

MINUTES

**Quincy Retirement Board
Quincy Retirement Board - Monthly Meeting
Thursday, June 15, 2023, 9:00 am - 12:00 pm
1305 Hancock St., Old City Hall Lower Level
In attendance: Michael McFarland, Susan O'Connor, Ernie Arienti, Paul Brown,
Brigid Gaughan,**

I. Call to Order

Chairperson O'Connor called the meeting to order at 9:02 A.M.

II. Approval of Minutes from May 5, 2023

The Board reviewed the minutes.

On a motion made by Mr. Arienti, seconded by Mr. McFarland, the Board approved the minutes from May 5, 2023.

YES: 4 NO: 0

III. Approval of Special Meeting Minutes from May 18, 2023

The Board reviewed the minutes.

On a motion by Mr. McFarland, seconded by Mr. Brown, the Board approved the minutes from May 18, 2023.

YES: 4 NO: 0

IV. Approval of Executive Session Minutes from May 18, 2023

The Board reviewed the Executive Session minutes.

On a motion by Mr. McFarland, seconded by Mr. Arienti, the Board tabled the Executive Session minutes.

YES: 4 NO: 0

V. Approval of Minutes from May 18, 2023

The Board reviewed the minutes.

On a motion by Mr. Brown, seconded by Mr. McFarland, the Board approved the minutes from May 18, 2023.

YES: 4 NO: 0

Eliza Patteson	LIBRARY	No	1	\$65,240
Danielle Maloney	QPD	No	1	\$10,491
Andrew Rocha	QHA	No	1	\$100,000
Liana Cunningham	QPS	No	1	\$37,121
Kate Tenney	PLAN	No	1	\$57,457
Jonathan Green	QPD	No	1	\$61,040
Damion Outar	Mayors Office	No	1	\$87,249
Abigail Fay	QPS	No	1	\$16,142
Kalie Dilks	QPS	No	1	\$15,798

The Board reviewed the new members.

On a motion by Mr. McFarland, seconded by Mr. Brown, the Board approved the new members.

YES: 4 NO: 0

VII. Approval of Superannuation Retirements

John Steele	QPD	6/20/2023	(revised)
Carol Flynn	QPD	9/28/2023	
Michael O'Connor	QFD	9/29/2023	
Mark Foley	QPD	6/30/2023	
Linda Whealan	QPS	9/29/2023	

The Board reviewed the applications for superannuation retirement.

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

YES: 4 NO: 0

VIII. Approval of Calculations

<u>Name</u>	<u>Dept.</u>	<u>Allowance</u>
Marianne McQuinn (Revised/Holiday Pay)	QPS	\$22,455.36
Ruth McInnis (Revised/Holiday Pay)	QPS	\$26,269.92
Steve Anastasi (Survivor of Maria Anastasi)	QPS	\$8,183.52

The Board reviewed the retirement calculations.

On a motion by Mr. McFarland, seconded by Mr. Arienti, the Board approved the retirement calculations.

YES: 4 NO: 0

IX. Request for Creditable Service

Thomas Bowes	1 year 6 months	\$4,406.02
Cheryl Potter	1 year 4 months	\$7,105.14
Marian Camerlin	9 years 7 months	\$35,657.07

The Board reviewed the requests for creditable service.

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

YES: 4 NO: 0

X. Death Project Update

The Board reviewed the memo from Antonetta Fopiano, providing an update on the clean out of death files in the office. Both Ms. Fopiano and Ms. O'Brien have each worked 20 hours and have accrued comp time. The Board agrees to have this project continue.

On a motion by Mr. Brown, seconded by Mr. McFarland, the Board approved the continuation of the death files clean out, compensating Ms. Fopiano and Ms. O'Brien with comp time or overtime.

YES: 4 NO:0

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

Dorothy Burr widow of Robert Burr Request for Survivor Benefit (Sect. 9).

J. Silcox

Henwood

K. Johnson

K. Donelin

S. Martin

Police Vacation Buyback

The Board entered Executive Session at 9:04 A.M.

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

YES: 4 NO:0

XII. Police Vacation Buyback

The Board stated that they are going to send their decision to PERAC and will give their best efforts. Three board members that were alive at the time are going to give affidavits stating how they recall the vote to support the argument. Attorney McAuffile presented an affidavit regarding his recollection from the meeting. He noted that there was no vote when he attended the October meeting. Attorney Sacco stated that whatever the Board decides, he will do everything he can make it happen and will

defend the Board's decision. He does not want anyone to retire with vacation buyback as regular compensation included then down the line, have it taken away because there will be no ability to forgive that debt. Any police officer who retired after 5/1/2018 will not be affected.

On a motion by Mr. Arienti, seconded by Mr. Brown, the Board voted to allow deductions for vacation buyback to be included prior 2018 in retirement allowance and send documentation to PERAC for approval.

YES: 4 NO: 0

XIII. Return to Regular Session

On a motion by Mr. Arienti, seconded by Mr. McFarland, the Board voted to table Mr. Donelin's involuntary accidental application.

YES: 4 NO: 0

On a motion by Mr. Arienti, seconded by Mr. McFarland, the Board approved Mrs. Burr's survival benefits.

YES: 4 NO: 0

On a motion by Mr. Arienti, seconded by Mr. McFarland, the Board voted to send Mr. Martin's involuntary accidental application for a PERAC medical panel.

YES: 4 NO: 0

On a motion by Mr. Arienti, seconded by Mr. McFarland, the Board voted to approve Mr. Johnson's accidental disability.

YES: 4 NO: 0

On a motion by Mr. Arienti, seconded by Mr. McFarland, the Board voted to table Mr. Silcox's overpayment until they receive affidavits.

YES: 4 NO: 0

XIV. Approval of Cash Books

The Board reviewed the cash books from March and April.

On a motion by Mr. Arienti, seconded by Mr. Brown, the Board approved the cash books for March and April.

YES: 4 NO: 0

XV. Cash Books Update

Ms. Gaughan provided an update on the status of the cash books.

XVI. Group 2 Reclassification

Mr. Segalla submitted his request to change from group 1 to group 2. Attorney Sacco stated that this wouldn't be an issue on approval until he retires. The Board does not believe they have the authority to change Mr. Segalla's group as there is nothing in his job description that would qualify him as group 2. The Board advised Ms. Gaughan to research this issue and suggested she reach out to Attorney Maxey.

On a motion by Mr. Arienti, seconded by Mr. Brown, the Board voted to table this issue.
YES: 4 NO:0

XVII. Office Update

Mr. Croall is returning to the office July 3rd.

XVIII. Other Business

Frank Bentham from Meketa joined the meeting.

To maintain a 10% target to private equity, the Retirement System should make annual commitments to closed-end private equity funds. Meketa recommends the Retirement System commit \$12 million in 2023 to private equity managers. To help execute this strategy, Meketa issued an RFP for private equity managers with responses due back on March 24, 2023. After reviewing all of the respondents, the Board voted to interview five finalists for evaluation in today's meeting: Baleon Capital Fund II, Charlesbank Technology Opportunities Fund II, Kohlberg Investors X, LLR Equity Partners VII, and Mesirov Private Equity Co-Investment Fund IX.

Baleon 10:44 A.M.- 11:14 A.M.

Bill Weld, Jon Kaiden, & Shane Kim joined the meeting from Baleon. Baleon Capital is a private equity firm focused on early-growth equity investing in business-to-business ("B2B") growth technology companies in healthcare and tech-enabled business services. The Firm was founded in 2020 by Jon Kaiden, who previously co-founded a family office which he led as President for 17 years. Mr. Kaiden is joined as a co-managing member by Shane Kim, with whom he has invested with for more than 15 years. Prior to Baleon, Mr. Kim co-founded Island Peak Capital, an advisory firm focused on optimizing growth through a proven operating approach. Baleon will focus on highly structured investments, typically through preferred stock with accruing dividends, liquidation preference, board seats, and protective provisions that require Baleon's consent before the company can make certain substantial decisions. The Firm aims to be the first and sole institutional investor in its deals and aims to stage capital deployment across its portfolio companies over time.

Charlesbank 11:15 A.M. - 11:36 A.M

Hiren Mankodi and Lauren Desrosiers joined the meeting from Charlesbank. Charlesbank Capital Partners was founded in 1998 by the principals of Harvard Private Capital Group, the former private equity investment unit of Harvard University's endowment manager. The Firm focuses on investments across three principal strategies: multi-sector, middle market private equity in its flagship equity funds, middle market opportunistic credit in its credit funds, and lower middle market technology opportunities in its technology fund. Charlesbank Technology Opportunities Fund II will continue the strategy of its predecessor fund, making primarily control-oriented equity investments in lower middle market technology companies with enterprise values between \$50 million and \$400 million. The Fund will target investments ranging from \$50 million to \$125 million and focus on companies principally headquartered in North America. The Firm anticipates constructing a portfolio of 12 to 15 investments across application software, infrastructure software, healthcare IT, cybersecurity, cloud computing, and financial technology. Charlesbank will target companies with proven business models, established product-market fit, stable or rapid revenue growth, and are at or near profitability.

Kohlberg 11:39 A.M. - 12:11 P.M.

Chris Anderson and Nick Kono joined the meeting from Kohlberg. Kohlberg & Company, LLC was founded in 1987 by Jerome Kohlberg Jr., the senior founding partner of KKR, as the family office for the Kohlberg family. After primarily investing Kohlberg family capital in its first several funds, the Firm transitioned to raising third party institutional capital in 2001. In 2007, Kohlberg underwent its first leadership succession, and is now led by Managing Partner Samuel Frieder and Chief Investment Officer Gordon Woodward. Since its leadership transition, Kohlberg has invested approximately \$8.3 billion. Kohlberg Investors X, L.P. will continue the Firm's strategy of executing control buyout investments of North American, middle market businesses. The Fund anticipates making 13 platform investments, with average equity checks of \$350 million. The Firm will continue to invest across its six core sectors of focus: pharmaceutical/medical products & services, infrastructure services, financial & information services, business services, healthcare services, and food & consumer. Kohlberg takes a thesis-driven approach to investing, and through its white paper process, identifies attractive sub-sectors and investment themes within each core sector of focus. Value creation opportunities have historically included management team enhancements, organic and inorganic growth initiatives, and business repositioning opportunities.

LLR Partners 12:12 P.M.-12:38 P.M.

Scott Perricelli joined the meeting from LLR. Founded in 1999, LLR Partners invests in lower middle market growth companies primarily focused on the healthcare and technology sectors in the United States. The three founders had previously built successful careers counselling privately owned businesses and believed a private equity firm would be a natural extension of their careers. While the Firm's focus has always been on privately owned, growth companies under \$100 million in annual revenue, the investment strategy evolved from the opportunistic approach used in Funds I and II, to a focus in Fund III and subsequent funds on technology and healthcare companies. LLR Equity Partners VII aims to execute a consistent,

repeatable, and scalable investment strategy focused on lower middle market growth companies in the technology and healthcare sectors.

Mesirow 12:40 P.M. - 1:05P.M.

Mark Sacks, Bob DeBolt, and Tom Hynes joined the meeting from Mesirow. Mesirow Private Equity, founded in 1982, initially focused on investing in lower middle market buyout opportunities in the US. In 1999, the Firm developed its partnership investment strategy and established its first private equity fund-of-funds. In 2001, the Firm began leveraging its general partner network, developed through its partnership investment activities, to begin co-investing alongside a diversified base of top performing managers. Mesirow Private Equity Co-Investment Fund IX is a continuation of the Firm's co-investment program, which seeks to assemble a well-diversified portfolio of company investments along historically top performing managers. The Firm anticipates investing in 20-30 companies over four to five years, with exposure to middle market buyout (70%-75%), growth equity (15%-20%) and late-stage venture capital (5%-10%) strategies.

The Board asked for the recommendation of Meketa. Frank stated that LLR has shown a track record of success. Baleon has no business in Massachusetts, and they are a very small firm. Mesirow interviewed a few years ago and has continued to grow. \$12 million 2-3

The Board scheduled a zoom meeting Friday June 23rd at 10A.M. for an investment vote.

XIX. Invoices

The Board reviewed the additional invoices from CLA.

On a motion by Mr. McFarland, seconded by Mr. Arienti, the Board voted to pay the invoices from CLA.

YES: 4 NO:0

XX. Approval of Warrants

Warrant 2023-21

Warrant 2023-20

Warrant 2023-19

Breakdown by Account

Mgmt Fees	\$16,275.00
Custodial Fees	\$6,341.37
Investment Fees	\$15,166.67
Legal Fees	\$1,872.00
Education & Training	\$1,452.00
Admin Expenses	\$647.58
3(8)(c)	\$1,247,407.81

Transfers Out	\$1,781.63
Refunds	\$89,162.97

The Board reviewed the monthly warrants.

On a motion by Mr. Brown, seconded by Mr. Arienti, the Board approved the warrants.
YES: 4 NO:0

XXI. Adjourn

The Board adjourned the meeting at 1:16 P.M.

On a motion by Mr. McFarland, seconded by Mr. Brown, the Board adjourned the meeting at 1:16 P.M.
YES: 4 NO:0

Respectfully Submitted



Associate Executive Director

Approved


