

BOARD OF TRUSTEES  
Division of Public Works Retirement System  
Meeting Minutes  
January 23, 2024

A meeting of the Board of Trustees, Public Works Retirement System was held at 11:30 a.m. on Tuesday, January 23, 2024 in The Works Conference Room located at 848 West Hollis Street, Nashua, NH 03062.

**Trustees Present:**

Frank Anderson, Mayoral Appointee (Chair) – Via Zoom  
Matt Dube, Employee Member  
John Griffin, CFO/Treasurer/Tax Collector, Member  
Daniel Hudson, Employee Member  
Bob Meunier, Employee Member  
Michael O'Brien, Aldermanic Liaison (Assistant Chair)

**Trustees Absent:**

Paul Shea, BPW Commissioner

**Others in Attendance:**

Sebastian Grzejka, CAIA NEPC  
Michael Sullivan, NEPC  
Scott Perry, CAIA NEPC  
Melanie Murray, Executive Director, Manchester Pension System (via Zoom)  
Carolyn O'Connor, Senior Mgr. DPW Finance & Administration  
Mary Woods, Administrative Assistant

**Expected Visitors:**

Mr. Michael Sullivan spoke on behalf of the New England Pension Consultants to present their services and to see if this is something that would be beneficial for the City of Nashua. They have had a long tenured relationship with the City of Manchester and have a lot of experience with working with Public & Union plans. They will explain OCIO (Outsourcing Chief Investment Officer) which is full or partial outsourcing of an organization's investment function to a third party, such as an asset management firm or investment consultant. Mr. Sullivan talked about the fact that we would give them the parameters and they would work around that. They are an employee owned company and does OCIO and Advisory Services who would come in and make recommendations but every decision would be the Board of Trustees. They explained that the City of Nashua would be an important client to them and they would be available to us.

Mr. Sebastian Grzejka spoke about the implementation of the portfolio and understanding our long-term goal. He believes they can help the City achieve a better financial outcome with some minor shifts in investments. An important piece would be reviewing the City's current Investment Policy. Trustee Anderson asked if we could still keep Hooker & Holcombe as the "Custodian" of the account to which Mr. Grzejka replied, yes.

Mr. Scott Perry presented some of the 2022 OCIO Tactical Moves which rolls up to what their returns have been. Their goal is to create a good, long term track record with less of a bumpy ride to get to a better return. They want to help generate the 7% goal but want the path to be a less volatile one. Trustee Anderson asked Mr. Perry if his research team

was researching money managers? Mr. Perry said yes, they are not individual stock or bond analysts. They do Asset Allocation Research, Portfolio Construction and Investment Manager Research. Trustee Anderson asked if all the public pension plans that they oversee, do most of the portfolios look fairly similar as far money managers themselves? Mr. Perry said, yes, if you looked at all the OCIO's they would "rhyme" but they still control their asset allocations so they would not look exactly the same as another client. The last section of the presentation showed their OCIO Team and Investment Teams.

Trustee Anderson asked if they would be involved in the "custodian" aspect to which Mr. Perry said yes, there is flexibility and they've worked with 11 different custodians. Trustee Anderson asked if they would perform an RFP process to find out who would manage the money to which Mr. Grzejka said no, that would come from a third-party evaluator which is an additional service for an additional fee. Alderman O'Brien asked if NEPC would review the language in our Investment Policy Statement and make recommendations on future changes to that policy and our plan. Mr. Perry said that they would primarily give guidance on the Investment Policy Statement language to the extent that any of the language pieces flow into other Government documents. Trustee Anderson thanked the NEPC Representatives for joining the meeting and said that he will be in touch with some feedback.

Ms. Melanie Murray, Executive Director of the Manchester Pension System participated in the meeting via Zoom. Ms. Murray spoke about her experience with New England Pension Consultants (NEPC) and commented that they use them in an advisory capacity. She mentioned that NEPC does provide monthly and annual reporting as well as informational items. Ms. Murray commented that NEPC are very responsive and have been working with the City of Manchester for twenty years and she has worked with them for the two years that she has been in that office. Trustee Anderson asked about the process when NEPC recommends Market Managers. Ms. Murray mentioned that Mr. Grzejka helps guide their office through the process. Trustee Anderson asked how the benefit payments are paid out to retirees to which she replied that they use State Street Bank who is also the custodian of their account. Trustee Hudson asked how many money managers the Manchester System has for their \$300 million-dollar account to which Ms. Murray replied, 41. Trustee Anderson asked if there has been consistency with the NEPC staff and Ms. Murray responded that yes, Mrs. Grzejka has been with their account for a long time. Trustee Anderson asked who handles their account as an actuarial. Ms. Murray replied that a company called GRS (Gabriel Roeder Smith & Co.) handles their account out of Michigan. Trustee Anderson asked how frequently she meets with NEPC throughout the year and she replied that they attend all the investment meetings that they have sporadically and about half of the monthly meetings they hold. Trustee Anderson asked if the board could use Ms. Murray as a resource down the road to which she replied, yes.

### **Minutes of the Meeting:**

The minutes of the December 19, 2023 meeting were presented for review and acceptance.

**MOTION BY:** Trustee, Frank Anderson moved to approve the minutes of the December 19, 2023 meeting as drafted.

**SECONDED BY:** Alderman, Michael O'Brien

**DISCUSSION:**

### **Personnel:**

- A. MOTION BY:** Trustee, Frank Anderson moved to approve the retirement benefit to Dana R. Currier of Pop Up Contingent Annuitant (CA) with 50% CA of \$2,971.54/mo. and one-time catch up payment of \$5,943.98.  
**SECONDED BY:** Trustee, Matt Dube  
**DISCUSSION:**

**Old Business:**

Trustee Anderson has not been in touch with Attorney Rich for an update to the Ordinance Changes for the IRS.

Trustee Anderson mentioned that we are moving forward with the RFP with our first discussion with New England Pension Consultants.

**New Business:**

- A. MOTION BY:** Trustee, Frank Anderson moved to approve the disbursement of funds for the period of October 1, 2023 through October 31, 2023 in the amount of \$411,470.93.  
**SECONDED BY:** Alderman, Michael O'Brien  
**MOTION CARRIED:** Unanimously  
**DISCUSSION:** Approval of the disbursement of funds for the period of October 1, 2023 through October 31, 2023 in the amount of \$411,470.93 was presented to the Board.
- B. MOTION BY:** Trustee, Frank Anderson moved to approve the disbursement of funds for the period of November 1, 2023 through November 30, 2023 in the amount of \$407,259.48.  
**SECONDED BY:** Alderman, Michael O'Brien  
**MOTION CARRIED:** Unanimously  
**DISCUSSION:** Approval of the disbursement of funds for the period of November 1, 2023 through November 30, 2023 in the amount of \$407,259.48 was presented to the Board. The Trustees reviewed the detail and Trustee Dube questioned the placement of "Beneficiary Payments" on the chart. It was agreed that the amount, \$312,327.51 should be moved up to "Monthly Benefit Payments". It was also noted that the 2<sup>nd</sup> column heading should reflect "FY24" not "FY23" Year To-Date. The board approved the amended change.

**Period for Public Comment:**

None

**Items by the Trustees:**

Next meeting will be scheduled for Tuesday, February 20, 2024, at 11:30a.m.

**MOTION TO ADJOURN:** Trustee, Bob Meunier moved to adjourn at 1:12pm.  
**SECONDED BY:** Trustee, Frank Anderson  
**DISCUSSION:**

*Minutes Transcribed by: Mary Woods*