

MINUTES

Quincy Retirement Board Monthly Meeting

Thursday, October 26, 2023, 9:00 am - 12:30 pm

1305 Hancock St. Lower Level Old City Hall, Quincy, MA 02169

In Attendance: Brigid Gaughan, Ernie Arienti, Paul Brown, Rick Fitzpatrick, Michael McFarland

I. Call to Order

Mr. Arienti called the meeting to order at 9:05 A.M.

II. Approval of Meeting Minutes from September 21,2023

The Board reviewed the minutes from the meeting on September 21, 2023.

On a motion from Mr. Brown, seconded by Mr. McFarland, the Board approved the minutes from the meeting on September 21, 2023.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

III. Approval of Executive Session Meeting Minutes from September 21,2023

The Board reviewed the Executive Session minutes from September 21, 2023.

On a motion from Mr. Brown, seconded by Mr. Fitzpatrick, the Board approved the Executive Session minutes from the meeting on September 21, 2023.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

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

K Donelin
McBirney
Lukeman

The Board entered into Executive Session to discuss medical documents.

On a motion from Mr. Fitzpatrick, seconded by Mr. McFarland, the Board voted to enter into Executive Session.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

V. Return to Regular Session

On a motion from Mr. McFarland, seconded by Mr. Fitzpatrick, the Board entered into Regular Session at 9:10 A.M.

On a motion from Mr. Fitzpatrick, seconded by Mr. Brown, the Board voted approve the Disability Retirement for Mr. McBirney.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

On a motion from Mr. Brown, seconded by Mr. McFarland, the Board voted to send Mr. Donelin's Accidental Disability for a PERAC Medical Panel.

Yes:, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1 Abstain:1

On a motion from Mr. Fitzpatrick, seconded by Mr. McFarland, the Board voted to table Mr. Lukeman's Involuntary Disability Retirement.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

VI. Approval of Superannuation Retirement

Ricky Wash	QPD	10/24/2023
David Kiley	QPS	10/31/2023
Ralph Blight	QFD	12/31/2023
Mark Mormino	DPW	12/31/2023
Denise Lynch	QPS	01/26/2024
William Chase	DPW	01/31/2024
Sarah Kelly	SCCD	01/31/2024

The Board reviewed the applications for Superannuation Retirement.

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

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

VII. Request for Creditable Service

Timothy Simmons	3 years 9 months	\$16,352.09
William Brennan	5 months	\$5,295.00

The Board reviewed the requests for creditable service.

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

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

VIII. Approval of Calculations

<u>Name</u>	<u>Date</u>	<u>Yearly Amount</u>
Susan Clifford	9/8/2023	\$60,737.64
Helen J Donovan	12/30/2022	\$37,051.44
(Revised Amount)		
Peter Williams	5/3/2023	\$103,482.48
(Pop-up to Option A)		
Kenneth Johnson	9/23/2022	\$48,596.04**
**Subject to Workers' Comp. Offset		
Doris J Koch	9/5/2023	\$49,937.40
Richard B. McCusker	7/31/2023	\$164,537.64
Barbara Shea	9/1/2023	\$7,881.36
Linda Whealan	9/29/2023	\$40,073.04
Michael D. O'Connor	9/29/2023	\$73,569.96

The Board reviewed the calculations for retirement.

On a motion from Mr. Brown, seconded by Mr. McFarland, the Board voted to approve the retirement calculations.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

IX. New Members

Ryan Jewell	QPD	No	4	\$58,773
Marlene McPartlin	TPAL	No	1	\$10,806

Lauren Critelli	CLERK	No	1	\$49,291
Jade Gaudiello	QPS	No	1	\$26,122
Nicole Baldwin	QPS	No	1	\$25,630
Mary Lewey	QPS	No	1	\$26,122
Jayne Wolowicz	CLERK	No	1	\$48,376
Kristin Lomanno	QHA	No	1	\$46,719
Mackenzie Mason	COL	No	1	\$50,000
Finbar Heaslip	QPS	No	1	\$39,000
Amornthip Thamprasert	ENG	No	1	\$72,400
Edward Diaz	AGE	Yes	1	\$46,531
Mary Ann Schuerch	QPS	No	1	\$25,630
Mary Griffith	QPS	No	1	\$32,324
Kylie MacIntyre	QPS	No	1	\$26,122
Patricia Morrissey	QPS	No	1	\$32,324
Elena Boyd O'Brien	QPS	No	1	\$28,049
Natalia Cheriapkina	QPS	No	1	\$26,122
Michaela Burke	QPS	No	1	\$26,122
Nicole Baldwin	QPS	No	1	\$25,630
Tara Ganno	QPS	No	1	\$26,122
Barbara Cohen	QPS	No	1	\$36,700
Jake O'Brien	QPD	No	1	\$62,663
Patrick Coppens	QPD	No	1	\$62,663
Carol Calvert	QPS	No	1	\$38,358
Danielle Jeffery	QPS	No	1	\$26,122
Sophia Oliver	QPS	No	1	\$26,122
David Allsop	QPS	No	1	\$48,058
Timothy Ashland	QPS	No	1	\$48,058
Virgil Huynh	QPS	No	1	\$26,122
Patrick Kelley	Treas	No	1	\$46,012
Swathi Ganesuni	QPS	No	1	\$26,122
David McSweeney	QHA	No	1	\$72,508

The Board reviewed the new members.

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

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

X. Meketa Investment Update

Frank Benham joined the meeting from Meketa to give a market and portfolio update.

Global assets turned negative in August as expectations shifted to the Fed keeping interest rates higher for longer and potentially increasing interest rates further later this year. Weakening economic data from Europe and China, as well as further instability in the Chinese real estate sector, weighed on results. The Federal Reserve increased interest rates in July by 0.25% to a range of 5.25% - 5.5%, and it is largely expected they will keep rates at that level at their September meeting. Given continued strong

data and inflation levels above target markets are now expecting that the Fed could raise rates again later this year. US equity markets (Russell 3000 index) fell in August (-1.9%), bringing the year-to-date gains to 18.7%. The technology sector remains the key driver of results this year, helped by artificial intelligence optimism. Non-US developed equity markets declined more than the US in August (MSCI EAFE -3.8%) with the strength of the US dollar adding 2% to the monthly declines. This widened the gap between US and international developed equities for the year (18.0% versus 10.9%). Emerging market equities fell the most in August (-6.2%), driven by results in China and the strong US dollar. They continue to significantly trail developed market equities year-to-date, returning 4.6%, again driven by China. Interest rates generally rose in August, particularly for longer-dated maturities. The broad US bond market fell (-0.6%) but remains positive (+1.4%) year-to-date as higher income has offset capital losses from rising rates. This year, the paths of inflation and monetary policy, slowing global growth, and the war in Ukraine will all be key.

Brown outperformed its benchmark by 2.9% in August, posting a return of -1.9% vs the benchmark's -4.8%. Key sources of positive active return included stock selection in Taiwan (+102 bps), stock selection in India (+66 bps), and stock selection in Indonesia (+9 bps). From a sector perspective, key sources of positive active return included stock selection in industrials (+66 bps), stock selection in consumer staples (+29 bps), and a combination of stock selection and an underweight position in real estate (+9 bps). Since inception, Brown has returned 7.8%, slightly trailing the benchmark's 7.9%, net of fees, over that period. Axiom beat its benchmark by 2.2% in August, returning -1.5% vs. the benchmark -3.7%. Regionally, the biggest contributor was Japan, followed equally by Europe ex-UK and Asia ex-Japan. From a sector perspective, key contributors were consumer discretionary and industrials. In consumer discretionary, top contributors included Japanese performance footwear maker Asics, after beating consensus expectations, and Japanese restaurant chain Monogatari, on continued strength in its monthly numbers. Within industrials, top contributors included KEI Industries, a leading electric cable maker in India on continued strength in orders, and BayCurrent Consulting, a Japanese digitization consultant, on positive news of continued strength in DX IT spending in Japan. Since inception, Axiom has returned 7.4%, trailing the benchmark's 8.6% return, net of fees. AS of August 31, 2023, the portfolio is \$824 million.

The Quincy Retirement System currently has a 2% target allocation to private infrastructure assets. As of August 31, 2023, Quincy had approximately \$12.6 million in private infrastructure investments (~1.5% of total assets). Currently, both IFM and Global Infrastructure Partners manage private infrastructure funds on behalf of the system. On July 26, 2023, following discussions with the Board, Meketa Investment Group issued an RFP for private infrastructure managers, with responses due on August 18, 2023. Meketa Investment Group received responses from 7 private infrastructure managers proposing 8 funds: 2 were deemed ineligible for consideration (1 fund has not yet launched and the other did not meet the minimum fund size). Meketa and the Board discussed the respondents and their grading.

The Board is setting a due diligence meeting for manager presentations on December 7th or 8th.

On a motion from Mr. McFarland, seconded by Mr. Brown, the Board voted invite IFM, GIP, and Stonepeak to present at the next Board meeting.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

XI. Declaration of Election

The Board reviewed the Declaration of Election for Mr. Moody

On a motion from Mr. Fitzpatrick, seconded by Mr. Brown, the Board voted to approve the Declaration of Election.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

XII. Correspondence

The Board reviewed the correspondence from PERAC.

XIII. Approval of Cash Books

The Board reviewed the August cash books.

On a motion from Mr. Brown, seconded by Mr. Fitzpatrick, the Board approved the August cash books.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arienti, Paul Brown

Yes: 4 No: 0 Absent: 1

XIV. Approval of Warrants

Warrant 2023-37

Warrant 2023-36

Warrant 2023-35

Breakdown by Account

Mgmt. Fees	\$39,175.00
Custodial Fees	\$6,060.11
Investment Consult Fee	\$15,166.67
Legal Fees	\$910.00
Service Contract Fees	\$234.02
Rent Expense	\$5,224.13
Admin Expenses	\$1,913.57

Transfers Out

\$109,716.16

Refunds

\$132,717.65

The Board reviewed the warrants.

On a motion from Mr. Fitzpatrick, seconded by Mr. Brown, the Board approved the warrants.

Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arenti, Paul Brown

Yes: 4 No: 0 Absent: 1

XV. Office Update

Mr. Fitzpatrick will schedule time to visit the Retirement Office.

XVI. Other Business

XVII. Adjourn

Mr. Arenti adjourned the meeting at 11:02 AM.

On a motion from Mr. Fitzpatrick, seconded by Mr. McFarland, the Board adjourned the meeting.


Yes: Richard D. Fitzpatrick, Michael E. McFarland, Ernest Arenti, Paul Brown

Yes: 4 No: 0 Absent: 1

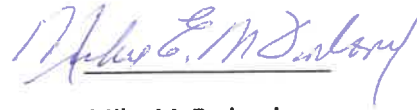
Brigid Gaughan, Associate Executive Director

Susan O'Connor

Member Brown



Member Arienti



Mike McFarland



Member Fitzpatrick