

Worcester Retirement Financial Board Meeting Minutes
December 8th, 2022

The Worcester Retirement Board met at 8:30 A.M. on Thursday December 8th, 2022, for their financial board meeting.

Board Members E. Early, R. Stearns, T. Cullen, and M. Wally were in attendance.

Meketa representatives S. MacLellan was in attendance.

YTD through October Bonds and Equities have increased slightly however markets remain down with the exception for commodities which were up 15.8%.

Regarding the US Yield Curve YTD, the curve is showing a more inverted curve with a negative correlation. This can be an indicator for a recession; however, it does not tell you when, or how impactful it would be. Meketa believes the Boards portfolio is well positioned if such event were to occur. In an upcoming meeting the Board will discuss rebalance the asset allocations to a more defensive position if needed.

Inflation is still very high in the 7% range. Over the last year rising prices for energy, food, housing, and automotive remain key drivers of this inflation.

Estimated portfolio performance through 11/30/2022 is 3.7% which is lower than the benchmark however YTD performance is (-6.9) % which is better compared to the benchmarks of (-15.7 & -15.1) %.

Asset allocation remains the same and rebalancing will be discussed at the next meeting.

Performance through 10/31/2022 the system is down (-10.3) % which outperforms the benchmark of (-15.2 & -20.7). Overall, all performance out preforms the benchmark. A more recent investment, Eaton Vance, has outperformed the benchmark and has been doing well in comparison since inception of December of 2020.

The Board discussed the differences in the two co-investment funds Old Farm and Entrust.

The Board discussed the status of current vintage funds.

The Board discussed the 2023 allocation to the PRIT 23 fund.

M. Wally made a motion to request 20M commitment to the PRIT 23 Vintage Fund. T. Cullen 2nd. Approved (4-0).

The Board adjourned at approximately 9:30 A.M.

Respectfully Submitted,

Elizabeth A. Early, Elected Member, Chair

Matthew Wally, Appointed Member

Robert V. Stearns, Ex Officio Member

DNA

John F. Mahan, Elected Member

Tamara Cullen, Fifth Member

Lisa M. Poske, Executive Secretary