

Special Meeting – October 26, 2020

A Special monthly meeting of the Taunton Retirement Board (the “Board”) was called to order on October 26, 2020 at 8:35 a.m. At roll call, Board members present were Chairperson Ann Marie Hebert, Dennis M. Smith, Gill E. Enos, and Barry J. Amaral. Member Tom Bernier participated via remote.

With a quorum present, Chairperson Hebert called the meeting to order. The Chair noted for all that, due to the Governor’s current state of emergency declared for the COVID-19 pandemic, it has been determined that remote participation is permissible for those that choose to teleconference.

Also present were:

Executive Director Paul J. Slivinski

Greg McNeillie, Investment consultant, Dahab Associates

Participating via remote were:

Kevin Condy, Investment consultant, Dahab Associates

Arman Palian of SSgA (various index funds)

Chuck Webb & Frank Puryear of Weaver-Barksdale & Associates (equity & fixed income actively managed)

Anthony Xuereb & Bryan Power of Polen Capital (domestic growth equity actively managed)

Christopher Scarpa & Ravi Dabas of Frontier Capital (domestic mid-cap growth equity pooled fund)

Ann Larson & John Ognar of Wells Capital (domestic mid-cap value equity pooled fund)

Scott Conlon & John Grybauskas of Aberdeen Asset Mgmt. (domestic small-cap equity pooled fund)

Amit Mukadam of Vontobel Asset Mgmt. (international growth equity pooled fund)

Bill Supple, John Forelli & Aimee Kelliher of Boston Partners (international value equity pooled fund)

Peter Mostarac, Tim Love & Joaquim Nogueira of GAM (emerging markets equity pooled fund)

Annual Investment Manager Reviews 2020 – Part 1

The Board and Greg McNeillie of Dahab Associates met remotely with investment manager representatives for **SSgA, Weaver-Barksdale & Associates, Polen Capital, Frontier Capital, Wells Capital, Aberdeen Asset Mgmt., Vontobel Asset Mgmt., Boston Partners, and GAM** to conduct annual manager reviews.

Each manager was linked online via Zoom remote and was asked to provide the following information: Changes in firm; Performance Analysis; Risk Analysis; Rationale for Performance Results; Specific near-term strategy; Brokerage costs (if applicable); Proxy voting (if applicable); Changes to Investment Objectives; Cash flow projection (if applicable); Commission recapture (if applicable); and compliance with PERAC regulations. After all questions were answered to the board’s satisfaction and the board verified all managers were in compliance with the board’s investment objectives, each manager was excused. There were no major issues noted by the board and all managers were performing up to and/or exceeding their respective benchmarks.

Int’l Fixed Income RFP’s

The Board and Mr. McNeillie met to continue review of RFP’s received for International Fixed Income investment management.

There were a total of six (6) respondents – Brandywine, East Lodge Capital Partners, Muzinich & Co., PIMCO, Vanguard, & Wells Fargo Asset Mgmt. All met the Sept. 3, 2020 deadline except for Brandywine who submitted their RFP on 9/8/2020. The Board accepted Brandywine’s late RFP due to current COVID-19 environment that many companies are operating under.

Mr. McNeillie provided information and an in-depth analysis of each respondent. After review and discussion, there were only two (2) respondents that ranked “highly advantageous” – PIMCO and Vanguard. Discussion focused on active versus passive management of this asset class and possibly considering SSgA (passive Intl fixed income) as an option. It was decided that active management appeared to provide better returns. Further review indicated that PIMCO had the most advantageous product. After review and discussion, the board voted as follows:

On the motion by Enos, seconded by Smith, it was unanimously

VOTED: to select PIMCO as International Fixed Income manager (active pooled fund).

VOTE: 5-0-0; Roll Call: Amaral “Yes”; Bernier “Yes”; Enos “Yes”; Hebert “Yes”; Smith “Yes”

On the motion by Enos, seconded by Smith, it was unanimously

VOTED: to terminate Brandywine pending final approval by PERAC of PIMCO as new Intl Fixed Income manager.

VOTE: 5-0-0; Roll Call: Amaral “Yes”; Bernier “Yes”; Enos “Yes”; Hebert “Yes”; Smith “Yes”

There being no further business to come before the board, it was voted to adjourn at 11:55 a.m.

APPROVED BOARD OF RETIREMENT

Ann Marie Hebert, Ex-Officio, Chairperson

Paul J. Slivinski, Executive Director

Dennis Smith, Elected Member

Barry Amaral, Appointed Member

Thomas A. Bernier, Elected Member

Gill E. Enos, Appointed Member