

## **Regular Meeting – November 30, 2022**

The Taunton Retirement Board (the “Board”) met at 1:00 p.m. today at the retirement board offices, 104 Dean St., Suite 203, Taunton, MA with Chairman Dennis M. Smith presiding and board members Barry J. Amaral, Thomas A. Bernier, Gill E. Enos, and Ian D. Fortes were in attendance.

### **Roll Call**

All members were present at the 1:00 p.m. roll call.

Also present were:

Paul J. Slivinski, Executive Director

Karen Medeiros, Assistant Executive Director

Greg McNeillie, Investment Consultant, Dahab Associates

The Board met with investment consultant Greg McNeillie to review the following investment matters:

- Performance as of q/e 09/30/2022
- Investment policy statement update
- Mesirow High Yield Bond Fund CIT – Class A. \$14.9 mm investment completed
- Future procurements
- Annual manager review (Part 2) – 12/15/2022 @ 8:30 am

Investment performance was down for the q/e 09/30/2022 -3.7% vs. policy index -3.8% and YTD -17.6% vs. policy index -17.9%. On a YTD basis, the fund ranked in the 49<sup>th</sup> percentile in the universe of public funds for performance – the middle of the pack. Over last 10 years, the fund ranked in the 15<sup>th</sup> percentile with an annualized return of +7.6% - which meets the system’s new actuarial benchmark of 7.6%.

Mr. McNeillie advised/informed the board that Polen Capital (large-cap growth equity) and Frontier (mid-cap growth equity) were mostly the issue in regards to performance for this quarter. Growth has recently been out of favor versus value equity. Much of the overall performance is also due to Geo-Political issues. Mr. McNeillie advised that Dahab would be performing a review for future procurements and that was in the draft status. It was discussed that the real estate holdings current value is over target and needed to be reduced by 5.5% and the money be placed in fixed income as well as approve the updated investment policy. \$3mm from Intercontinental US REIF, \$5mm from TA Realty Core Property Fund for a total of \$8mm.

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

**VOTED:** to reduce the real estate holdings to 5.5%, reducing Intercontinental by \$3mm and TA Realty by \$5mm, placing the funds in fixed income and to also approve the updated investment policy statement.

VOTE: 5-0-0

### **Regular Business:**

**Minutes** – from the October 26, 2022 regular meeting.

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

**VOTED:** to approve the minutes.

VOTE: 5-0-0

**Warrants** – warrants #92 thru #102 for 2022.

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

**VOTED:** to approve the warrants.

VOTE: 5-0-0

**New members** of the system to date:

- Dylan Benoit, Library, Group 1, 9+2%
- Kelsey Wilde, School, Group 1, 9+2%
- Kirsten Masterson, Taunton Housing Authority, Group 1, 9+2%
- Emily Eberle, School, Group 1, 9+2%
- Kristina Stuart, Veterans, Group 1, 9+2%
- Madison Laliberte, School, Group 1, 9+2%
- Angela Corriveau, School, Group 1, 9+2%
- Zenaida Cain, School, Group 1, 9+2%
- Grace Gover, School, Group 1, 9+2%
- Bonnie Rose, School, Group 1, 9+2%
- Chad Hart, School, Group 1, 9+2%
- Corinna Martell, Fire, Group 1, 9+2%
- Paula Echevarria, School, Group 1, 9+2%
- Devin Fagan, School, Group 1, 9+2%
- Kerlande Juste, School, Group 1, 9+2%
- Victoria Rossi, School, Group 1, 9+2%
- Bryonna Garcia, GATRA, Group 1, 9+2%
- Gretchen Rodrigues, School, Group 1, 9+2%
- Emily Silveira, School, Group 1, 9+2%
- Rachel Chretien, School, Group 1, 9+2%
- Haleigh Savage, School, Group 1, 9+2%
- Katharine Belcher, School, Group 1, 9+2%
- Monica Scheralis, School, Group 1, 9+2%
- Kathryn Fyfe, School, Group 1, 9+2%
- Jomary Ortiz, School, Group 1, 9+2%

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

**VOTED:** to approve the new members.

VOTE: 5-0-0

**Refunds/transfers** subject to D.O.R. liens:

- Tina Bland transfer out to State Retirement System. *Taunton will accept 8 months of liability under G.L. c. 32, section 3(8)c on a 12-month basis. 12/20/2019 – 8/26/2019*
- Jermaine Owens, Veterans Office, Refund
- Mary Jo Brown-Pagliuca, School, Refund
- Jade Shadburn, transfer out to New Bedford Retirement. *Taunton will accept 10 months of liability under G.L. c. 32, section 3(8)c on a 12-month basis. 11/15/2022 – 9/30/2022*

On the motion by Amaral, seconded by Bernier, it was unanimously

**VOTED:** to approve the refunds & transfers.

VOTE: 5-0-0

**Retirement/survivorship** applications:

- Mary Jane Benker, Building Dept., Group 1, Superannuation, DOR: 1/31/23
- Linda Magnussen, School Dept., Group 1, Superannuation, DOR: 1/3/23
- Cynthia Myers, Nursing Home, Group 1, Superannuation, DOR: 11/15/22
- Frederick Bolton, III, Police Dept., Group 4 revised Superannuation date from 12/31/22 to 11/16/22

- Randy DeMello, Police Dept., Group 4, Superannuation, 11/25/22
- Linda Linhares, Light Plant, Group 1, Superannuation, 11/28/22

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

**VOTED:** to approve the retirements and survivorships.

VOTE: 5-0-0

### **Deaths**

- Michael R. Silva, DOD: 10/27/22, Opt A, no further benefits payable. Over payment \$120.11 to be collected
- Delores Silvia, DOD: 11/7/22. Opt A, no further benefits payable.

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

**VOTED:** to acknowledge deaths and place on file.

VOTE: 5-0-0

### **Make-up/redeposits** and liability for creditable service:

- Susan Adams, School, m/u, 1 year, 10 days p.t. prorated, 9/1/18-1/29/22
- Paul Gracia, Veteran m/u, 3 years, 10 months

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

**VOTED:** to accept liability for creditable service upon completion of makeup payments.

VOTE: 5-0-0

### **PERAC** Memo's and correspondence:

- PERAC Memo #28/2022- 840 CMR 28.00 Electronic Signatures
- PERAC Memo #29/2022 – 5% Local COLA option

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

**VOTED:** to receive and place on file.

VOTE: 5-0-0

On the motion by Amaral, seconded by Bernier, it was

**VOTED:** to approve COLA increase from 3% to 5% effective retro to July 1, 2022 subject to vote of mayor and city council.

VOTE: 4-1-0 Board member Enos voted "No"

### **Investments** & accounting:

- Accounting reports for m/e 09/30/2022 – Trial Balance, Cash Receipts & Disbursements, and Journal Entries. Bristol County Savings Bank Checking account statement and reconciliation as of m/e 09/30/2022. After full review of all reports, the Board voted as follows:

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

**VOTED:** to approve accounting reports for m/e 09/30/2022 – Trial Balance, Cash Receipts & Disbursements, and Journal Entries and the Bristol County Savings Bank Checking account statement and reconciliation as of 09/30/2022.

VOTE: 5-0-0

- Investment Purchases (\$58,007,795.84) and Sales \$58,001,877.12 for m/e 09/30/2022.

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

**VOTED:** to approve the purchases & sales as of 09/30/2022.

VOTE: 5-0-0

### **Funding & Budget requests:**

- Review budget expenditures and account balances thru m/e 10/31/2022.

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

**VOTED:** to approve expenditures & balances and place on file.

VOTE: 5-0-0

- The Board reviewed the calendar year 2023 retirement expense budget.

On the motion by Amaral, seconded by Bernier, it was unanimously

**VOTED:** to approve the 2023 retirement expense budget for \$624,000.00 (administrative) and for \$1,770,000.00 (investment-related) for a total of \$2,394,000.00.

VOTE: 5-0-0

**Travel, Education & Conferences:**

- NCPERS annual conference & exhibition May 20-24, 2023 in New Orleans, LA.

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

**VOTED:** to authorize all board members and staff who wish to attend the conference.

VOTE: 5-0-0

**Legal matters:**

- Review legal expenses of \$8,064.00 for m/e 10/31/2022 for Atty. Michael Sacco.

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

**VOTED:** to approve the legal expenses for m/e 10/31/2022.

VOTE: 5-0-0

- The Board reviewed PERAC response on Travel regulations as well as commentary from counsel. After review and discussion, the Board voted as follows:

On the motion by Amaral, seconded by Bernier, it was unanimously

**VOTED:** to accept the recommendations by PERAC and re-submit the travel regulations to PERAC for final approval.

VOTE: 5-0-0

- The Board reviewed the Loura appeal.

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

**VOTED:** to receive and place on file.

VOTE: 5-0-0

**Executive Director's report**

- The Board reviewed election summary from 11/10/2022 board member election as compiled by the Ex. Director.

**RESULTS**

At the close of the election at 4:00 PM on November 10, 2020, there were 683 total ballots cast. The final official results of the Taunton Retirement Board election on November 10, 2022 are as follows:

Thomas A. Bernier	460 Votes
Zachary Sousa	184 Votes
Richard Calderon	25 Votes
Write-in's	1 Votes
Disqualified ballots	<u>13 Votes</u>
<b>TOTAL VOTES</b>	<b>683 Votes</b>

Thomas A. Bernier, having received the majority of the votes cast, was declared the winner and will serve as an elected member of Taunton Retirement Board for a 3-year term commencing January 1, 2023 to December 31, 2025.

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

**VOTED:** to certify the election results and expenses and to send notice to PERAC of Thomas A. Bernier's re-election to the retirement board.

VOTE: 5-0-0

- Update on PERAC review of actuarial valuation and funding schedule. PERAC has accepted the January 1, 2022 actuarial valuation and funding schedule which incorporates a \$16K COLA base, a reduction in the investment assumption from 7.75% to 7.6% and an increase in the salary scale from 3.5% to 4.0% with amortization remaining at the year 2030.

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

**VOTED:** to approve the COLA base of \$16K effective FY2024 and to meet with the city council to request acceptance.

VOTE: 5-0-0

- Executive Director Slivinski informed the Board that there is an extra charge of \$1,500 for increase in the COLA base calculations from the Actuarial Study with Buck Consultants.

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

**VOTED:** to approve the \$1,500 fee for Buck Consultants.

VOTE: 5-0-0

- Ethics online training certificates – bi-annual certificates due for board members and staff. Ex. Dir. Slivinski will email the Board the link to fulfill this requirement. He also informed them that a copy of the certificate needed to be turned in upon completion.
- Update on securing entrance door with ring door bell and buzzer. Landlord is not inclined to pay half of the costs, therefore the project will move forward as previously authorized by the board. Asst. Ex. Dir. Medeiros will contact landlord Waterfront Realty to get this underway ASAP.

**EXECUTIVE SESSION:** there was none.

**OLD BUSINESS:** there was none.

**NEW BUSINESS:** there was none.

There being no further business to come before the board, it was voted to adjourn at 2:29 p.m.

APPROVED BOARD OF RETIREMENT

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Ian D. Fortes, Ex-Officio Member

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Paul J. Slivinski, Executive Director

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Dennis M. Smith, Elected Member, Chair

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Barry J. Amaral, Appointed Member

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Thomas A. Bernier, Elected Member

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Gill E. Enos, Appointed Member

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Karen Medeiros, Assistant Executive Director