

MINUTES

**Quincy Retirement Board
Quincy Retirement Board
Quincy Retirement Board - Monthly Meeting
Thursday, April 20, 2023, 9:00 am - 12:00 pm
1305 Hancock St., Old City Hall Lower Level**

I. Call to Order

Chairperson O'Connor called the meeting to order at 9:30 A.M.

II. Approval of Executive Session Meeting Minutes from 2.16.23

On a motion by Mr. McFarland and seconded by Mr. Arienti, the Board voted to approve the Executive Session minutes from February 16, 2023.

III. Approval of Executive Session Meeting Minutes from 3.16.23

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board voted to table the Executive Session minutes from March 16, 2023

IV. Approval of Meeting Minutes from 3.16.23

On a motion by Mr. Arienti and seconded by Mr. Fitzpatrick, the Board voted to approve the minutes from March 16, 2023.

V. Request For Creditable Service

Michael Furey 9 months \$1,875.79

The Board reviewed the requests for creditable service.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board voted to approve requests for creditable service.

VI. Approval of Calculations

| <u>Name</u> | <u>Date</u> | <u>Amount</u> |
|---|-------------|---------------|
| Thomas Bambery | 11/25/2022 | \$69,745.32 |
| Patricia Butts | 2/25/2022 | \$63,527.76 |
| (Survivor of Michael) Section 9 Benefit | | |
| Christine Chaudhary | 2/28/2023 | \$23,370.60 |
| (Updated) | | |

| | | |
|--|------------|-------------|
| Elaine Dellacroce (Revised) | 8/5/2022 | \$54,999.36 |
| David DiTullio (Pop-up to Option A) | 10/14/2022 | \$54,155.64 |
| Kathy M Fabrizio (Revised) | 9/30/2021 | \$17,325.84 |
| Lan Fong Liu (Revised) | 3/11/2022 | \$15,038.04 |
| Joan Mackie | 1/8/2022 | \$8,605.56 |
| John J McKenna, Jr | 2/4/2023 | \$14,177.16 |
| George Nicholson (Revised) | 12/31/2021 | \$20,979.00 |
| Lewann Mina (Revised) | 6/30/2020 | \$1,150.98 |
| Tatiana Iordanova | 3/30/2023 | \$9,645.72 |

The Board reviewed the retirement calculations.

On a motion by Mr. McFarland and seconded by Mr. Arienti, the Board voted to approve the calculations for retirement allowance.

VII. Approval of Superannuation Applications

| | | |
|---------------------|--------------|-----------|
| Peter Turowski | QPD | 3/31/2023 |
| Joseph Finn | City Council | 4/12/2023 |
| Jean MacLennan-Cook | Library | 4/28/2023 |
| Tatiana Iordanova | Library | 3/30/2023 |
| Maisy Tong | QPS | 6/30/2023 |
| John Steele | QPD | 6/4/2023 |
| Linda Power | QPS | 6/21/2023 |

The Board reviewed the superannuation applications.

On a motion by Mr. Fitzpatrick and seconded by Mr. Arienti, the Board voted to approve the superannuation applications for retirement.

VIII. New Members

| | | | | |
|---------------------|-----|----------|---|----------|
| Joaquin Robles | QFD | resigned | | |
| Christopher Barbone | QFD | Yes | 4 | \$50,400 |
| Austin Kelley | QFD | Yes | 4 | \$50,400 |
| Thomas Barrett | QFD | Yes | 4 | \$50,400 |
| Frederick Barsamian | QFD | Yes | 4 | \$50,400 |
| Shane Bowen | QFD | Yes | 4 | \$50,400 |
| Steven Conroy | QFD | Yes | 4 | \$50,400 |
| Matthew Flaherty | QFD | Yes | 4 | \$50,400 |
| Daniel Gibbons | QFD | Yes | 4 | \$50,400 |
| Michael Golden | QFD | Yes | 4 | \$50,400 |

| | | | | |
|-------------------------------|-------|-----|---|----------|
| Matthew Goodrich | QFD | Yes | 4 | \$50,400 |
| Lincoln Humphrey | QFD | Yes | 4 | \$50,400 |
| Thomas Koch | QFD | Yes | 4 | \$50,400 |
| Jeffrey Mitchell | QFD | Yes | 4 | \$50,400 |
| Michael Weeks | QFD | Yes | 4 | \$50,400 |
| Deming Yang | QFD | Yes | 4 | \$50,400 |
| Olivia Deane | QHA | No | 1 | \$46,464 |
| Brittany Mahan | SCCD | No | 1 | \$56,700 |
| Angelica Reyes Santiago | COL | No | 1 | \$84,999 |
| Timothy O'Brien | QPD | No | 1 | \$91,999 |
| Jennifer Seamans-Johnson | QPS | No | 1 | \$26,106 |
| Matthew Lorber | QPS | No | 1 | \$41,999 |
| Nicole O'Hare | QPD | No | 1 | \$10,186 |
| Cynthia Oliver | SCCD | No | 1 | \$29,000 |
| Graham Henry | SCCD | No | 1 | \$58,800 |
| Robert Upton | SCCD | No | 1 | \$56,700 |
| Mary Kate Paris <i>REHIRE</i> | SCCD | No | 1 | \$50,399 |
| Yen Mei Loo | CLERK | No | 1 | \$44,870 |
| Amy Teehan | COL | No | 1 | \$83,000 |
| John Neal | QPD | No | 1 | \$60,838 |
| Rose Smith | LIB | No | 1 | \$57,985 |
| Rupa Nijhawan | COL | No | 1 | \$51,000 |
| Chandrea Perry | QHA | No | 1 | \$54,090 |
| Ann Sullivan | QPS | No | 1 | \$14,735 |

The Board reviewed the new members.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board voted to approve the new members.

IX. Meketa Investment Update

Due Diligence

Alli Wallace Stone entered the meeting at 9:46 A.M. and presented performance as of February 28, 2023. After a strong start to the year, markets sold-off as better-than-expected economic data pushed investors to raise their inflation and interest rate expectations. Despite the sell-off most asset classes remain positive year-to-date. US equity markets declined in February with the Russell 3000 falling 2.3% and growth continuing to outperform value. Developed equity markets outside the US were up slightly in local terms for the month but a strengthening dollar brought returns negative for US investors. Expectations for higher rates for longer, bonds gave back most of their January gains with the broad US bond market (Bloomberg Aggregate) declining 2.6%. This year, the path of inflation and monetary policy, slowing global growth, China reopening its economy, and the war in Ukraine, as well as recent pressures in the banking sector, will all be key.

IFM trailed its benchmark by 1.2% in February, posting a return of -0.2 % vs the benchmark's 1.0%. In the first quarter of 2023, IFM trailed the benchmark by 0.3%, returning 2.6% net of fees. The portfolio quarterly return was primarily driven by the increase in the share price of two listed assets, Vienna International Airport and Naturgy Energy Group. Top performers for the quarter were Vienna Airport (+15.3%), Naturgy (+10.5%) and Veolia Energia Polska (+10.4%) on a local currency basis. Since inception, IFM has returned 10.5%, (through 2/28/23) outpacing the benchmark by 1.3%, net of fees. Loomis lagged its benchmark in February, returning -1.9% vs. the benchmark -1.3%. Underperformance was driven primarily by security selection while sector allocation weighed on performance slightly throughout the month. On an absolute basis, performance in that sector had the greatest negative impact on the strategy. Brown beat its benchmark by 1.0% in February, posting a return of -1.3 % vs the benchmark's -2.3%. The portfolio's financials and real estate holdings provided positive contribution, relative to the benchmark, for the month. Since inception, Brown has returned 8.3%, per year underperforming the Russell 2000 Value by 0.5%, net of fees. Driehaus outperformed its benchmark by 0.4% in February, posting a return of -6.1% vs the benchmark's -6.5%. Exposures within China, specifically an underweight and stock selection within consumer discretionary and consumer staples, were the largest source of positive relative results. Since inception, Driehaus has returned 4.0%, per year well outpacing its benchmark which returned 0.2% over that same period.

X. Real Estate RFP

Meketa presented the responses from the Non-Core Real Estate RFP. Quincy has previously invested with AEW, Terracap, and Torchlight. Meketa sees AEW as opportunistic with a riskier approach than a value add opportunity. It is a Boston based firm with a large team and a history of positive performance. Their fees are competitive and a preferred return of 9%. Stockbridge focuses on high growth markets and emerging markets in the US where they are able to find advantages. Terracap is a smaller more boutique firm with a regional focus. They have diversified more recently in the southern and western markets. Performance has been good showing anywhere from 9.8%-12.9%. The average fee is about 1.5%. Meketa recommends \$7 million for 1 firm or up to \$10 million split between 2 firms. Mr. Fitzpatrick stated Stockbridge is rated high advantageous based on performance and asks if that is a continued trend Meketa has seen with other clients. Meketa stated that they have consistently outperformed but that is attainable not cyclical. Their research team looks at their favorite attributes.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board voted to invite AEW, Terracap, Torchlight, and Stockbridge to present at the May Board meeting.

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

K. Johnson
T. Falconi

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

XII. Office Update

Mr. Fitzpatrick stated that they will continue to meet with the staff.

XIII. Other Business

Reinstatement of Kathleen Porkka retirement allowance

The Board discussed setting a meeting to consider the audit RFP. The meeting was set for May 5th at 9 A.M.

XIV. Bus Driver Unused Vacation

Ms. Gaughan stated that there were a handful of bus drivers that also had deductions taken from unused vacation in error way back when. There was a letter from November 2011 explaining the refund to a retiree. Deductions are still being held on account for bus drivers but because the O'Leary case was settled, we believe we can now refund those deductions. This is the same situation as the police vacation buyback that is pending. The Board agreed to hold the deductions until the police vacation is decided upon.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board voted to continue to hold bus driver deductions until the O'Leary case is resolved.

XV. Police Unused Vacation

Attorney Sacco reached out to PERAC and they are still reviewing the material.

XVI. Approval of Cash Books

The Board reviewed the December 2022 cash books.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board approved the cash books.

XVII. Approval of Warrants

Warrant 2023-15

Warrant 2023-14
Warrant 2023-13
Warrant 2023-12
Warrant 2023-11

Breakdown by Account

| | |
|---------------------|------------|
| Mgmt Fees | \$28,968. |
| Custodial Fees | \$17,948. |
| Invest Consult Fees | \$15,166. |
| Legal | \$2,990. |
| Service Contract | \$234. |
| Rent | \$5,023. |
| Admin Expense | \$831. |
| 3(8)(c) | \$90,612. |
| Trans to Other Sys | \$476,639. |
| Ref/RO/Fed tx | \$62,621. |

The Board reviewed the warrants.

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

XVIII. PERAC Memos

The Board reviewed the PERAC memos.

XIX. 12(2)(d) - Inactive Status Approval

| Name | DOD | Term Date | Maria |
|----------|---------|------------|-------|
| Anastasi | 2/23/23 | 12/31/2019 | |

(Steve Anastasi - Spouse)

The Board reviewed the inactive survivor benefit application.

On a motion by Mr. McFarland and seconded by Mr. Fitzpatrick, the Board approved the 12(2)(d) application.

XX. Adjourn

Chairperson O'Connor adjourned the meeting

Respectfully Submitted,

Bigid Laugham
Associate Executive Director

Approved

Richard D. Fennell
[Signature]

Paul Brown

[Signature]

Richard D. Fennell