MINUTES

Quincy Retirement Board

Quincy Retirement Board

Monthly Meeting

Wednesday, September 25, 2024, 9:00 am - 12:00 pm

1212 Hancock Street, Ste.210A

Quincy, MA 02169

I Call to Order

Chair O'Connor called the meeeting to order at 9:08 a.m. In attendance were Member Moody, Member Mason, Member Fitzpatrick and Chair O'Connor.

II. Approval of Meeting Minutes from 8/15/24

Motion by Member Mason to approve the 8.15.24 meeting minutes second by Member Moody. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

III. Approval of Executive Session Meeting Minutes from 8/15/24

Motion to approve the executive session meeting minutes from 8.15.24 by Member Mason second by Member Moody. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

IV. Approval of Special Meeting Minutes from 9/5/24

Motion to approve the special meeting minutes from 9.5.24 by Member Mason second by Member Fitzpatrick. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

V. Approval of Executive Session Meeting Minutes from 9/5/24

Motion to approve the executive session special meeting minutes from 9.5.24 by Member Mason second by Member Fitzpatrick. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

VI. Approval of Calculations

Name	***Ret. Dt.***	***Yr. Amt.***
Stephen Burgio	7/22/2024	$97,679.88
Maureen Decelle	7/31/2024	$35,343.12
Bruce E. DiBella	7/31/2024	$44,250.96
Christine J.Flaherty	7/26/2024	$60,520.92
Janet Gosselin	6/25/2024	$6,000.00
Survivor of Robert		
William J. Kolczewski	8/30/2024	$51,975.72
Peter Kolson	8/20/2024	$57,948.36
(Pop-up to Option A)		
Ann Marie Mullen (update)	12/5/2023	$12,279.24
John J. Marsters	7/22/2024	$44,128.08
Kevin J. Parham	7/12/2024	$29,388.96
Mary Lou Peck	8/3/2024	$61,054.08
Stephen Wencek	8/14/2024	$45,393.84
Diane Peterson	8/30/2024	$19,887.48
Robert Connell Sr.	8/30/2024	$28,192.68

Motion by Member Fitzpatrick to approve the calculations second by Member Mason. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

VII. Approval of Superannuation Retirements

Name	*Dept*	*Date*	*Option*
Joanne Roche	QHA	11/29/2024	C
Diane Peterson	QPS	8/30/2024	B
Robert Young	Public Bldgs.	8/30/2024	B
Daniel Myers	QPS	9/03/2024	B
Robert Connell, Sr.	Elder Serv.	8/30/2024	C
Christine Bassett	QPS	10/31/2024	B
Kathleen Tetreault	FIN	11/15/2024	B
Steven Baylis	QFD	9/30/2024	C
Kent Yee	QPD	9/27/2024	C

Motion to approve the superannuations by Member Mason second by Member Moody. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

VIII. Executive Session Pursuant to M.G.L. c. 30A s.21 (a)(1)

Executive Session pursuant to MGL 21 (a)(3)

On a motion to go into executive session by Member Fitzpatrick second by Member Mason the board entered executive session at 11:45 a.m.

Motion to come out of executive session at 12:09 by Member Mason second by Member Fitzpatrick. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

IX. New Members

Paraskevi Regas	QPS	No	1	$26,906
Amanda Maggio	QPS	No	1	$30,460
Barbara Fernandez	QPS	No	1	$26,906
Thomas Baird	QPS	No	1	$32,518
Deborah Reid	QPS	No	1	$26,906
Fadia Delva-Hoffman	QPS	No	1	$26,906
Emma Sullivan	QPS	No	1	$26,906
Julie Cosgrave	QPS	No	1	$26,906
Julie Doherty	MAYOR	No	1	$100,000
James Mulvey	ASSESS	No	1	$100,785
Kevin Arrigal	QPS	No	1	$35,539
Parawat Changthong	QPS	No	1	$31,046
Grace Abboud	QPS	No	1	$26,906
Jessica Holmes	QPS	No	1	$26,906
Veronica Bentley	QPS	No	1	$26,398
Colleen Kelleher	QPS	No	1	$27,136
Julia Mahoney	QPS	No	1	$26,906
Patricia Taglieri	QPS	No	1	$42,098
Matthew Milano	DPW	No	1	$48,065
Seamus Newayno	IT	No	1	$54,955
Robert Shaw	QPS	No	1	$28,936
Adam Nesti	QPS	No	1	$52,000
Meghan McDonald	QPS	No	1	$30,997
Priscilla Ramirez	QCOL	No	1	$70,000

Daniel Nicolas	QCOL	No	1	$84,000
Savina Bari	QCOL	No	1	$42,400
Alek Jang-Lapchau	QCOL	No	1	$58,999
Michael Jaraski	QCOL	No	1	$73,000
Scott Gutro	PARKS	No	1	$48,065
Brian Rozummy	QPS	No	1	$50,000
Caryn Novick	QPS	No	1	$41,999
Bridget Nims	QPS	No	1	$78,796
Andrew Selchan	QPS	No	1	$31,068
Andrew Bellows	QPS	No	1	$26,906
Nicole Gonsalves	QPS	No	1	$34,464
Diane Doherty	QPS	No	1	$29,386
Lisa Rucker	QPS	No	1	$39,140
Makayla Rucker	QPS	No	1	$21,722
Ashley Hunton	QPS	No	1	$33,062
Alexandra Elliott	QPS	No	1	$100,475
Caroline Jaehnig	TREAS	No	1	$69,999
Mary Lou Giordano	QCOL	No	1	$49,140
Brenda Bersani	QCOL	No	1	$61,500
Jeanne Phelps-Blair	QHA	No	1	$104,999
Margaret Laforest	PBLDGS	No	1	$116,698
Tyler Seagraves	QCOL	No	1	$59,904
Carissa Sardano	QCOL	No	1	$42,400
Paul Choi	QCOL	No	1	$42,400
Allyson Healy	QCOL	No	1	$42,400
Tessa Murray	QCOL	No	1	$42,400

Melanie Cartagena	QPS	No	1	$26,906
Michael Metivier	QPS	No	1	$31,046
Dorothy McCormack	QPS	No	1	$20,059
Noreen Romano	QPS	No	1	$31,507
Enela Becka	QPS	No	1	$26,906
Herby Jolimeau	QPS	No	1	$31,046
Zhi Chen	QPS	No	1	$26,906
Naomi Balloffet	QPS	No	1	$20,059
Rebecca Nichols	QPS	No	1	$26,398
Carolyn Mayen	QPS	No	1	$29,637
Linda Cochrane	QPD1	No	1	$11,130
Dayoung Lee	QPS	No	1	$26,906
Liam Rogers	QPS	No	1	$26,906

Motion to approve the new members by Member Mason second by Member Moody. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

The item was asked to update Julie Doherty to Mayors Office instead of CLERK.

X. Request for Creditable Service

Jeffrey Verlicco	4 years	$16,380.83
Daniel J Clark	4 years	$17,762.37
Kirk Conley	6 years	$21,845.31

Motion to approve the creditable service by Member Mason second by Member Fitzpatrick. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

XI. Vacation Buyback Update

Director Croall gave an update to the board on a recent meeting he put together with PERAC, Brigid Gaughan and Joe Lenki from the QPD Superior Officers Union. He shared with the board how PERAC told the group that they were looking for a percentage of number regarding creditable service versus just a flat number. Director Croall and Attorney Sacco emphasized that we're trying to come up with a program that helps the most number of retirees/actives as possible. Lt. Lenki agreed. PERAC had shared that several 50% of total creditable service with respect to participation in the program. They're also open to entertaining the gap years of 19,20,21 in terms of not counting them towards the average.

Member Fitzpatrick shared that he thought is a good idea to have a public hearing. Director Croall said he would look into the matter and reach out to Member Fitzpatrick shortly.

Chair O'Connor asked for this item to be on the next board agenda in terms of an update. Director Croall said absolutely and that he would take care of it.

XII. Meketa Investments Update

Non-Core Managers

10:00 - Intercontinental

10:25 - Transwestern

10:50- Berkshire Group

The board welcomed Meketa at 10:27 a.m. Derrick from Meketa went over the non-core finalists that would be presenting in today's meeting. The 3 presenters would be: Intercontinental, Transwestern & Berkshire.

The first presenter was Intercontinental. Alli said that Intercontinental has since went and reduced their fee.Deerick said that this was a newer fund. He said that this is more value add versus the core which they've been in for so long. Member Mason asked what the total amount to be invested was? Derrick responded with $12M. In attendance was Peter Pallangin, Kristen Phelan, Matt Harrington.

Peter gave an overview of the company. Peter shared that it is a family business that was initially builders by trade. The firm manages about $12B in pension assets. Firm tenure is extremely high. Matt mentioned that there has been no attrition in the 10 years he has been there. Peter mentioned that this offering is a rerun to closed end fund structure. P.7 shows market structure. He said they interview brokers as well as source their own deals. The portfolio is underweight San Francisco as well as New York. Historically the firm has worked for about 12 MACRS clients. Peter believes that value added real estate should be in a great position to capitalize. The goal is 1.5x and leverage will not exceed 65%. The fed easing will aid to this. They will manage debt prudently. Value add is in the blood. The fee for the fund is 1.25%.

The next presenter was Transwestern. In attendance was Gary, Charlies and Kim. The first focus was to dive into firm overview. Charles went over the platform and how it is a national platform. Focused on industrial and multi-family. They have access to all kinds of deals. They're also privately held. They focus on long-term deals. They're vertically integrated. This fund is their fourth iteration. The fund can invest in several sectors. The diversification allows the fund to adjust. Fund 1 delivers a 17% return to its investors. Charles believes now is the time mainly because now that supply is coming down the belief is that rental rates go up. Member Mason saw that the reference for the return is green street and what makes up that index. Charles said that it was actual projects and when they were sold. The focus marketwise is high growth markets where there is pricing power. Markets like Charlotte, Nashville, Houston. The portfolio focuses on affordability in suburban areas.

The last presenter was Berkshire. The focus is buying apartment buildings at deep discounts. Berkshire has an in-house property management company inside of it. This allows them to make improvements to the building in hopes of increasing returns. P.4 of the deck shows the firm is privately held and in business for 60 years. There are over 1,000 employees. They have over 150 institutional clients. Very low firm turnover. The vintage of the assets are year 2000 and beyond. Properties that are 200 units or more. They look for a good asset with displaced capital structure. The fee schedule is 1.25%.

Chair O'Connor reiterated the $12M capital commitment. Member Fitzpatrick said that he was hesitant on Intercontinental mainly due to lack of track record on the closed end fund. Derrick said that based on the portfolio the board has flexibility to move to specializations with fund selection.

Motion by Member Moody to go with Intercontinental second by Member Mason. All members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

Frank shifted into the July performance review. July was up 1.9% for the month. The portfolio is looking good for the year.

XIII. Actuary Update

The board welcomed Colin Edgar from Stone Consulting Group at 9:42 a.m. Colin went over how the system is comprised of the pension obligation bond and the self-managed assets. Colin continued to go into the progressive payment of your annual contributions. Colin went on to capture that in 2022 we lost $100M. He said that the way to journal this loss is by asset smoothing. Funding schedule is taking the numbers and increasing them by 5.4% per year. Colin asked if we would like to continue on with the 5.4%. Chair O'Connor said that she was fine with it.

Colin shared that we have two options when it comes to funding: How fast we pay it off and how much were willing to pay extra each year. The last payment, pre-pension obligation bond, was $37M. It was also scheduled to go up roughly 5%. If we stayed on this track the city contribution would've been something like $40M. Colin said that if you do more up front then it allows you to do less down the road.

Member Mason had shared that he connected in with the state agency on this very item. Member Mason shared that there seems to be a hyper focus on those systems that only have 40-50% funding. Member Mason brought up that his concern was that a $2M shift to increase an accelerated payment schedule takes away from the ability to do major projects in the city, for example building a school.

Member Fitzpatrick said that the goal of the pension obligation bond was too free up some cash flow, not to superfund the pension fund. We;re staying in line with what we should be doing.

Chair O'Connor stated that when the board has chosen funding schedules it has always been done with a sensitivity to what projects the city has going on.

Chair O'Connor asked if Colin was looking for the board to take action on adoptions a funding schedule today. Member Mason said that he is comfortable keeping the schedule as is.

Member Mason made a motion to adopt the 5.4% schedule with 2039 pay off schedule second by Member Moody. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

XIV.PERAC Memos

The board took into advisement the PERAC memos.

XV. Supplemental Regulation – Public Hearing

The board reviewed the supplemental regulation and approved the public hearing for next meeting.

XVI. Approval of Cash Books

Motion to approve the cash books by Member Mason second by Member Moody. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

XVII. Approval of Warrants

Warrant 2024-47

Warrant 2024-46

Warrant 2024-45

Warrant 2024-44

Breakdown by Account

Mgmt. Fees	$40,619.00
Custodial Fees	$13,448.25

Investment Consultant Fees	$15,166.67
Legal Expense	$2,054.00
Medical Expense	$139.59
Service Contracts	$468.04
Rent Expense	$5,224.13
Admin Expenses	$1,898.82
Transfers	$81,232.46
Refunds	$115,750.22

Motion to approve the warrants by Member Fitzpatrick second by Member Mason. All present members voted in favor.

YES-Mason YES-Moody YES-Fitzpatrick YES-O'Connor

XVIII. Adjourn

Motion to adjourn at 12:48 pm by Member Moody second by Member Fitzpatrick. All present members voted in favor.

Brad Croall, Executive Director

Susan O'Connor, Chair

Member Moody

Member Brown

Member Fitzpatrick

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Member Mason