

January 10, 2023
Minutes #603

Minutes of the Board of Trustees' Meeting -1-

Call to Order: Chairman Molan called the meeting to order at 8:29 a.m.

Present: Trustees: Richard Molan, Richard Bunker, Donald Pinard, Mathew Ciechon and Michael Carpenter

MECRS Staff: Melanie Murray, and Kimberly Barrett

In Attendance: Attorney John Rich from McLane Middleton, Professional Association,

Not Participating: Sharon Wickens and Mayor Joyce Craig

Chairman Molan began by welcoming newly elected Employee Representative, Michael Carpenter to the Board and also congratulating Trustee Bunker on his mayoral re-appointment to the Board.

Referring to Board Organization and Pursuant to Bylaws Article V, 5.01 Chairman Molan stated that the departure of Trustee Bozoian leaves a vacancy for Chairman of the Benefits Committee. Chairman Molan then asked Trustee Ciechon if he would fill the vacant seat, which Trustee Ciechon agreed to do.

Chairman Molan then asked the A&A and Investment Committee chairs if there were any requested changes to their individual assignments, to which there were none.

Approval of the Minutes of the Previous Board Meeting:

Chairman Molan entertained a motion to approve the previous board meeting minutes of December 13, 2022.

Trustee Pinard moved to approve the minutes of December 13, 2022, seconded by Trustee Bunker. The motion was approved by all present.

Approval of the Immediate Meeting Agenda:

Chairman Molan entertained a motion to approve the immediate meeting agenda.

Trustee Bunker moved to approve the immediate meeting agenda, seconded by Trustee Pinard, and approved by all present.

Report of the Executive Director:

Portfolio Updates – Ms. Murray referred to the Trustee's vote in July to liquidate \$3 million from the investment in PRISA. She stated that PRISA's redemption procedures require 3

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months' notice and then requests are prorated against the available funds. Currently, she stated, the System has only received \$93,383.01 from this round of redemptions.

PTG Email Issue – Next, Ms. Murray informed the Board that Pension Technology Group, the vendor which provides the Retirement System's administrative software (Pension Pro) and support, recently experienced an issue with their email, in which the company that hosts their email was attacked with ransomware. She stated that she had reached out to the PTG President who assured her that the incident was contained to their email and did not impact the Pension Pro Environment, which is hosted separately. PTG also advised that additional security measures have been implemented and they will continue to monitor for any suspicious activity. Additionally, Ms. Murray stated that she had requested a mechanism to back up the Systems data locally for additional security, for which she is awaiting contact from their development team.

In closing her report, Ms. Murray updated the Board on a recent issue regarding a retiree whose initial employment began with the City, but the position was subsequently transferred to the State of New Hampshire. She was allowed to continue membership in MECRS, until such time that she took another position with the State, whereby she was required to begin contributing to the State Retirement System. Ms. Murray informed the trustees that she recently received a call from Senator D'Alessandro inquiring about the retiree's concerns regarding her MECRS and State Retirement System benefits.

After brief discussion of the matter, the trustees agreed that there is no action required by the MECRS.

Report of the Monthly Cash Balance:

Ms. Murray reported that the cash balance started the month off with a healthy \$7.7 million, with an ending balance still slightly over \$7.7 million. She noted that there had been a variety of distributions and capital calls for existing investments during the period.

Consent Agenda:

Chairman Molan entertained a motion to accept the Consent Agenda items.

Trustee Pinard moved to accept the Consent Agenda, seconded by Trustee Ciechon, and passed unanimously by all those trustees present.

Chairman Molan asked Ms. Murray for the fund balance, ending December, 2022.

Ms. Murray responded that she is expecting the investment results for period ending December, 2022 from NEPC sometime in March.

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Ms. Murray noted the importance of scheduling an Investment Committee meeting in February to discuss updates with NEPC consultants.

Investment Committee Chairman Bunker agreed to schedule a meeting in late February, so that any Investment Committee recommendations can be delivered to the full board at the March meeting.

New Business:

Board Organization – Pursuant to Bylaws Article V: 5.02 Membership of the Standing Committees, Chairman Molan noted no changes to the Investment Committee members.

As Chairman of the A&A Committee, Chairman Pinard nominated Michael Carpenter to the fill the vacancy in his committee to which Trustee Carpenter agreed.

As newly nominated Chairman of the Benefits Committee, Chairman Ciechon asked Trustee Carpenter to fill the vacancy to which he agreed.

Motion to Adjourn:

With no other business to come before the Board, Chairman Molan entertained a motion to adjourn the meeting.

Trustee Bunker moved to adjourn the meeting at 8:50 a.m., seconded by Trustee Pinard, and passed unanimously by all those trustees present.

Respectfully Submitted,

Melanie Murray
Executive Director