

MINUTES

Quincy Retirement Board

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Quincy Retirement Board - Monthly Meeting

Thursday, February 16, 2023, 9:30 am- 12:00 pm

1305 Hancock St., Old City Hall Lower Level

I. Call to Order

Chair O'Connor called the meeting to order at 9:31 a.m. All members were present for the meeting.

II. Approval of Meeting Minutes from 1/19/23

Motion to approve the meeting minutes by Member Arienti second by Member McFarland. All members voting in favor.

III. Approval of Executive Session Meeting Minutes from 1/19/23

Motion to table the executive session meeting minutes by Member McFarland second by Member Arienti. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

IV. New Members

Timothy Watts LIBRARY Yes 1 \$34,805

Lisa Hagerty QPS No 1 \$48,052

Kelly Donahue QPS No 1 \$16,131

Allen Mo COL No 1 \$61,000

Sheryl Cifrino COL No 1 \$92,000

Kevin Kwok LIBRARY No 1 \$39,213

Alexa Kelly LIBRARY No 1 \$56,296

Nancy Duffy QHA No 1 \$54,090

Gisele Habchi QHA No 1 \$54,090

Luisa Velasquez Puma QPS No 1 \$17,275

Daniel Picard QPS No 1 \$46,659

Mateus Monteiro de Souza QPS No 1 \$58,873

Emily Carey QPS No 1 \$85,000

Tammy Aldrich QHA No 1 \$46,464

Joseph Scott QPS No 1 \$62,555

Kevin Heffernan QPD No 1 \$60,838

Vincent Pham COL Yes 1 \$53,000

Motion to approve the new members by Member Arienti second MecFarland. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

V. Approval of Calculations

Name Ret. Date Allowance

Dorothy L Boyle 11/18/22 \$14,910.00

Helen J Donovan 12/30/22 \$36,855.84

Joseph Duca 1/31/23 \$64,701.00

Daniel Gorman, Jr. 7/30/22 \$109,272.24 (revised)

Angus McEachern 9/30/14 \$85,910.40 (revised)

James R Schilling 12/31/22 \$50,686.08

Geraldine Simon 3/1/22 \$28,513.08 Pop Up A

Lorene Connolly 1/20/23 \$35,025.00

Kowshilla Jaggernath 7/1/22 \$10,891.20 (corrected)

Brenda Hansen 9/6/22 \$4,256.76 (corrected)

Aileen Lyons 8/31/22 \$10,288.68 (corrected)

Motion to approve the calculations by Member Arienti second McFarland. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

VI. Request for Creditable Service

Laura Taylor 3 years 4 months \$53,516.17

Marilyn Bioni 6 months \$1,677.94

Brian O'Callaghan 6 months \$1,066.26

Tyler Braun 2 years 10 months \$7,300.90

Susan Clarke-Lynn 2 months \$694.10

John Murray 4 years \$27,999.08

Catherine McGahan 6 year 4 months \$21,514.56

Mitchell McGowan 1 year \$2,356.12

Rochelle Dein 6 months \$2,939.60

(interest update)

Motion to approve the creditable service by Member Arienti second Member McFarland. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

VII. Approval of Superannuations

Paul Anderson Health Dept. 01/31/2023

Sheila Calabro QPS 01/27/2023

John J McKenna QHA 02/04/2023

Rose DeVito COL 02/23/2023

Motion to approve the superannuations by Member McFarland second by Member Arienti. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

VIII. Executive Session pursuant to M.G.L Chapter 32

Motion to enter into executive session at 9:34 a.m. by Member Arienti second by Member McFarland. All members voting in favor.

Motion to come out of executive session at 10:08 a.m. by Member Arienti second by Member McFarland. All members voting in favor.

Motion to come into regular session.

IX. Actuary Workflow 2023

The Board welcomed Colin from Stone Consulting. Colin walked through the mock up on the GASB report. Colin mentioned that none of the valuation report affects the funding for how much the housing of city has to pay. Colin mentioned that valuation process going forward and the contract going forward. The valuation cycle (P.3), spoke to the city not having to do a valuation this year. Member Arienti mentioned that it was such a bad year, being down 10%, should we continue doing the valuation. Chair O'Connor agreed that keeping on point with the valuation is a good idea. Member McFarland mentioned

that it was a good idea to continue on the valuation. On P.2 of the presentation, asset valuation, In 2022,

assets and liabilities were segregated. What that means is that the city and housing will find a way to separate costs. Colin mentioned that the investment returns would be able to be split, as PRIT vs nonPRIT. Member McFarland said that 95% of the portfolio is the city and college and 5% is the housing. Every dollar of benefit should be tagged to the entity where it effects. Member McFarland mentioned what about the employee that works for the city for 10 years and then goes to work for the housing authority for 10 years. Member McFarland agreed to wait until the audit RFP is awarded, and in concert with auditors to develop a methodology. All members voting agreed.

X. Meketa Investment Group

The board welcomed Alli Stone & John Hegarty from Meketa Investment Group. Alli began with the monthly meeting materials. Alli mentioned that we are ready to interview for our outstanding RFP's. Alli went over market values and performance. The Fund was \$790M. Alli mentioned that the PE consistently outperformed the public asset classes. Our allocations are in-line with our IPS with the exception of PE. Our legacy portfolio was down 9.6% and PRIT was down 10.6%. Key drivers of negative performance was continued rate hikes. Real assets were a bright spot in the portfolio. Alli mentioned that Brown had a nice bounce back.

The Board welcomed Ross from OpCo and Alli from Meketa asked them to update the Executive Director which was incorrect in the presentation. The fund has distributed over \$78M. The Atlas fund was approaching the end of it's life and the manager was able to transfer the assets into a continuation fund. These funds provide a longer runway for value creation. OpCo speaks with it's managers very

frequently. This years distributions are coming from the mining sector. The Olger fund will be making a final distribution around their farming managers. Director Croall asked OpCo on the timeliness of their reporting and the challenges it provides to manager reporting for the office. Ross spoke about the challenge that they have from reporting of fund of fund managers and the auditing which is required. Director Croall asked for a write-up so that he could share it with PERAC on how they report.

The Board welcomed Sean from Goldman Sachs Asset Management. 22 direct investments in the vehicle we own. We had a net ROI of 1.42 x's. Performance has been strong for the direct vehicle. GS looks at NAV vs. total commitments. Chair O'Connor asked about the performance number was as of 12/31/21. The management team said that they had to report it this way. Chair O'Connor asked about when we would receive a new up to date report. They said within the next two months. Chair asked for the updated report to be forwarded.

The Board turned the meeting over to John Hegarty from Meketa Investment Group to cover the PE program. Alli went over the numbers and our percentile ranking across the DB universe (100's to 1,000 numbers). Member Fitzpatrick was interested in seeing the Massachusetts universe. Alli said that they don't have that information. John said that there was \$134M invested in PE. We've had strong relative performance. John said that we may have been done a favor by not investing in the 21-22' vintage years due to a frothy top. In terms of pacing, John gave an overview of what pacing is. Pacing takes into affect how quickly your portfolio and the retirement system is going to grow. P.74 of the February meeting materials. Vintage year diversification keeps portfolio's cash flow positive. Member Fitzpatrick asked if there was a way to quantify the "missed" opportunity which came by not investing 20-21'. John said there really wasn't outside of watching it play out. John said that the program is running well and he's looking to open it up. Alli is looking to put out a non correlated real estate space. Member McFarland asked about when the RFP's we have out there will be presented. Alli said that next meeting.

Chair O'Connor asked for a motion to be made to make a new RFP. Alli said the allocation is \$12M.

Motion to issue PE RFP by Member Fitzpatrick second by Member McFarland. Motion to approve the Real Estate RFP by Member Fitzpatrick second by Member Arienti. All members voting in favor.

Alli spoke about the existing EMsmall cap RFP's we have out. LSV, Arcadian and Cedar Street. Motion made by Member Arienti to interview the top 3 managers. Second by Member McFarland. All members voting in favor. The interview process for these 3 managers will take place next meeting.

The passive index manager RFP. We had 3 respondents: Northern Trust, SSGA & Rhumblin. All suggested interviewing SSGA & Rhumblin. Motion to interview these two managers by Member McFarland and second by Member Arienti. All members voting in favor.

Chair O'Connor requested that the meeting begin at 9:00 at Old City Hall.

XI. Correspondence

The Board took PERAC Memo's 5-8 under advisement.

XII. Approval of Cash Books

Motion to approve the cash books by Member Arienti second by Member McFarland. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

XIII. Office Update

Chair O'Connor asked about whether the sub-committee had met. Member Fitzpatrick said that it was on his and Member Brown's agenda to get over there. Chair O'Connor was ok with that.

XIV. Approval of Warrants

Warrant 2023-05

Warrant 2023-04

Warrant 2023-03

Warrant 2023-02

Warrant 2023-01

Breakdown by Account

Management Fees \$112,489.34

Investment Consult \$15,166.67

Legal Expense \$1,046.00

Rent Expense \$5,023.00

Education/Training \$290.00

Admin Expense \$7,863.50

3(8)(c) \$9,499.93

Transfers Out \$168,777.60

Refunds \$195,926.70

Motion to approve the warrants by Member Arienti second by Member McFarland. All members voting in favor.

YES-McFarland YES-Arienti YES-Fitzpatrick YES-Brown YES-O'Connor

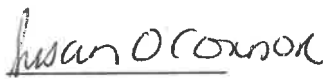
XV. Adjourn

Motion to adjourn by Member Arienti second by Member McFarland. All members voting in favor.

Meeting adjourned at 12:30 pm.



Brad Croall



Susan O'Connor



Mike McFarland



Member Brown



Member Fitzpatrick

Member Arienti