

January 18, 2023

A meeting of the Malden Retirement Board was held this day January 18th, at 8:30AM in conference room #105 at Malden City Hall, 215 Pleasant St. Malden, MA with the following present: Warren Atkinson Jr., Domenic Fermano, Donald Boyce, Scott Lucey, Charles Ranaghan, Director James Ryan and Board Secretary Laurie Macdonald.

On a motion by Mr. Fermano and seconded by Ranaghan, it was voted:

To approve all payrolls and expenditures for the last half of December 2022 and first half of January 2023.

All were in favor, vote was unanimous.

On a motion by Mr. Ranaghan and seconded by Mr. Fermano, it was voted:

To accept prior Board meeting minutes, and PERAC financial reports.

All were in favor, vote was unanimous.

New Members:

Cheung, Moe-PARA

Gammon, Cassandra-PARA

Hammouti, Ilham-PARA

Malik, Shalina-HR

Bell, Paul-Rehab Coach

Manaxthona, Norelus-Police fire arms clerk

Fletcher, James-MHA

Metushael, Jacques-MHA

On a motion by Mr. Ranaghan and seconded by Mr. Fermano, it was voted to:

Accept new members.

All were in favor, vote was unanimous.

Deceased:

McKenna, Florence (12/9/22, Opt C Survivor -NFB)

Fontana, Joseph-Fire (1/5/23, Opt B-NFB)

Surette, James (Spouse of Gail-PARA) (1/10/23, Pop-up to Opt A for Gail)

Retirements:

Lucey, Gregory-City Clerk (1/6/23, Opt B)

Neibaur, Gail-MHA (1/6/23, Opt C)

DiSalvatore, Robert-Police Detective (1/17/23, Opt C)
Craven, Stephen-Fire (1/22/23, Opt C)
Fitzgerald, Lillian-Treasury (1/27/23, Opt C)
MacDonald, Laurie-Retirement (1/27/23, Opt C)

On a motion by Mr. Fermano and seconded by Mr. Ranaghan, it was voted:

To approve member retirements.

All were in favor except for Mr. Scott Lucey who abstained from the vote as his brother Gregory Lucey is retiring as City Clerk, vote was unanimous.

Withdrawals & Transfers:

None

Correspondence:

December 2022 PERAC Financials
PERAC MEMO #4 FY24 COLA Notice
Paul McLeod DALA Appeal

Discussion:

4th Qtr 2022 Portfolio Review -The DeBurlo Group

The deBurlo Group arrived at 9:10AM. Mike Shade summarized the December 31st performance figures. The economy is still experiencing high inflation, along with supply chain issues and geopolitical turmoil caused by the war in Ukraine. The Federal reserve continues to increase interest rates in hopes of driving down inflation and causing consumer spending to slow down. There could be a mild recession in the near future if the tightening of the economy by the Fed does not take effect soon. The portfolio balance remains in a defensive position with a reduction in the equities balance and an increase in fixed income and cash. At year end, both equities and fixed income were at 46%. Cash was at 8%.

The portfolio's market value was \$289,350,155. Over the 4th quarter of 2022, the portfolios market value increased by \$5.7 million. The investments appreciated in value by nearly \$11.6 million.

In the 4th quarter the entire portfolio increased by 4.1%. Stocks were up 8.1% above the S&P 500 return of 7.6%. Bonds were up 1.2% below the Bloomberg index of 1.8%.

For the year the total portfolio had a negative 16.79% return, made up of both negative stock returns of 22.87% and bond returns of negative 9.39%. Bloomberg had a negative 13.58% returns on bonds and the S&P had a negative 18.11% return on stocks.

Laurie MacDonald Retirement

After 34.5 years of service to the city of Malden and most of that time working for the Malden Retirement Board, Ms. MacDonald is retiring January 27th. This is her last meeting as Board Secretary and senior staff administrator. Mr. Ryan and the Board members congratulated her and wished her the best in her retirement. Mr. Ryan indicated that he would like to become the Board Secretary as Laurie's replacement. He indicated has been preparing the minutes and a lot of the required duties since he started working for the Board. Laurie mentioned that the Retirement Board Director always really did the required workload. Mr. Ryan indicated that throughout the city of Malden Board and Commission secretaries get paid a monthly stipend. The changeover will be discussed at the February 23rd Board meeting.

5% COLA

Mr. Lucey made a motion to table the discussion on the 5% COLA until the next meeting when Mr. Ryan provides a cost estimate to adding an additional 2% to FY23 COLA. Mr. Fermano seconded the motion.

All were in favor, vote was unanimous.

Staff salary discussions

Mr. Ryan gave an overview of what was discussed at the prior Board meeting. He also handed out a listing of current staff salaries, and salaries of several City of Malden department directors along with salaries of Retirement Board directors received from a current salary survey. Mr. Fermano requested clerical salaries of a sample of City of Malden employees. Mr. Ranaghan discussed the city directors' salaries and scales set by a union contract with the Teamsters. He also indicated that a plan is for the clerical employees to become part of the union. Laurie MacDonald mentioned that the Board Secretary function was performed by the prior Retirement Director Kevin Morrison. Ms. MacDonald is retiring, and she will no longer be the Board's secretary. Mr. Ryan will provide the Board with a list with clerical salaries of city employees at the next meeting. The Board at that time should be able to come to a decision on updating staff and the director's salary to be competitive with the city directors and clerks.

Membership Coordinator position update

Mr. Ryan informed the Board that the position is posted on the city and PERAC website. He has received four resumes and will begin to interview in approximately one week.

Vote:

None

Disability Updates

None

APPROVE THE FOLLOWING EXPENSES AND INVESTMENTS


Pension Technology Group-Annual support hosting fee	30,370.00
RAIS-Cyber insurance coverage 2023	10,976.32
Nature Springs Water Co.-Bottled water	10,976.32
Pitney Bowes-Postage rental	75.70
MACRS Treasurer-S. Atkinson Fall conference Springfield Guest Fee	75.00
The deBurlo Group, Inc December Management Fees	62,112.00
M&T Bank-November custodial fees	4,152.33
Micro Support Group Inc.-January Cyber fees	405.00
The Law Offices of Michael Sacco-December legal services	494.00

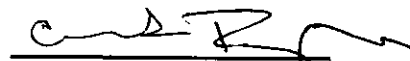
<u>SECURITY DESCRIPTION</u>	<u>QUANTITY (UNITS)</u>	<u>PROCEEDS/ COST</u>
US TSY 3.5 01/31/30	4,400,000	4,377,141
AUTOMATIC DATA PROCESSING	3,000	709,825
ACTIVISION BLIZZARD INC	6,000	460,669
ISHARES MSCI EMERGING MARKET INDEX	18,000	687,469
ISHARES MSCI EAFE INDEX FUND	11,000	726,777
PACCAR INC.	5,000	490,755
AUTOMATIC DATA PROCESSING	3,000	722,633
ISHARES MSCI EMERGING MARKET INDEX	22,000	864,305
ISHARES MSCI EAFE INDEX FUND	14,000	941,753
VISA INC	3,500	745,050
ACTIVISION BLIZZARD INC	8,000	617,914
ISHARES MSCI EMERGING MARKET INDEX	10,000	393,062
ISHARES MSCI EAFE INDEX FUND	5,000	333,006
MASTERCARD INC.	1,500	531,075
MERCK & CO	4,000	454,793
PACCAR INC.	3,000	294,315
ISHARES MSCI EMERGING MARKET INDEX	10,000	422,215
ISHARES MSCI EAFE INDEX FUND	6,000	427,485
APPLE INC.	7,000	1,027,427
ARISTA NETWORKS	4,000	505,655
COSTCO WHOLESALE CORP.	1,000	506,833

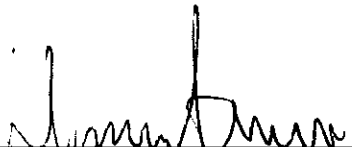
ISHARES MSCI EMERGING MARKET INDEX	12,000	508,654
ISHARES MSCI EAFE INDEX FUND	8,000	573,738
FIRST SOLAR	6,000	1,081,180
PALO ALTO NETWORKS	9,000	1,434,524
PACCAR INC.	7,000	775,052
UNITED RENTALS	2,500	1,086,463
ADVANCED MICRO DEVICES	26,000	1,902,217
ASML HOLDING NV	2,000	1,309,848
ISHARES MSCI EMERGING MARKET INDEX ISHARES MSCI EAFE INDEX FUND	24,000	1,000,200
15,000	1,071,324	
ETSY INC	7,000	968,084
FIRST SOLAR	6,000	1,051,865
INTUIT INC	3,500	1,460,723
MONSTER BEVERAGE CORP	10,000	1,027,519
ON SEMICONDUCTOR CORP	17,000	1,227,052
ON HOLDING AG	15,000	347,783
PALO ALTO NETWORKS	7,000	1,109,474
PACCAR INC.	4,000	437,459
UNITED RENTALS	2,500	1,088,767
ADVANCED MICRO DEVICES	13,000	972,885
ASML HOLDING NV	1,000	656,930
ETSY INC	7,000	964,411
FIRST SOLAR	3,000	528,415
INTUIT INC	2,000	840,084
MONSTER BEVERAGE CORP	3,000	310,966
MICROSOFT CORP	12,000	2,961,318
ON SEMICONDUCTOR CORP	17,000	1,238,833
ON HOLDING AG	15,000	350,033
SPLUNK INC	7,000	665,957
TESLA MOTORS INC	6,000	1,037,478
UNITED RENTALS	1,000	436,288

A motion was made by Fermano to adjourn the meeting at 10:30AM and seconded by Mr. Ranaghan

All were in favor to adjourn the meeting.


Warren Atkinson Jr., Chairman

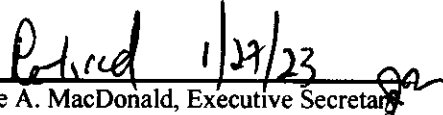

Charles Ranaghan, Ex-Officio


Domenic Fermano, Appointed Member

Donald Boyce, Elected Member

Scott Lucey, Board Appointed


James M. Ryan-Director, Respectfully Submitted


Laurie A. MacDonald, Executive Secretary