

## MINUTES

**Quincy Retirement Board  
Monthly Meeting  
Thursday, March 17, 2022, 9:30 am - 11:30 am  
3.001212 Hancock St. Suite 210A  
Quincy, MA 02169**

<https://us06web.zoom.us/j/81092278609?pwd=dXpTSXJsMHAzKzRpUDFLZDViNHVBQT09>

### I. Call to Order

Chairperson O'Connor called the meeting to order.

### II. Approval of Minutes from February 17, 2022

The Board Reviewed the minutes from February 17, 2022.

Chairperson O'Connor noted the amendment to John Cain's department from Audit to Municipal Finance.

On a motion by Mr. McFarland and seconded by Mr. Coppens, the Board approved the minutes from February 17, 2022.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

### III. Approval of Executive Session Minutes from February 17, 2022

The Board reviewed the Executive Session Minutes from February 17, 2022.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board tabled the Executive Session minutes from February 17, 2022.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

### IV. Approval of Superannuation Applications

| <u>Name</u>   | <u>Dept</u> | <u>Date</u> |
|---------------|-------------|-------------|
| Kenneth Olson | QPS         | 3/1/2022    |
| Joyce Leary   | SCCD        | 5/31/2022   |
| Lan Fong Liu  | QPS         | 3/11/2022   |



The Board reviewed the applications for superannuation retirement.

On a motion by Mr. Arienti and seconded by Mr. Coppens, the Board approved the superannuation applications for retirement.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

#### V. Approval of Calculations

| Name                 | Date       | Amount of Allowance |
|----------------------|------------|---------------------|
| Stephen J Graham     | 2/9/2022   | \$85,492.32         |
| (Pop-up to Option A) |            |                     |
| Elizabeth Manning    | 11/30/2021 | \$16,436.52         |

The Board reviewed the calculations for retirement.

On a motion by Mr. McFarland and seconded by Mr. Coppens, the Board approved the calculations for retirement.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

#### VI. Requests for Creditable Service

|                    |          |            |
|--------------------|----------|------------|
| William Kolczewski | 6 months | \$2,163.27 |
| Mara Adriatike     | 7 months | \$8,269.16 |

The Board reviewed the requests for creditable service.

On a motion by Mr. Fitzpatrick and seconded by Mr. Arienti, the Board approved the requests for creditable service.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

#### VII. New Members

| Name              | Dept. | Veteran | Group | Salary      |
|-------------------|-------|---------|-------|-------------|
| Philip Richardson | PARKS | No      | 1     | \$43,986.00 |
| Timothy Walsh     | CEM   | No      | 1     | \$43,986.00 |
| Jessica Roosa     | QPS   | No      | 1     | \$20,164.00 |
| Kate Crenier      | QPS   | No      | 1     | \$21,431.00 |
| Lamis Omairi      | QPS   | No      | 1     | \$21,431.00 |



|                     |     |     |   |             |
|---------------------|-----|-----|---|-------------|
| Elizabeth Anthony   | COL | No  | 1 | \$83,000.00 |
| Janice Maenpaa      | COL | No  | 1 | \$63,700.00 |
| Kathleen Hughes     | QPS | No  | 1 | \$43,907.00 |
| Maleeka Pearson     | QPS | No  | 1 | \$47,949.00 |
| Courtney Smith      | COL | No  | 1 | \$49,999.00 |
| Jacqueline O'Rourke | COL | No  | 1 | \$47,999.00 |
| Riley McGrath       | QPD | Yes | 4 | \$55,399.00 |
| Shawn Murphy        | QPD | No  | 4 | \$55,399.00 |
| Maxwell Greenwood   | QPD | Yes | 4 | \$55,399.00 |
| Patrick Watkins     | QPD | Yes | 4 | \$55,399.00 |
| Scott Miller        | QPD | No  | 4 | \$55,399.00 |

The Board reviewed the new members for the Quincy Retirement Board.

On a motion by Mr. McFarland and seconded by Mr. Arienti, the Board approved the new members of the Quincy Retirement Board.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

#### VIII. Accidental Death Benefit

The Board reviewed the accidental death benefit for Joyce Reddington, the surviving spouse of Donald L. Reddington.

On a motion by Mr. Arienti and seconded by Mr. Coppens, the Board approved the death benefit for Joyce Reddington, surviving spouse of Donald L. Reddington.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

#### IX. Executive Session Pursuant to M.G.L. c. 30A s.21 (a)(1) Executive Session pursuant to MGL 21 (a)(3)

On a motion by Mr. McFarland and seconded by Mr. Arienti, the Board voted to enter into Executive Session to discuss medical records.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

#### X. Return to Regular Session

On a motion by Mr. McFarland and seconded by Mr. Coppens, the Board voted to return to regular session.



Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XI. Accidental Disability Approval- MacQuinn

The Board reviewed Mr. MacQuinn's medical panels.

On a motion by Mr. Arienti and seconded by Mr. McFarland, the Board voted to approve the accidental disability of Mr. MacQuinn.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XII. Accidental Disability Approval- Silcox

The Board reviewed the medical panels for Mr. Silcox.

On a motion by Mr. Arienti and seconded by Mr. McFarland, the Board voted to approve the accidental disability of Mr. Silcox.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XIII. Accidental Disability- Greene

The Board reviewed the medical records for Mr. Greene.

On a motion by Mr. Arienti and seconded by Mr. McFarland, the Board voted to send Mr. Greene to an accidental disability medical panel.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XIV. Meketa Investment Group

Meketa 10:51A.M.-12:02 P.M.

Frank Benham from Meketa joined the meeting to speak on the global outlook and the Quincy Retirement Board performance. Expectations for policy tightening are happening faster than previously expected given the persistent inflation which led to significant volatility at the start of the year. With a few exceptions, most asset classes were down in January. Equity markets led declines with U.S. equities down the most. Rates increased across the U.S. yield curve, with flattering patterns continuing. The dollar strengthened against a broad spectrum of peers with a few commodity-sensitive





currencies outperforming. Inflation expectations fell but remain elevated. Looking ahead, the pace of policy tightening, the track of inflation, geopolitical issues, and the path of the virus will all be key. Outside of emerging markets and the broad US investment grade bond market (Barclays Aggregate), most asset classes increased in 2021. In comparison, 2022 is off to a weak start with all major asset classes declining given expectations for policy tightening. Acadian Emerging Markets Small Cap outperformed its benchmark for the month, returning -3.2% vs -4.4% for the MSCI Emerging Markets Small Cap Index. The portfolios underweight position in China and positive stock selection has continued to have a positive impact on relative returns. Since inception, the strategy has returned 8.2%, beating the benchmark by 3.0% over that same period. Brown Small Cap Fundamental Value outperformed its benchmark by 1.4% in January, posting a return of -4.4% vs the benchmark's -5.8%. Stock selection in the Health Care and Communication Services sectors provided a positive contribution to relative returns for the month. Since inception, Brown has returned 9.7%, trailing the benchmark, which has returned 11.2% over that same period. Axiom International Small Cap lagged its benchmark in January by 5.5%, returning -13.0% vs. the benchmark return of -7.5%. Stock selection in the Health Care, Information Technology and Industrials sectors were the biggest headwinds to relative performance. Since inception, the strategy has returned 27.2%, well above the benchmark's return of 22.8% over that same period. Driehaus Emerging Markets Growth underperformed its benchmark in January by 2.1%, returning -4.0% vs the benchmark's -1.9% monthly return. Since inception, the strategy has returned 12.7%, well outpacing the benchmark return of 7.3% over that same period. The Pension Obligation Bond doubled the size of system with assets going into PRIM. The systems expected return dropped to 7.19% over the next 20 years. As of this morning, the portfolio is down about 6% through calendar 2022 with continued volatility.

Loomis 10:53-11:07 A.M.

Chris Lazzaro joined the meeting from Loomis Sayles. Loomis Sayles has an AUM of \$363 billion. At the end of February 2022, the performance was trailing 6 bps on a 1-year lag. It was a challenging start to the year with rising interest rates, rising inflation, leading to high-yield securities under pressure. As of last evening, the portfolio was down 6.75% compared to the benchmark of 5.8%. 75% of the portfolio is held in U.S. high yield with 25% in other areas where the team believes they can find high total return possibilities. Emerging market credits have been dragging down the portfolio. The holdings the team put together late last summer in the Chinese property development sector has been subject to selling pressure and pricing pressure. The portfolio has been highly leveraged since the Loomis team was set with high yields. Q4 has changed and has been facing more challenges. The investment thesis of Loomis remains intact, and the firm will continue to keep hold of these bonds. Over time, Loomis hope the Chinese government will step in and support the real estate sector and Loomis remains confident over time the investment strategy will play out, but it will be volatile in the near term. Emerging markets are less than 8% of the total portfolio weight. The Loomis team has been trimming energy back and taking advantage of the high oil prices to find better opportunities.

Rockwood 11:08-11:21 AM



Andrew Blanchard joined the meeting from Rockwood. Quincy Retirement Board is invested in Rockwood's Fund X with a \$10 million commitment in December and Rockwood's Fund XI with an \$8 million commitment in June 2019. Both funds are value-added comingled U.S. real estate funds. Fund XI has a total fund size of \$1.1 billion with 50% committed. There have been 3 recent closing in Q3 with 5 pending investments in life science buildings and multifamily buildings. This fund performed well during the pandemic driving alpha and holding on track 12%-14% net IRR. Rockwood was able to establish income for the fund with solid investments early. Fund X has a total fund size of \$1.1 billion and has 16 of 26 investments remaining. The fund has completed 10 sales producing \$1.1 billion in gross sales YTD. The projected net IRR sits at 10%.

Driehaus 11:23-11:32 AM

William Hickey and Chad Cleaver joined the call from Driehaus. Mr. Hickey and Mr. Cleaver spoke about the recent events over the past month in Russia has been a struggle for emerging markets. Many investors did not anticipate the extreme level but knew it was a possibility. Driehaus has neutralized their exposure in Russia at the end of last year. Coming off from regulation restrictions in China, many expected these restrictions to easy going forward and see positive signs that will continue. Activity on the ground has been slow by headwinds to property markets which is a driver of economic activity in China not yet seeing the stimulus. The outlook for reemerging markets is optimistic with valuations staying strong at 2 standard deviations below average levels. Investments continue to gather steam in renewable energy and electric vehicles. There is a trend to spend more in renewables with a decrease in exposure to Russian gas. As of the end of February 2022, the fund stands at -3.48% net IRR.

Harbourvest 11:34-11:44 AM

Fran Peters from Harbourvest joined the call. As of September 30, 2021, Harbourvest has \$92.9 billion total AUM across all strategies. Quincy Retirement Board invested \$4 million in the Harbourvest Co-Investment V Feeder in 2019. The Fund has provided a 47.6% IRR since inception. This fund focuses on small middle-market space opportunities. Co-investments are principally in leveraged buyouts, recapitalizations, growth equity and special situations. The Fund has committed more than \$2.9 billion to 57 companies through September 30, 2021 and is expected to complete its investment period in early 2022. A diversified strategy helps to reduce any one specific company risk and deliver consistent gross returns at a lower cost.

## XV. NCPERS/MACRS Conference

The 2022 Annual Conference & Exhibition (ACE) will be hosted in Washington, D.C., May 22 – 25 at the Omni Shoreham Hotel. The NCPERS University programs (TEDS and NAF), held in conjunction with ACE, will be held on May 21 – 22 in the same location.

On a motion by Mr. Fitzpatrick and seconded by Mr. Coppens, the Board voted to approve any Board member attending NCPERS or MACRS as well as the Executive Director and Associate Executive Director.



Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XVI. COLA Meeting

The Board discussed scheduling a separate special meeting to discuss the COLA vote. The meeting will be the same say as the regular scheduled Board meeting. The monthly Board meeting was rescheduled to April 20th at 9:35 A.M. and the COLA meeting is scheduled for April 20th at 9:30 A.M.

On a motion by Mr. McFarland and seconded by Mr. Coppens, the Board voted set the COLA meeting for April 20, 2022 at 9:30 A.M.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XVII. Aberdeen Invoices

The Board reviewed the invoices from Aberdeen.

On a motion by Mr. McFarland and seconded by Mr. Coppens, the Board voted to pay the invoices from Aberdeen.

Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland,  
Ernest Arienti  
Yes: 5 No: 0

#### XVIII. Other Business

#### XIX. PERAC Memo

The Board reviewed the PERAC memos.

#### XX. Approval of Warrants

Warrant 2022-13  
Warrant 2022-12  
Warrant 2022-11  
Warrant 2022-10  
Warrant 2022-09  
Warrant 2022-08  
Warrant 2022-07  
Warrant 2022-06  
Warrant 2022-05  
Warrant 2022-04









Warrant 2022-03  
Warrant 2022-02  
Warrant 2022-01

The Board reviewed the following warrants:

Warrant 2022-13  
Warrant 2022-12  
Warrant 2022-11  
Warrant 2022-10  
Warrant 2022-09  
Warrant 2022-08  
Warrant 2022-07  
Warrant 2022-06  
Warrant 2022-05  
Warrant 2022-04  
Warrant 2022-03  
Warrant 2022-02  
Warrant 2022-01

On a motion by Mr. McFarland and seconded by Mr. Arienti, the Board approved the warrants.

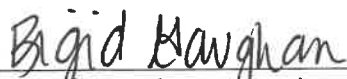
Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0

XXI. Adjourn

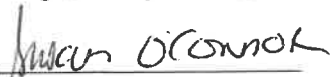
Chairperson O'Connor moved to adjourn the meeting.

On a motion by Mr. Fitzpatrick and seconded by Mr. Arienti, the Board voted to adjourn the meeting.

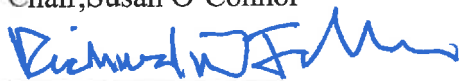
Yes: Richard D. Fitzpatrick, Susan O'Connor, Leo Coppens, Michael E. McFarland, Ernest Arienti  
Yes: 5 No: 0



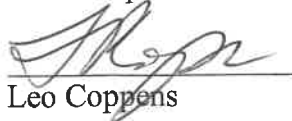
Brigid Gaughan, Associate Executive Director



Chair, Susan O'Connor



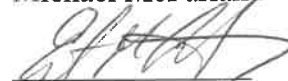
Rick Fitzpatrick



Leo Coppens




Michael McFarland



Ernie Arienti




Respectfully Submitted,

  
\_\_\_\_\_  
Associate Executive Director

  
\_\_\_\_\_  
Susan O'Connor, Chairperson

  
\_\_\_\_\_  
Ernie Arienti

  
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Leo Coppens

  
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Rick Fitzpatrick

  
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Michael McFarland

