Minervini, Executive Director

NEPC – 9:30 AM

Scott Driscoll, Consultant

Acadian Asset Management – 9:40 AM

Ken Masse, CFA, Vice President, Portfolio Manager

Andrew Miller, Senior Vice President, Business Development

City of London - 10:15 AM

Jeff Gill, Senior Portfolio Manager

ABS Investment Management– 10:50 AM

Natascha Willans, Portfolio Manager

David Sullivan, Business Development

Robert Maiocco motion to suspend the normal order of business for NEPC and the investment managers to present. Motion second by James Vieira. Motion passed by all voting in favor.

Emerging market equity managers presentations began.

Ken Masse Portfolio Manager and Andrew Miller, Senior Vice President, Business Development from Acadian Asset Management joined the meeting. Mr. Miller thanked the Board and distributed their handout. Mr. Miller said Acadian is located in Boston and reviewed the firm's management and investment team indicating they have been in the business for 38 years and managed emerging market equities for 30 years. Management philosophy, objectives and clients were reviewed. Mr. Miller said they have currently \$120B in funds under management, \$25B in emerging markets and \$16B invested in the proposed strategy with 362 employees on the investment team. Mr. Miller reviewed the investment team and their roles. Mr. Masse reviewed the investment process and outlined their analytics, research, portfolio management and implementation. Mr. Miller said public pensions are 40% of their business and they have local Boards including New Bedford, Holyoke, Weymouth and PRIM. Mr. Masse reviewed the firm's investment philosophy, overview of the investment process, how they forecast returns and how the portfolio will look over time. Risk control and management was reviewed along with the management team. Scott Driscoll asked if they have any restrictions about positions in certain countries. Mr. Masse said they have restraints on certain countries and explained their process. Mr. Masse continued and reviewed how they select stock and forecasting and walked through the process using an example company. Mr. Jordan asked what they consider a good return? Mr. Masse said 2-3%. History of return since inception (30 years) was reviewed. Additional questions and discussion about returns, forecasting and the investment process. Mr. Maiocco asked about fees. Mr. Masse said the fee for the comingled fund, which was discussed, is 0.85% all in (0.75% management fee + 0.10% operating expense cap) 10-day notice for redemptions. Discussion about their CIT strategy and pricing, .75% all in. Mr. Masse said the investment strategy is the same in both strategies. Discussion about management fees and strategies. Acadian left the meeting.

Mr. Driscoll recapped the presentation and explained the difference between the two strategies, their comingled strategy and their collective investment trust (CIT), Mr. Driscoll said the CIT strategy would work well with reduced management fees. Acadian upside and downside capture were reviewed and discussed. Mr.

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Driscoll answered questions about Acadian's performance history and tracking errors.

Jeff Gill, Senior Portfolio Manager from City of London joined the meeting and distributed his handout. Mr. Gill gave the Board a firm update indicating no changes. Mr. Gill said the firm has \$6.7B under management and \$90M in the strategy. Mr. Gill reviewed performance indicating they had a tough time in 2023 and part of 2024, that they are having a good December. Discussion about closed end funds having headwinds and interest rates in the UK and the reasons for the headwinds in 2023 and 2024. Capital gains tax and implications for closed end funds were reviewed. Discussion about tender offers over the next two years is coming due, about 1 per month. Discounts reviewed from 2007 – 2024. Discussion about PE ratios and closed end funds in the UK. Additional reviews of closed end funds and tenders. Scott Driscoll asked how many closed end funds are in the strategy? Mr. Gill answered 35 – 55, approximately 45 and approx. 2% in ETFs, which is low, usually have about 10% in ETF. Strategy holdings were reviewed. Mr. Gill reviewed tender offers in 2025 and 2026. Mr. Maiocco asked about dividends. Mr. Gill said not so much and discussed expecting dividends and distributions. Mr. Gill discussed Tempelton Dragon's upcoming distribution. Mr. Gill said it's been a tough couple of years and is expecting improvements in the next year. Mr. Maiocco asked about fees. Mr. Gill said he believes 1%. Discussion about fees and performance. Mr. Gill left the meeting. Mr. Jordan said they are fund-to-fund, Mr. Driscoll said yes, they have a unique strategy with 45 funds. One interesting he said that they rely on funds and they have been a negative contributor because of retailers as compared to institutional investors. Mr. Driscoll said that 1% is the most expensive, the average is 85bps, so they are the most expensive.

Natascha Willans, Portfolio Manager and David Sullivan, Business Development from ABS Investment Management joined the meeting and distributed their handout to the Board. Mr. Sullivan provided a summary of the firm indicating that they are local, and they are very familiar with Massachusetts rules and currently have 6 Massachusetts Boards as clients. Ms. Williams introduced herself and provided her background with the firm. Ms. Williams discussed the strategy and stock collection vs. country selection and explained their stock selection approach pointing out their unique approach of local investing and the benefits. Ms. Williams said they have \$7.8B under management, 43 employees, 25 of them are partners and reviewed their organization chart. Scott Driscoll asked if all the employees are ABS employees? Ms. Williams answered yes, the employees in different countries are employees. Ms. Willimas said they have 415 clients and 49% are pension clients. The strategy presented is compliant with Massachusetts and a version of an existing strategy that was launched in 2017. Rick Jordan asked how many of their pension clients are public pension clients? Ms. Williams said about half. Ms. Willimas focused on their investment philosophy including stock selection focusing on local specialists who understand the local economy and region. Discussion about the language barrier. Ms. Williams reviewed the investment team and their backgrounds. Ms. Williams reviewed the strategy discussing fundamental stock selection, allocation, sector, market caps and returns, \$155M undermanagement with the Massachusetts version and reviewed performance vs. the MSCI index. Mr. Maiocco asked about the difference between their management fee option I and Option II. Ms. Williams explained that option I is a performance based fee and is .45% plus 10% over MSCI and is in more alignment with performance index, option II is .75% management fee. Discussion about the fee options. Discussion and questions about stock selection in different countries. Mr. Ripley asked if the Massachusetts version is PERAC compliant. Mr. Sullivan answered yes. Additional discussion about the Massachusetts version. ABS left the meeting.

Mr. Jordan said we had three presentations and said that the incumbent, City of London, has a fund-to-fund strategy and has not been performing and I feel we

should focus on the other two. Mr. Driscoll recapped the presentations and said ABS is based in Connecticut and Acadian is based in Boston and Acadian has been managing EM longer. ABS launched a Massachusetts only version to comply with PERAC regulations, similar to the Rhumblin strategy. Both strategy from a risk adjustment and tracking error are similar. Mr. Driscoll reviewed performance and excess returns analysis and discussed upside/downside capture and said Acadian has more favorable numbers and ABS is more middle of the road. Mr. Driscoll reviewed the 3-year, 5-year and 10-year risk/return for both firms. On 3 to 5 year, Acadian is favorable on the long term ABS has less volatility and out performed Acadian. Acadian is using metrics in all of their stock selection, Acadian is basing their selection on performance. Either strategy is a good selection for the Board. Fees were reviewed and Mr. Driscoll said he doesn't have any clients that select the performance-based management fee. Both have local presence. Assets under management compared between both strategies. Discussion about ABS stock selection and management fees. Acadian is more liquid with 10-day notification, ABS requires 60-day notice for redemptions on a monthly basis. Discussion about liquidity. Mr. Maiocco said he is impressed with the breath of ABS, and said he is with ABS.

Robert Maiocco motion to hire ABS as an Emerging Market Manager. On the motion, Mr. Maiocco asked how much are we investing with them? Mr. Driscoll answered \$22M is currently with City of London. Motion second by Patrick Ripley. Motion passed by all voting in favor.

Mr. Driscoll reviewed the fund performance and said he will email PRIM's performance when received. Mr. Driscoll reviewed performance as of November 30, 2024 and said the fund was up 2.3% during the month and 10.1% YTD, and the fund's market value is \$268M. Key drivers of performance were reviewed by strategy and compared to the indexes. Mr. Driscoll provided a market update and discussed fed rate impact in 2025. Discussion about IR+M contracts, Mr. Minervini said the contracts have been reviewed by Michael Sacco and can be executed today. Mr. Driscoll reviewed the process of migrating from Garcia Hamilton to IR+M. Mr. Driscoll will reach out to Garcia Hamilton and let them know about the transition. Mr. Driscoll will coordinate with IR+M as well.

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

- 2. Reading of notice & certificate – Meeting Notice Posted on 12/4/2024
James Vieira motion to place on file the Board meeting notice and certificate that was posted on 12/4/2024. 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 Robert Maiocco Motion passed by all voting in favor.
- 4. Vote to approve the minutes of the Board meeting held on 11/26/2024
Patrick Ripley motion to approve the minutes of the Board meeting held on 11/26/2024. Motion second by Robert Maiocco. Motion passed by all voting in favor.
- 5. Bills, Communications, Refunds, Transfers, Payrolls, Etc.

Warrant S52A	
Morgan Records - November 2024	52.22
Law Offices of Michael Sacco - November 2024	1,686.50
Mark Minervini Reimbursement - Vast Conference	26.44
Rick Jordan Reimbursement - MACRS Fall	692.98

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Brookline Retirement System - Transfer Edward Costigan 5 years 2 months service	47,789.71
State Retirement System - Transfer Xiaolan Tan 6 years 10 months service	42,433.47
Woburn Retirement Board - Transfer Kimberly Myles 20 years 10 months service	142,900.69
Raymond James Trust of NH - Rollover James Cerullo	3,700.80
ProShred - December 2024	44.47
Ready Refresh - Water	25.76
M&T - October 2024	4,455.79
NEPC - 2024 Q4	21,250.00
Staff Salaries	5,406.35
Medicare	-
Massachusetts SUI	-
MA Health Ins/EMAC	-
Harpers Payroll Fee	-
Expense Total	270,465.18
Pension	1,691,040.01
Annuity	404,081.24
COLA	23,376.03
Retiree Payroll Total	2,118,497.28
Warrant S52A Total	2,388,962.46
Prior Warrants	
Schedule 49	5,530.88
Schedule 50	5,530.88
Schedule 51	7,799.76
Schedule 52	5,535.30
Reference Total	24,396.82
Grand Total Warrant S52A with Prior Warrants	2,413,359.28

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 S49, S50, S51, S52 and S52A. Motion passed by all voting in favor.

6. Report of Chairman:

Letter of Direction to Rhumblin Dated 12/11/2024.

Robert Maiocco motion to approve the Letter of Direction to Rhumblin Dated 12/11/2024 instructing Rhumblin to withdraw \$1,000,000 from the system's S&P 500 Pooled Index account on the next trade date and wire the funds to M&T Bank. Motion second by James Vieira Motion passed by all voting in favor.

Letter of Direction to Rhumblin Dated 12/11/2024.

Robert Maiocco motion to approve the Letter of Direction to Rhumblin Dated 12/11/2024 instructing Rhumblin to withdraw \$800,000 from the system's system's R1000 Value Index Account on the next trade date and wire the funds to M&T Bank. Motion second by James Vieira Motion passed by all voting in favor.

Wire Transmittal Letter Dated 12/16/2024 Transferring \$1,700,000 From M&T Bank to Brookline Bank.

This wire transfer was completed on 12/16/2024 by Mark Minervini to fund December 2024 expenses and pension payroll.

James Vieira motion to approve the Wire Transmittal Letter Dated 12/16/2024 Transferring \$1,700,000 From M&T Bank to Brookline Bank. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

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Kayne Anderson Capital Call Letter Dated December 11, 2024

Notifying the Board that a capital call of \$100,000 is due by wire on or before December 23, 2024

Patrick Ripley motion to approve the Kayne Anderson \$100,000 capital call on December 11, 2024. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PRIT Confirmation Notice Dated 12/2/2024

Patrick Ripley motion to place on file the PRIT confirmation notice notifying the Board that a Private Equity Vintage Year distribution of \$48,686.29 has been wired to M&T Bank on 12/2/2024. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

October 2024 Reconciliation and Accounting Reports Review and Approval

The following October 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 general ledger accounts, and answered questions.

Patrick Ripley motion to approve October 2024 Reconciliation for Brookline Bank and October 2024 accounting reports. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Patrick Ripley motion to approve October 2024 Reconciliation for Eastern Bank. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

James Vieira motion to approve October 2024 Reconciliation for M&T Bank. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

October 2024 Accounting Reports Submitted to PERAC

Patrick Ripley motion to place on file the October 2024 Accounting Reports Submitted to PERAC. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Income Research and Management (IR+M) Subscription Agreement and Side Letter

Mr. Minervini informed the Board that the contracts and side letter have been reviewed by Michael Sacco Law Office and they can be executed.

Robert Maiocco motion to approve the Income Research and Management (IR+M) Subscription Agreement, contracts and Side Letter. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

ABL Tech Death Audit Service Contract has been Finalized

The term of the contract is from 7/1/25 – 7/1/26. We will send termination notification to PBI early next year.
Patrick Ripley motion to place on file that the ABL Tech Death Audit Service Contract has been Finalized. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Cyber Security Insurance Policy Quote

Policy from 1/2/25 – 1/2/26
Mr. Minervini distributed the policy quotes to the Board. Mr. Minervini informed the Board that Lydon and Murphy will also be providing Fiduciary insurance in 2025 for the MACRS community, and the fiduciary application has been submitted.

Mr. Minervini reviewed the cyber security policy quote from Lydon and Murphy and explained that Jeff Lydon is working with MACRS, and that Coalition would not provide a discount for MACRS Boards. He said Alpha Secure is offering a discount to MACRS boards and quoted \$6,220 for the same coverage as the policy we had last year with Coalition. Last year we paid \$11k. The quoted policy has a \$250k cap on social engineering (same as Coalition last year). Mr. Minervini explained social engineering and said it’s when an attacker tricks the victim into sending funds to a fraudulent account instead of the actual vendor or supplier. Jeff Lydon said other Boards have asked about increasing the social engineering cap and provided the options and pricing below.

Line of Business	Quote Description	Carrier	Premium	TRIA	Fees	SL Taxes & Fees	Total	Total Social Engineering CAP	Total Annual Cost
Cyber Liability	1 - XS Cyber/Soc Eng (250 x 250)	Certain Underwriters at Lloyd's, London	\$4,000.00	Included	\$750.00	\$160.00	\$4,910.00	\$500k	\$11,130.00
Cyber Liability	2 - XS Cyber/Soc Eng (500 x 250)	Certain Underwriters at Lloyd's, London	\$5,900.00	Included	\$750.00	\$236.00	\$6,886.00	\$750k	\$13,106.00
Cyber Liability	3 - XS Cyber/Soc Eng (750 x 250)	Certain Underwriters at Lloyd's, London	\$8,900.00	Included	\$750.00	\$356.00	\$10,006.00	\$1M	\$16,226.00
Cyber Liability	4 - XS Cyber/Soc Eng (1M x 250)	Certain Underwriters at Lloyd's, London	\$10,700.00	Included	\$750.00	\$428.00	\$11,878.00	\$1.25M	\$18,098.00

Board discussion about the policy quotes, pricing and social engineering.

Robert Maiocco motion to approve the Cyber Security Insurance Policy Quote with the optional \$500,000 social engineering cap at a cost of \$11,130.00. Motion second by James Vieira. Motion passed by all members voting in favor.

Mercedes Arias Disability Application Status

Mr. Minervini informed the Board that we received over 500 pages of medical records and are still waiting for medical records from 2 doctors. Michael Sacco reviewed the application and medical records we received so far and based on these records, he recommends we have a hearing. Michael is available Jan 27th or 28th for a hearing. Discussion about Michael Sacco’s recommendation and letter to the Board.

James Vieira motion to schedule a hearing for Mercedes Arias on January 27th, 2024 to answer questions pertaining to her accidental disability application. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Letter from Eastern Bank

Veribanc downgrade Eastern Bank due to merger with Cambridge Trust. Mr. Minervini said the Treasurer is the custodian of our cash accounts and she also received the letter. She is not concerned about the downgrade. Patrick Ripley motion to place on file Letter from Eastern Bank informing the Board of the Veribanc downgrade due to merger with Cambridge Trust. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

Letter to PRIM Informing of The Board’s Intent to Commit \$3M to the Private Equity Vintage Year 2025

Patrick Ripley motion to place on file the Letter to PRIM Informing them of The Board’s Intent to Commit \$3M to the Private Equity Vintage Year 2025. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PERAC Fiscal Year 2026 Appropriation Letter

Mr. Minervini informed the Board that the letter has been forwarded to the Mayor, the City Auditor and Medford Housing Director of Finance. Robert Maiocco motion to place on file the PERAC Required Fiscal Year 2026 Appropriation Letter. Motion second by James Vieira. Motion passed by all members voting in favor.

PERAC Memo #31 / 2024 – 2024 Disability Data Changes

Robert Maiocco motion to place on file PERAC Memo #31 / 2024 – 2024 Disability Data Changes. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

Fiduciary Insurance Application Submitted to Lydon and Murphy on December 20, 2024

James Vieira motion to place on file that the Fiduciary Insurance Application has been submitted to Lydon and Murphy on December 20, 2024. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

PRIM Annual Comprehensive Financial Report

Mr. Minervini informed the Board that the report has been uploaded to Dropbox and a printed copy is available in the retirement office. Robert Maiocco motion to place on file the PRIM Annual Comprehensive Financial Report. Motion second by James Vieira. Motion passed by all members voting in favor.

PERAC Disability Transmittal Approval for Daniel Cranitch

Patrick Ripley motion to place on file the PERAC Disability Transmittal Approval for Daniel Cranitch. On the motion, Patrick Ripley said we gave the city an estimate of 4 months, our integrity of the Board remains. Motion second by Robert Maiocco. Motion passed by all members voting in favor.

7. Unfinished Business

N/A

8. New Business

Consider Special Projects Coordinator (City) as an Eligible Position For Membership

Robert Maiocco motion to approve the city’s Special Projects Coordinator Position as an eligible position for membership. Motion second by Patrick Ripley. Motion passed by all members voting in favor.

New Employees:

Name	Unit	Position	Hire Date	FT/PT
Madison Harris	CTY	Principal Clerk	11/18/2024	Full Time
Cullen Paone	SCH	Security Building Monitor	11/4/2024	Full Time
Samia Bennet	CTY	Special Projects Coordinator	12/2/2024	Full Time

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

Retirements:

Name	Unit	Option	Retirement Date
Joseph Riley	CTY	Superannuation Option C	1/15/2025
Guy Champa Jr.	CTY	Superannuation Option B	1/19/2025
Anthony Meyer	CTY	Superannuation Option C	1/6/2025

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

9. Executive Session

n/a

10. Adjournment

Next meeting scheduled for Monday January 27th, 2025 in City Hall Room 201.

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

On 12-23-2024

A true Record
by:


Mark Minervini

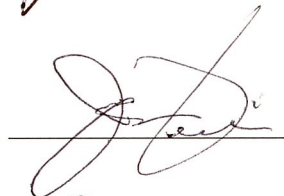
Rick Jordan


Chairman

Robert Dickinson

Absent
Ex-Officio

James Vieira



Patrick H. Ripley



Robert
Maiocco

