

MINUTES OF BOSTON RETIREMENT BOARD

Administrative Session

July 22, 2026

Boston Retirement Board
Board Room 816, Boston City Hall
Boston, Massachusetts 02201

TRUSTEES IN ATTENDANCE: Sean F. Kelly, Chair/Elected Member; Karen T. Cross, Elected Member; Scott M. Finn, Ex Officio Member; Dennis C. Callahan, Esquire, Fifth Member.

STAFF IN ATTENDANCE: Timothy J. Smyth, Executive Officer; Christine M. Weir, Deputy Executive Officer; Natacha Thomas, General Counsel; John F. Kelly, Investment Analyst; Ellen M. McCarthy, Comptroller; Gregory Molina, Board Secretary.

ALSO IN ATTENDANCE: Michael Manning, Kiley Murphy of NEPC; Allan Paniagua, BRS Intern; Joel Francis of Ernst & Young.

EXCUSED ABSENCE: Sally D. Glora, Mayoral Appointed Member

Convene

The Board voted unanimously via roll call (3-0) to enter the Administrative Session at approximately 9:04 a.m.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; and, Chair Kelly: Aye.

Motion accepted (3-0)

Chair Kelly led the Board, staff and attendees in the Pledge of Allegiance.

Outstanding/Ongoing Administrative Issues: Timothy J. Smyth, Executive Officer

Travel/Conference expense for NCPERS Summit

Mr. Smyth opened by requesting approval from the Board to send the System's HR Director to a NCPERS conference for HR professionals. The approximate cost was noted to be \$2,400.00. The agenda was attached for board review. Mr. Smyth noted that the agenda includes discussion topics such as use of AI and that he believed this would be beneficial for the System.

Motion made, and seconded, to approve the travel request for the HR Director to attend the NCPERS Summit September 23–25, 2026, with an estimated cost of \$2,400.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; and Chair Kelly: Aye.

Motion accepted (3-0)

IT update

Mr. Smyth stated that Mr. Dwyer submitted a written IT update for the Boards consideration. He added that the Boards General Counsel, Natacha Thomas has been working with the Board's outside counsel on contract documents.

COLA language from outside section of FY27 budget

Mr. Smyth stated that there was outside language in the FY27 budget, which allows for COLA advances. It has two components. One, is what they call an enhanced COLA. That allows the System to give tiers of additional COLA payments. Second, is the creation of a COLA reserve fund. Both of these components require local adoption. Board Staff have talked internally about data that the System will likely need to collect for an actuarial cost memorandum.

Motion made, and seconded, to have staff to gather any or all pertinent information relative to the proposed home rule petition.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; and Chair Kelly: Aye.

Motion accepted (3-0)

Mr. Smyth offered the following PERAC memos:

- PERAC Memo 19-2026 re mandatory retirement board member training.
- PERAC Memo 20-2026 re Reinstatement to Service.
- PERAC Memo 21-2026 re Updated Calculation Figures for Post-Retirement Work Under Section 91 and Section 91A.
- PERAC Memo 22-2026 re Cost-of-Living Increase for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors.
- PERAC Pension News No. 71 issued July 2026

Documents Presented: 1. Administrative Session Agenda for 07/22/2026. 2. Administrative Session Minutes of 06/18/2026 Board Meeting; 3. Travel Request for NCPERS HR Summit. 4. July 2026 IT Update. 5. Sections 22-27 and 32-38 of FY27 Budget. 6A. PERAC Memo 19-2026 re mandatory retirement board member training. 6B. PERAC Memo 20-2026 re Reinstatement to Service. 6C. PERAC Memo 21-2026 re Updated Calculation Figures for Post-Retirement Work Under Section 91 and Section 91A. 6D. PERAC Memo 22-2026 re Cost-of-Living Increase for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors. 6E. PERAC Pension News No. 71 issued July 2026.

Outstanding/Ongoing Financial Issues: Ellen M. McCarthy, Comptroller

Mr. Smyth asked the Board if we could go out of order of the agenda to address the Boston Retirement System 12-31-2025 audited financial statements. Ms. McCarthy introduced Joel Francis Managing Director/Assurance Services of EY who presented on the System's financial statements and annual audit as of December 2025.

Mr. Francis reviewed the draft financial statements with the Board. After reviewing all of the areas that were audited, Mr. Francis indicated that they were either appropriate and in conformity with US GAAP or there were no significant issues noted.

Outstanding/Ongoing Investment Issues: John Kelly, Investment Analyst

U.S. Large Cap Equity Search

Mr. Manning opened by stating that at the June 2026 meeting, NEPC presented the full list of search respondents across core index, core, growth, and value strategies. As a reminder, the Board voted to retain RhumbLine as the System's core index manager. Today, NEPC will present the growth and value analysis, which includes the shortlisted respondents from each category and the incumbent managers: Zevenbergen for growth and Aristotle and Columbia Threadneedle for value. The review is intended to help the Board determine whether to retain the existing manager(s) or select candidates to interview. The core respondents will be evaluated at a future meeting.

*Member Callahan Arrived at 9:35 AM

Ms. Murphy stated that the full respondent list was reviewed at the June meeting. The shortlisted candidates will now be evaluated by sub-strategy. The search status in the Core Index space is complete, The Board retained RhumbLine at the June meeting. Growth and Value will be discussed today to review search analysis Select finalists or retain existing manager(s). The System has a 19% allocation target to U.S. large cap equity. The allocation consists of core, value, and growth strategies.

The following is a list of managers under consideration for this search summarizes the products proposed for each manager. Aristotle Capital Management and Columbia Threadneedle are your incumbent managers. Eagle Capital Management, Franchise Partners, LSV Asset Management and The London Company are NEPC recommended managers for comparison.

The Board, NEPC and BRS staff discussed the firm's strengths and weaknesses, fund compositions, ongoing relationship with the managers, portfolio positioning, performance and fee comparisons.

The Board felt comfortable with the performance of Columbia Threadneedle and decided they did not have to present to the Board. The Board would like to invite Large Cap Value space managers Aristotle and LSV Asset Management to present at the September 2026 Board meeting.

Ms. Murphy stated that in the Large Cap Growth space, Zevenbergen has been the incumbent manager for over 30 years with a good track record for investments on behalf of the Board. Atlanta Capital and Fidelity are FPL managers and the third included in the search is Loomis Sayles & Company.

The Board, NEPC and BRS staff discussed fund compositions, performance and fee comparisons. Zevenbergen performance and fees were favorable compared to the three other managers in the search. After discussion, the Board agreed to invite Large Cap Growth space managers Fidelity and Zevenbergen to present at the September 2026 Board meeting.

Real Estate Search

The real estate search was issued in alignment with the 2026 pacing plan, targeting approximately \$100 million in total commitments across value-add, opportunistic, and debt strategies. The value-add portion of the search has been completed, and the current review is focused on opportunistic and debt strategies. The search received over 60 responses. Today, we will review the respondents by strategy type and determine next steps in the search process.

June 2026 Flash Report

Mr. Manning reported that the plan performance in the month of June 2026 was +0.5%; 1 year was +15.1%; year to date was +6.9%; and, 3-year was +11.6%.

Work Plan

A work plan for CY26 was provided in the Board materials by NEPC and discussed.

Motion made, and seconded, to retain Columbia Threadneedle in the Large Cap Core investment space.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; Member Callahan: Aye; and Chair Kelly: Aye.

Motion accepted (4-0)

Documents Presented: NEPC June 2026 Meeting Materials.

Outstanding/Ongoing Financial Issues: Ellen M. McCarthy, Comptroller

June 2026 Financial Snapshot

Ms. McCarthy reported the June 2026 pension payroll as follows: Contributory payroll: \$67,466,816 Contributory Payees: 16,018; Non-contributory payroll: \$365,864; Total Non-contributory payees: 36; Regular Retirees: 33; Survivor/Beneficiary Retirees: 3; Disability Retirees: 6; Option C/Disb Surv: 6; Members Refunds: 64 for \$1,489,535; Members Transfers: 30 for \$2,785,634; Option B Refunds: 3 for \$299,705 and, Operational Warrants: \$851,937.

Ms. McCarthy noted that 175 outstanding checks are being held for failure to provide the biennial affidavit. Ms. McCarthy further noted that her team has been working on trying to reach out to these members, as well as utilizing two retired police officers who make home visits to those that are housebound.

Extra Expenditure for Auditors

Ms. McCarthy reported that the auditors from EY were actively working on the annual valuations. It was noted that there was additional data that needed review, which was not included in the contract. It is anticipated that the extra cost will be about \$35,000.

Motion made, and seconded, to expense an additional \$35,000 to close out the contract with Ernst & Young.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; Member Callahan: Aye; and Chair Kelly: Aye.

Motion accepted (4-0)

Documents Presented: Draft BRS 2025 Audit Results. June snapshot for calendar year 2026; Cash Disbursements Summary; Direct Deposit Bank Account Statement; Cash Receipts Summary; BRS Cash Projections; MMDT Bank Account Reconciliation; Adjusting Entries Summary; Operating Bank Account Reconciliation; MMDT Bank Account Statement; Retirement Bank Account Statement; Operating Bank Account Statement; Warrants Paid; Trial Balance; General Ledger; BRS GASB 67-68 report.

Outstanding/Ongoing Operations Issues: Christine M. Weir, Deputy Executive Director

June 2026 Pension Payroll update

Ms. Weir went on to provide an update on the payroll figures for the month of June 2026:

- 39 Possible Cases
- 29 Superannuation
- 3 Pre-retirement deaths
- 7 Disability cases
- 33 Made it to payroll
- 6 Did not make payroll (4 Superannuation's cases, 2 Death of an active.)

Backlog Processes update

Ms. Weir stated that the work vacation buybacks and CBA project totals are included in the Board package. The remaining cases consist entirely of DROs, anti-spiking cases, and several death cases requiring additional work. We are keeping up with new CBAs as they come in and are signed, and we are working with auditing to receive the file to start working on the CBA's for the Fire Department.

Documents Presented: July 2026 Vacation Buyback and CBA Recalculation Update.

Outstanding/Ongoing Legal Issues: Natacha Thomas, General Counsel

Attorney Thomas noted that PERAC approved the Board's supplemental regulations pertaining to electronic signatures.

Administrative Session Minutes

Motion made, and seconded, to accept the Administrative Session minutes of June 18, 2026, meeting as presented.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; Member Callahan: Aye; and Chair Kelly: Aye.

Motion accepted (4-0)

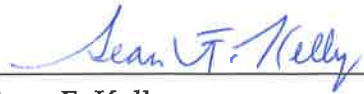
Adjourn from Administrative Session

The Board voted unanimously via roll call (4-0) to adjourn from Administrative Session and enter Executive Session at approximately 9:52 a.m.

Roll Call Vote: Member Cross: Aye; Member Finn: Aye; Member Callahan: Aye; and Chair Kelly: Aye.

Motion accepted (4-0)

Respectfully submitted,
BOSTON RETIREMENT BOARD



Sean F. Kelly
Chairman/Elected Member



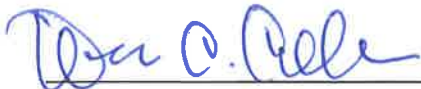
Scott M. Finn
Ex Officio Member



Karen T. Cross
Elected Member

Excused Absence

Sally D. Glora
Mayoral Appointed Member



Dennis C. Callahan, Esquire
Fifth Member